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Vol. I

TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1934

No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, ET AL., APPELLANTS,

vs.

THE UNITED STATES OF AMERICA

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

FILED JULY 24, 1934

(30,516)

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Govt. Exhibit No. 343—Letter from G. M. Friese to T. J. Wasser, March 15, 1921.....	1413½	687

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Govt. Exhibit No. 344—E. Jaynes to New Jersey State highway department, March 18, 1921	1414	688
Govt. Exhibit No. 345—Letter from J. K. Barbour to J. E. Thropp, May 18, 1916	1418	688
Govt. Exhibit No. 346—Contract between Saxton Supply Store and J. E. Thropp	1421	689
Govt. Exhibit No. 347—Letter from B. L. Smith to Saxton Supply Store, June 3, 1916	1423	689
Govt. Exhibit No. 348—Bid, Allentown Portland Cement Co. to Boston transit commission	1424	689
Govt. Exhibit No. 349—Bid, Lehigh Portland Cement Co. to Boston transit commission	1425½	691
Govt. Exhibit No. 350—Bid, Alpha Portland Cement Co. to Boston transit commission	1427	692
Govt. Exhibit No. 351—Bid, Coplay Cement Manufacturing Co. to Boston transit commission	1430	695
Govt. Exhibit No. 352—Bid, Atlas Portland Cement Co. to Boston transit commission	1431½	696
Govt. Exhibit No. 353—Letter from Ira L. Gilkyson to Cement Manufacturers Protective Association, March 17, 1916	1433	698
Govt. Exhibit No. 354—Letter from Albert Moyer to Cement Manufacturers Protective Association, March 17, 1916	1433½	698
Govt. Exhibit No. 355—Letter from Cement Manufacturers Protective Association to Joseph Brobston, March 21, 1916	1434½	699
Govt. Exhibit No. 356—Letter from R. W. Hilles to Cement Manufacturers Protective Association, April 4, 1916	1435	699
Govt. Exhibit No. 357—Letter from H. H. Ward to C. W. Bacon, March 30, 1916	1435½	699
Govt. Exhibit No. 358—Letter from Cement Manufacturers Protective Association to H. H. Ward, March 31, 1916	1436	700
Govt. Exhibits Nos. 359, 360, 361—Correspondence between Albert Moyer and Cement Manufacturers Protective Association	1436½	700
Govt. Exhibit No. 362—Letter from F. M. Coogan to C. W. Bacon, November 7, 1916	1438	701
Govt. Exhibit No. 363—Letter from B. L. Swett to H. S. Gaines, November 16, 1917	1439	792
Govt. Exhibit No. 364—Letter from F. M. Coogan to Sales department, August 24, 1918	1439½	702
Govt. Exhibit No. 365—Letter from F. H. Smith to H. S. Gaines, July 12, 1918	1440½	703
Govt. Exhibit No. 366—Letter from F. A. Weibel to Cement Manufacturers Protective Association, April 25, 1918	1441½	704

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Govt. Exhibit No. 367—Letter from R. E. Griffith to F. H. Smith, March 5, 1919	1442	704
Govt. Exhibits Nos. 368, 369, 370, 371, 372—Letters from D. H. MacFarland to C. W. Bacon	1442½	705
Govt. Exhibit No. 374—Statement of cement produced by member companies, 1918-1920	1445½	706
Govt. Exhibit No. 373a—Statement of cement produced by member companies, 1915-1917	1446	706
Govt. Exhibit No. 376—Statement showing business transacted by members of the Cement Manufacturers Protective Association, 1916-1920	1447½	706
Govt. Exhibit No. 375a—Statement showing business transacted by all companies reporting to Cement Manufacturers Protective Association, 1916-1920	1448	706
Govt. Exhibit No. 377—Statement showing ratio between business transacted by member companies and total production by all companies, 1916-1920	1449	706
Govt. Exhibit No. 378—Statement showing ratio of shipments of members of Cement Manufacturers Protective Association to total shipments, 1915-1917	1449½	706
Govt. Exhibit No. 379—Statement showing ratio of shipments of members of Cement Manufacturers Protective Association to total shipments, 1918-1920	1450	706
Govt. Exhibit No. 380—Shipping ratios, 1915-1920	1450½	706
Govt. Exhibit No. 381—Cement shipped by defendant companies, 1916-1920	1451	706
Govt. Exhibit No. 382—Shipping ratios, 1916-1920	1451½	706
Govt. Exhibit No. 383—Shipments for other mills, 1918-1920	1452	706
Govt. Exhibit No. 384—Shipments from one mill to another, 1918-1920	1452	706
Govt. Exhibit No. 385—Annual capacities of reporting members, January, 1917	1453	706
Govt. Exhibit No. 386—Annual capacities, 1920	1453½	708
Govt. Exhibit No. 387—Annual capacities of defendant companies, 1919-1921	1454	706
Govt. Exhibit No. 388—Capacity of mills as furnished by defendants and relative capacity as computed by the Government	1454½	706
Govt. Exhibit No. 389—Statement showing business actually received as compared to that which would have been received on a relative capacity basis, 1920.	1455	706
Govt. Exhibit No. 390—Statement showing business actually received as compared to that which would have been received on a relative capacity basis, 1916-1920	1455½	706
Govt. Exhibit No. 391—Ratio of cement produced to capacity, 1916-1920	1456	706
Govt. Exhibit No. 392—Annual capacity of 1920 as compared with production	1456½	706

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Govt. Exhibit No. 394—Total cement shipped by defendants, first eight months 1920, September, October, and November, 1920, and first 11 months 1920	1457½	706
Govt. Exhibit No. 395—Number of new contracts written and cancelled, September to December, 1920	1458	706
Govt. Exhibit No. 396a—New contracts from September 1 to December 31, 1920	1459	706
Govt. Exhibit No. 397a—Cancellations from September 1 to December 31, 1920	1459½	706
Govt. Exhibit No. 398—Summary of contracts for first eleven months of 1920	1460½	706
Govt. Exhibit No. 399—Statement showing annual finished cement capacity, capacity for eight months, shipments, etc., 1920	1461	706
Govt. Exhibit No. 400—Cement shipped during first eight months of 1919	1461½	706
Govt. Exhibit No. 403a—Statement of unshipped balances, cancellations, etc., from September 1 to November 30, 1920	1462	706
Govt. Exhibit 404a—Statement of unshipped balances, etc., as of September 1, 1920	1462½	706
Govt. Exhibit No. 405—Monthly summary of contracts for first two months of 1919	1463	706
Govt. Exhibit No. 406—Summary of contracts for first three months of 1919	1463	706
Govt. Exhibit No. 407—Summary of contracts for first four months of 1919	1463½	706
Govt. Exhibit No. 408—Summary of contracts for first five months of 1919	1463½	706
Govt. Exhibit No. 409—Summary of contracts for first six months of 1919	1464	706
Govt. Exhibit No. 410—Summary of contracts for first seven months of 1919	1464	706
Govt. Exhibit No. 411—Summary of contracts for first eight months of 1919	1464½	706
Govt. Exhibit No. 412—Summary of contracts for first nine months of 1919	1464½	706
Govt. Exhibit No. 413—Summary of contracts for first ten months of 1919	1465	706
Govt. Exhibit No. 414—Summary of contracts for first eleven months of 1919	1465	706
Govt. Exhibit No. 415—Summary of contracts for twelve months, 1919	1465½	706
Govt. Exhibit No. 416—Summary of contracts for first two months, 1920	1465½	706
Govt. Exhibit No. 417—Summary of contracts for first three months, 1920	1466	706

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Govt. Exhibit No. 418—Summary of contracts for first four months, 1920	1466	706
Govt. Exhibit No. 419—Summary of contracts for first five months, 1920	1466½	706
Govt. Exhibit No. 420—Summary of contracts for first six months, 1920	1466½	706
Govt. Exhibit No. 421—Summary of contracts for first seven months, 1920	1467	706
Govt. Exhibit No. 422—Summary of contracts for first eight months, 1920	1467	706
Govt. Exhibit No. 423—Summary of contracts for first nine months, 1920	1467½	706
Govt. Exhibit No. 424—Summary of contracts for first ten months, 1920	1467½	706
Govt. Exhibit No. 425—Summary of contracts for first eleven months, 1920	1468	706
Govt. Exhibit No. 426—Summary of contracts for twelve months, 1920	1468	706
Govt. Exhibit No. 427—Summary of contracts for first two months, 1921	1468½	706
Govt. Exhibit No. 428—Summary of contracts for first three months, 1921	1468½	706
Govt. Exhibit No. 429—Summary of contract shipping points as of January 1, 1917	1469	706
Govt. Exhibits Nos. 513 and 514—Letters from W. S. Mallory to J. R. Morron, January 9, 1913, January 30, 1913	1471½	707
Govt. Exhibit No. 515—Letter from J. R. Morron to W. H. Harding	1473	708
Govt. Exhibit No. 516—Letter from J. R. Morron to G. F. Baker, Jr., December 29, 1913	1473½	708
Govt. Exhibits Nos. 517, 518, 519—Letters from J. R. Morron to E. M. Hagar	1475	710
Govt. Exhibits No. 520—Letter from J. R. Morron to J. W. Fuller, May 19, 1924	1476½	711
Govt. Exhibits Nos. 521, 522—Correspondence between J. R. Morron and B. F. Affleck	1477½	711
Govt. Exhibit No. 523—Letter from J. R. Morron to MacFarland and Kimball, March 30, 1915	1478½	712
Govt. Exhibit No. 524—Personal note, H. G. Trexler to J. R. Morron, October 29, 1915	1479	713
Govt. Exhibits Nos. 525, 526—Correspondence between H. C. Trexler and D. H. MacFarland	1479	713
Govt. Exhibit No. 527—Letter from J. C. Larimer to D. H. MacFarland, November 13, 1915	1480	714
Govt. Exhibits Nos. 528 and 529—Correspondence between J. R. Morron and J. A. Horner	1481½	715
Govt. Exhibit No. 530—Letter from Coogan to MacFarland, November 16, 1915	1428½	715
Govt. Exhibit No. 531—Minutes of meeting, November 19, 1915	1483½	716

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Govt. Exhibit No. 532—Letter from J. R. Morron to Mr. MacFarland, November 28, 1915	1484	717
Govt. Exhibit No. 533—Memorandum from D. H. MacFarland, December 1, 1915	1485½	718
Govt. Exhibit No. 534—Memorandum of telephone conversation between J. R. Morron and W. S. Mallory, December 4, 1915	1486	719
Govt. Exhibit No. 535—Letter from C. A. Kimball to D. H. MacFarland, January 11, 1916	1487	719
Govt. Exhibit No. 536—Letter from W. S. Mallory to J. R. Morron, January 17, 1916	1488	720
Govt. Exhibit No. 537—Letter from D. H. MacFarland to W. N. Miner, February 1, 1916	1489	721
Govt. Exhibits Nos. 538 and 539—Correspondence between W. N. Beach and J. R. Morron	1490½	722
Govt. Exhibit No. 540—Letter from Albert Moyer to D. H. MacFarland, May 3, 1916	1491½	723
Govt. Exhibits Nos. 541 and 542—Correspondence between B. F. Affleck and J. R. Morron	1493	724
Govt. Exhibit No. 543—Tabulation of transactions of Cement Manufacturers Protective Association	1494	725
Govt. Exhibit No. 544—Stipulation re Hurry & Seaman patent, license agreements, and association of licensed cement manufacturers	1498	725
Govt. Exhibit No. 545—License agreement between the Atlas Portland Cement Co. and North American Portland Cement Co., December 3, 1906	1500	727
Govt. Exhibit No. 546—License agreement between the North American Portland Cement Co. and the Lehigh Portland Cement Co., December 3, 1906	1523	738
Govt. Exhibit No. 547—License agreement between the North American Portland Cement Co. and the Dexter Portland Cement Co., December 31, 1907	1534	744
Govt. Exhibit No. 548—Articles of agreement of the Association of Licensed Cement Manufacturers	1547	750
Govt. Exhibit No. 549—Agreement between the North American Portland Cement Co. and the Atlas Portland Cement Co., January 30, 1909	1559	756
Govt. Exhibit No. 550—Cement prices to steam railroads	1601	776
Govt. Exhibits Nos. 551 and 552—Correspondence between J. R. Morron and W. N. Beach	1602	777
Govt. Exhibit No. 553—Stipulation re minutes of Eastern Cement Association	1603	777
Govt. Exhibit No. 554—Minutes of meetings, Eastern Cement Association	1604	778
Constitution and by-laws	1611	784
Govt. Exhibits Nos. 556 to 559—Correspondence between E. Meyer and W. S. Mallory	1637½	811

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Govt. Exhibit No. 560—Letter from J. B. Wright to Amsterdam Bldg. Co., January 27, 1913	1640	812
Govt. Exhibit No. 561—Letter from S. Churchill to Amsterdam Bldg. Co., January 20, 1913	1642	814
Govt. Exhibit No. 562—Letter from C. R. Parks to T. H. Maxwell, January 18, 1913	1643	814
Govt. Exhibit No. 563—Letter from Albert Moyer to Amsterdam Bldg. Co., December 21, 1921	1643½	815
Govt. Exhibit No. 564—Letter from H. H. Ward to Amsterdam Bldg. Co., December 20, 1912	1646	816
Govt. Exhibit No. 566—Letter from the Edison Portland Cement Co. to Amsterdam Bldg. Co., January 8, 1912	1649½	817
Govt. Exhibit No. 567—Letter from C. T. Taylor to Amsterdam Bldg. Co., January 8, 1913	1651	818
Govt. Exhibit No. 568—Letter from C. R. Parks to Amsterdam Bldg. Co., December 23, 1912	1652	819
Govt. Exhibit No. 569—Letter from F. W. Douglas to Amsterdam Bldg. Co., December 6, 1912	1654	820
Govt. Exhibit No. 570—Letter from H. A. Brown to Amsterdam Bldg. Co., December 24, 1912	1655½	821
Govt. Exhibit No. 571—Sales contract form of Atlas Portland Cement Co	1660	821
Govt. Exhibit No. 572—Sales contract form of Allentown Portland Cement Co	1662½	824
Govt. Exhibit No. 573—Memorandum of agreement, Atlas Portland Cement Co	1665	827
Govt. Exhibit No. 574—Memorandum of agreement, Bath Portland Cement Co	1667½	830
Govt. Exhibit No. 575—Memorandum of agreement, Coplay Cement Mfg. Co	1669½	832
Govt. Exhibit No. 576—Contract between Dexter Portland Cement Co. and Ruffin and Payne, August 31, 1918	1672	834
Govt. Exhibit No. 677—Contract between the Edison Portland Cement Co. and Watertown Coal Co., April 14, 1920	1674	837
Govt. Exhibit No. 578—Sales contract form of Glens Falls Portland Cement Co	1676	839
Govt. Exhibit No. 579—Contract between Giant Portland Cement Co. and E. M. Rodrock Co., February 4, 1921	1678½	842
Govt. Exhibit No. 580—Contract form of Hercules Portland Cement Co	1681½	845
Govt. Exhibit No. 581—Contract between Knickerbocker Portland Cement Co. and Manchester and Hudson Co., December 30, 1919	1683	847
Govt. Exhibit No. 582—Contract form of The Lawrence Cement Co	1684½	849

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Govt. Exhibit No. 583—Contract between Lehigh Portland Cement Co. and E. M. Rodrock Co., December 31, 1919	1686½	851
Govt. Exhibit No. 584—Letter from J. W. Ramsay to The C. H. Spring Co., April 1, 1920	1688½	853
Govt. Exhibit No. 585—Letter from T. O. Bretherton to B. F. Marsh Co., February 17, 1920	1690½	855
Govt. Exhibit No. 586—Quotation form of Pennsylvania Cement Co	1692½	857
Govt. Exhibit No. 587—Letter from L. C. Morton to Fred Kilgus, March 8, 1918	1690½	859
Govt. Exhibit No. 588—Letter from J. S. Clark to T. W. Perry, January 2, 1920	1696½	861
Govt. Exhibit No. 589—Letter from Vulcanite Portland Cement Co. to E. M. Rodrock, December 10, 1919	1698½	863
Govt. Exhibit No. 590—Tabulation of clauses of contract forms	1701½	866
Govt. Exhibit No. 591—Quotation form of the Atlas Portland Cement Co	1733	896
Govt. Exhibit No. 592—Quotation form of the Allentown Portland Cement Co	1735½	899
Govt. Exhibit No. 593—Quotation form of the Alpha Portland Cement Co	1738	901
Govt. Exhibit No. 594—Letter from J. F. Twamley to A. E. Stover, June 29, 1918	1740	903
Govt. Exhibit No. 595—Back of letterhead of Bath Portland Cement Co	1742½	905
Govt. Exhibit No. 596—Letter from J. F. Twamley to Windsor Cement Co., March 17, 1919	1744	906
Govt. Exhibit No. 597—Quotation form of the Dexter Portland Cement Co	1746½	908
Govt. Exhibit No. 598—Letter from A. C. Bruff to G. W. Kierstead, January 18, 1919	1748½	911
Govt. Exhibit No. 599—Letter from R. E. Griffith to E. M. Rodrock Co., May 27, 1919	1750½	912
Govt. Exhibit No. 600—Quotation form of Hercules Cement Corporation	1752½	914
Govt. Exhibit No. 602—Letter from F. H. Smith to Windsor Cement Co., November 15, 1919	1755½	917
Govt. Exhibit No. 603—Letter from J. A. Gray to Manchester & Hudson Co., November 24, 1920	1756½	917
Govt. Exhibit No. 604—Quotation form of Phœnix Portland Cement Co	1758	919
Govt. Exhibit No. 605—Quotation form of Nazareth Cement Co	1760	920
Govt. Exhibit No. 606—Quotation form of Penn-Allen Cement Co	1762½	923
Govt. Exhibit No. 608—Quotation form of Security Cement & Lime Co	1766½	925

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Govt. Exhibit No. 609—Quotation form of Vulcanite Portland Cement Co.	1770½	928
Govt. Exhibit No. 610—Quotation form of Alpha Portland Cement Co.	1772½	930
Govt. Exhibit No. 611—Quotation form of The Atlas Portland Cement Co.	1774	932
Govt. Exhibit No. 612—Quotation form of Allentown Portland Cement Co.	1777	934
Govt. Exhibit No. 613—Quotation form of Bath Portland Cement Co.	1779	936
Govt. Exhibit No. 614—Quotation form of Coplay Cement Mfg. Co.	1781	938
Govt. Exhibit No. 615—Quotation form of Dexter Portland Cement Co.	1783	940
Govt. Exhibit No. 616—Quotation form of Edison Portland Cement Co.	1785	942
Govt. Exhibit No. 617—Letter from S. N. Peters to E. M. Rodrock, December 2, 1920.	1787	944
Govt. Exhibit No. 618—Quotation form of Glens Falls Portland Cement Co.	1789	945
Govt. Exhibit No. 619—Quotation form of Hercules Cement Corporation.	1793	947
Govt. Exhibit No. 620—Letter from W. M. Floring to Windsor Cement Co., August 12, 1919.	1794½	948
Govt. Exhibit No. 621—Letter from F. H. Smith to J. P. Hall, March 27, 1917.	1796	950
Govt. Exhibit No. 622—Quotation form of Lehigh Portland Cement Co.	1797	950
Govt. Exhibit No. 623—Quotation form of Nazareth Cement Co.	1799	952
Govt. Exhibit No. 624—Quotation form of Penn-Allen Cement Co.	1801½	954
Govt. Exhibit No. 625—Quotation form of Phœnix Portland Cement Co.	1803½	955
Govt. Exhibit No. 626—Quotation form of Security Cement and Lime Co.	1805½	957
Govt. Exhibit No. 627—Letter from Albert Moyer to E. M. Rodrock Co., November 5, 1920.	1808½	960
Govt. Exhibit No. 628—Tabulation of quotation forms.	1811	961
Govt. Exhibit No. 629—Quotation form of Alpha Portland Cement Co.	1812½	962
Govt. Exhibit No. 631—Cement Manufacturers Protective Association production statistics for month of February, 1916.	1815	963
Govt. Exhibit No. 632—Cement Manufacturers Protective Association production statistics for month of March, 1916.	1815½	963
Govt. Exhibit No. 633—Cement Manufacturers Protective Association production statistics for month of April, 1916.	1816	963

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Govt. Exhibit No. 676—Dates when changes were made effective by each company in the base price used by it in figuring most of its quotations, Hudson River	1823	963
Govt. Exhibit No. 677—Annual productive capacity of mills, January 1, 1917	1825	963
Govt. Exhibit No. 678—Tabulation of average cost of bags sold by defendant companies, 1916-1921	1826½	964
Govt. Exhibit No. 679—Tabulation of amounts charged for each bag by defendant companies, January 1, 1919, to April 1, 1921	1827	965
Govt. Exhibit No. 680—Letter from C. N. Apgar to J. J. Collister, April 21, 1919	1829	966
Govt. Exhibit No. 681—Letter from secretary to W. E. St. Clair, April 25, 1919	1830	966
Govt. Exhibit No. 682—Letter from H. S. Gaines to F. M. Coogan, September 4, 1918	1830½	967
Govt. Exhibit No. 683—Letter from F. M. Coogan to H. S. Gaines, September 5, 1918	1831	967
Govt. Exhibit No. 684—Letter from W. F. Clark to H. S. Gaines, September 5, 1918	1831½	968
Govt. Exhibit No. 685—Letter from Security Cement & Lime Co. to W. F. Clark	1832	968
Govt. Exhibit No. 686—Letter from W. F. Clark to P. C. Somervell, June 2, 1915	1832½	969
Govt. Exhibit No. 687—Letter to W. E. Miner, March 1, 1916	1833	969
Govt. Exhibit No. 688—Letter from W. Young to Mr. Kimball, March 16, 1916	1834	970
Govt. Exhibit No. 689—Letter from F. M. Coogan to C. W. Bacon, May 18, 1917	1835	971
Govt. Exhibit No. 690—Circular letter from C. W. Bacon to members	1836	972
Govt. Exhibit No. 691—Letter from F. M. Coogan to J. J. Collister, August 23, 1920	1837	972
Govt. Exhibits Nos. 692 and 693—Circular letters to members, August 25 and August 27, 1920	1838	973
Govt. Exhibit No. 694—Letter from sales department to Mr. Stinson, August 27, 1920	1839½	975
Govt. Exhibit No. 695—Letter from J. W. Stinson to W. M. Floring, August 26, 1920	1840	975
Govt. Exhibit No. 696—Letter from Bath Portland Cement Co. to E. C. Schaffer, March 18, 1921	1840½	976

	Original	Print
Govt. Exhibit No. 697—Letter from C. N. Apgar to Security Cement and Lime Co., February 25, 1916...	1841½	977
Govt. Exhibit No. 698—Letter from C. N. Apgar to Cement Manufacturers Protective Association, December 20, 1920.....	1842	977
Govt. Exhibit No. 699—Letter from J. W. Stinson to Knickerbocker Portland Cement Company, Inc., December 10, 1920.....	1842½	978
Govt. Exhibit No. 700—Letter from sales department to Mr. Stinson, December 13, 1920.....	1843½	978
Govt. Exhibit No. 701—Letter from F. M. Coogan to C. W. Bacon, June 16, 1917.....	1844	979
Govt. Exhibits Nos. 702 and 703—Correspondence between J. P. Beck and C. W. Bacon.....	1845	979
Govt. Exhibit No. 704—Letter from D. H. MacFarland to Mr. Gowen, November 6, 1916.....	1846	980
Govt. Exhibit No. 705—Circular letter to members, December 5, 1916.....	1846½	980
Govt. Exhibit No. 706—Circular letter to members from W. D. Lober, January 22, 1916.....	1847	981
Govt. Exhibits Nos. 707 to 710—Correspondence between A. D. Naylor and H. S. Gaines.....	1848	981
Govt. Exhibit No. 711—Letter from R. W. Hilles to Cement Manufacturers Protective Association, March 17, 1919.....	1850	983
Govt. Exhibit No. 712—Letter from C. W. Bacon to L. A. Cover, March 30, 1916.....	1850½	983
Govt. Exhibit No. 713—Letter from sales manager to W. L. Sperry, April 20, 1916.....	1851	984
Govt. Exhibit No. 714—Letter from W. L. Sperry to J. K. Barbour.....	1851½	984
Govt. Exhibit No. 715—Letter from Security Cement & Lime Co. to W. L. Sperry, April 22, 1916.....	1852½	985
Govt. Exhibit No. 716—Letter from Cement Manufacturers Protective Association to A. V. Le Masters, July 19, 1917.....	1853	985
Govt. Exhibit No. 717—Letter from J. J. Porter to Cement Manufacturers Protectice Association, August 20, 1918.....	1853½	985
Govt. Exhibit No. 718—Letter from L. A. C. to B. T. Scott, April 1, 1915.....	1854½	986
Govt. Exhibit No. 719—Letter from E. R. Stapleton to L. A. Cover, April 7, 1915.....	1855	986
Govt. Exhibits Nos. 720 and 721—Letters from R. E. Griffith to C. W. Bacon, April 14 and April 21, 1916..	1855½	986
Govt. Exhibits Nos. 722 to 725—Correspondence between C. W. Bacon and B. L. Swett.....	1856½	987
Govt. Exhibit No. 726—Letter from J. L. States to C. W. Bacon, May 9, 1916.....	1858½	988

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Govt. Exhibit No. 727—Letter from C. W. Bacon to R. E. Griffith, May 10, 1916	1859	989
Govt. Exhibits Nos. 728 and 729—Correspondence between E. P. Alker and B. L. Swett	1860	990
Govt. Exhibits Nos. 730 and 731—Correspondence between C. W. Bacon and S. J. Fehnel	1861	990
Govt. Exhibit No. 732—Letter from W. D. Lober to D. H. MacFarland, May 7, 1917	1862½	991
Govt. Exhibit No. 733—Memorandum from J. F. T. to D. H. MacFarland	1863½	992
Govt. Exhibit No. 734—Letter from Kern Dodge, May 3, 1917	1864	992
Govt. Exhibit No. 735—Letter from C. W. Bacon to J. F. Twamley, May 10, 1917	1864½	992
Govt. Exhibit No. 736—Letter from C. W. Bacon to D. H. MacFarland, May 10, 1917	1865½	993
Govt. Exhibit No. 737—Letter from B. L. Swett to H. S. Gaines, November 16, 1917	1866	993
Govt. Exhibit No. 738—Letter from E. R. Stapleton to Robert Griffith, February 4, 1919	1866½	994
Govt. Exhibit No. 739—Letter from R. E. Griffith to E. R. Stapleton, February 5, 1919	1870	994
Govt. Exhibit No. 740—Letter from Raymond to R. E. Griffith, May 20, 1919	1871	995
Govt. Exhibit No. 741—Letter from R. E. Griffith to F. M. Coogan, June 11, 1919	1871½	995
Govt. Exhibit No. 742—Letter from J. B. Lober to G. S. Brown, January 19, 1921	1872	996
Govt. Exhibit No. 743—Letter from F. E. Paulson to Security Cement & Lime Co., April 10, 1915	1873	996
Govt. Exhibit No. 744—Letters from J. K. Barbour to F. M. Coogan, May 21 and June 16, 1915	1873½	997
Govt. Exhibits Nos. 746 and 747—Correspondence between H. S. Gaines and B. L. Swett	1874½	998
Govt. Exhibit No. 748—Letter from J. R. Morron to Mr. Gowen, July 12, 1915	1875½	998
Govt. Exhibits Nos. 749 to 751—Correspondence between W. N. Beach and F. M. Coogan	1876½	999
Govt. Exhibit No. 752—Circular from Lehigh Portland Cement Co., December 6, 1916	1878½	1000
Govt. Exhibit No. 753—Circular to members from Alpha Portland Cement Co	1879	1000
Govt. Exhibit No. 754—Letter from The Atlas Portland Cement Co. to J. P. Hall, Inc., December 7, 1916	1880	1001
Govt. Exhibits Nos. 755 and 756—Correspondence between W. S. Mallory and C. W. Bacon	1880½	1002
Govt. Exhibit No. 757—Letter from W. D. Clark to Cement Manufacturers Protective Association, August 6, 1917	1882	1003

	Original	Print
Govt. Exhibit No. 758—Letter from C. H. Cox to Cement Manufacturers Protective Association, October 5, 1918	1882½	1003
Govt. Exhibits Nos. 759 and 760—Letters from G. F. Bayle, Jr., to Cement Manufacturers Protective Association, July 16, 1919, and October 14, 1919	1883	1004
Govt. Exhibit No. 761—Letter from Joseph Brobston to Miss M. B. Phalen, September 8, 1919	1884	1004
Govt. Exhibit No. 762—Letter from R. W. Hilles to B. L. Swett, December 30, 1919	1885	1005
Govt. Exhibits Nos. 763 to 768—Correspondence between H. B. Warner and Morris Kind	1885½	1006
Govt. Exhibit No. 769—Letter from Archibald Cox to W. D. Lober, October 27, 1917	1888½	1008
Govt. Exhibit No. 770—Letter from W. D. Lober to C. W. Bacon, October 31, 1917	1889	1008
Govt. Exhibit No. 771—Letter from Archibald Cox to W. D. Lober, October 27, 1917	1889½	1008
Govt. Exhibit No. 772—Letter from G. F. Bayle to W. D. Lober, November 1, 1917	1890½	1009
Govt. Exhibit No. 773—Letter from W. N. Beach to W. D. Lober, November 1, 1917	1891	1010
Govt. Exhibit No. 774—Letter from W. E. Erdell to W. D. Lober, November 1, 1917	1891½	1010
Govt. Exhibit No. 775—Letter from F. M. Coogan to W. D. Lober, November 1, 1917	1892	1010
Govt. Exhibit No. 776—Letter from E. B. Goode, Jr., to W. D. Lober, November 1, 1917	1892½	1011
Govt. Exhibit No. 777—Letter from J. A. Horner to W. D. Lober, November 1, 1917	1893	1011
Govt. Exhibit No. 778—Letter from J. F. Twamley to W. D. Lober, November 1, 1917	1893½	1012
Govt. Exhibit No. 779—Letter from H. H. Ward to W. D. Lober, November 1, 1917	1894	1012
Govt. Exhibit No. 780—Letter from H. M. Scott to W. D. Lober, November 1, 1917	1894½	1012
Govt. Exhibit No. 781—Letter from F. H. Smith to W. D. Lober, November 1, 1917	1896½	1013
Govt. Exhibit No. 782—Letter from W. S. Mallory to W. D. Lober, November 2, 1917	1897½	1013
Govt. Exhibit No. 783—Letter from W. G. Dutton to W. D. Lober, November 2, 1917	1898	1014
Govt. Exhibit No. 784—Letter from R. L. Cope to W. D. Lober, November 2, 1917	1899	1014
Govt. Exhibit No. 785—Letter from R. E. Griffith to W. D. Lober, November 2, 1917	1899½	1015
Govt. Exhibit No. 786—Letter from R. W. Hilles to W. D. Lober, November 3, 1917	1900	1015
Govt. Exhibit No. 787—Letter from B. L. Swett to W. D. Lober, November 5, 1917	1900½	1015

	Original	Print
Govt. Exhibit No. 788—Letter from H. S. Gaines to Irving Oberman, October 18, 1917	1901	1016
Govt. Exhibit No. 789—Letter from H. S. Gaines to Harry I. Norton, November 5, 1917	1901½	1016
Govt. Exhibit No. 790—Letter from W. G. Dutton to W. D. Lober, November 27, 1917	1902½	1017
Govt. Exhibit No. 791—Letter from president Cement Manufacturers Protective Association to W. G. Dutton, December 3, 1917	1904	1018
Govt. Exhibit No. 792—Letter from W. D. Lober to C. W. Bacon, December 3, 1917	1904½	1018
Govt. Exhibit No. 793—Letter from president Cement Manufacturers Protective Association to J. R. Morron, February 14, 1918	1905	1019
Govt. Exhibits Nos. 794 and 795—Correspondence between W. N. Beach and W. G. Dutton	1906½	1020
Govt. Exhibit No. 796—Letter from A. B. Daniels to W. G. Dutton, February 20, 1918	1908	1021
Govt. Exhibit No. 797—Letter from W. G. Dutton to A. B. Daniels, February 23, 1918	1909	1021
Govt. Exhibits Nos. 798 and 799—Correspondence between W. G. Dutton and L. C. Morton	1910	1022
Govt. Exhibit No. 800—Letter from H. S. Gaines to T. E. Wright, March 21, 1919	1911	1022
Govt. Exhibit No. 801—Estimate of defendants' properties in 1919	1912½	1023
Govt. Exhibit No. 802—Letter from W. M. Floring to Manchester & Hudson Co., April 1, 1919	1913	1023
Govt. Exhibit No. 803—Letter from W. M. Floring to Windsor Cement Co., April 1, 1919	1915½	1023
Govt. Exhibit No. 804—Comparison of wholesale prices at present with 1920 and prewar	1918½	1024
Govt. Exhibit No. 805—Wholesale price comparisons	1919	1024
Govt. Exhibit No. 806—Chart showing recession in prices as of December, 1921, of commodities on Defendants' Exhibit 134	1921½	1024
Govt. Exhibit No. 807—Chart showing wholesale price comparisons	1922	1024
Govt. Exhibit No. 808—Letter from L. R. B. to F. A. Boeyge et al., January 26, 1920	1922½	1024
Govt. Exhibit No. 809—Letter from L. R. B. to D. H. MacFarland, June 4, 1920	1923	1024
Govt. Exhibit No. 810—Circular letter to members, June 24, 1920	1924	1024
Govt. Exhibit No. 811—Number of officers and salaries, 1916-1921, Allentown	1924½	1025
Govt. Exhibit No. 812—Number of officers and salaries, 1916-1921, Alpha	1924½	1025
Govt. Exhibit No. 813—Number of officers and salaries, 1916-1921, Atlas	1925	1025

	Original	Print
Govt. Exhibit No. 814—Number of officers and salaries, 1916-1921, Bath	1925	1026
Govt. Exhibit No. 815—Number of officers and salaries, 1916-1921, Copley	1925½	1026
Govt. Exhibit No. 816—Number of officers and salaries, 1916-1921, Dexter	1925½	1026
Govt. Exhibit No. 817—Number of officers and salaries, 1916-1921, Edison	1926	1026
Govt. Exhibit No. 818—Number of officers and salaries, 1916-1921, Giant	1926	1027
Govt. Exhibit No. 819—Number of officers and salaries, 1916-1921, Glens Falls	1926½	1027
Govt. Exhibit No. 820—Number of officers and salaries, 1916-1921, Hercules	1926½	1027
Govt. Exhibit No. 821—Number of officers and salaries, 1916-1921, Knickerbocker	1927	1027
Govt. Exhibit No. 822—Number of officers and salaries, 1916-1921, Lawrence	1927	1028
Govt. Exhibit No. 823—Number of officers and salaries, 1916-1921 Lehigh	1927½	1028
Govt. Exhibit No. 824—Number of officers and salaries, 1916-1921, Nazareth	1927½	1028
Govt. Exhibit No. 825—Number of officers and salaries, 1916-1921, Penn-Allen	1928	1028
Govt. Exhibit No. 826—Number of officers and salaries, 1916-1921, Pennsylvania	1928	1029
Govt. Exhibit No. 827—List of officers and salaries, 1916-1921, Phœnix	1928½	1029
Govt. Exhibit No. 828—List of officers and salaries, 1916-1921, Security	1928½	1029
Govt. Exhibit No. 829—List of officers and salaries, 1916-1921, Vulcanite	1929	1029
Defts' Exhibit D-1—Bureau of Standards circular No. 33, United States Government specifications for Portland cement	1932	1030
Defts' Exhibit No. D-2—Correspondence	1958	1030
Defts' Exhibit No. D-3—Correspondence between Cement Manufacturers Protective Association and Lehigh Portland Cement Co	1962	1034
Defts' Exhibit No. D-4—Instructions to auditors	1965	1037
Defts' Exhibit D-5—Correspondence	1967	1039
Defts' Exhibit No. D-6—Correspondence	1971½	1043
Defts' Exhibit No. D-7—Letter from B. L. Swett to Cement Manufacturers Protective Association, January 16, 1920	1975	1046
Defts' Exhibit No. D-9—Annual report of Cement Manufacturers Protective Association, 1920	1977	1048
Defts' Exhibit No. D-24—Letter from D. H. MacFarland to C. A. Kimball, October 20, 1916	1999	1054
Defts' Exhibit No. D-25—Letter from J. R. Morron to D. H. MacFarland, October 20, 1916	2000	1055

	Original	Print
Def'ts' Exhibit No. D-26—Letter from C. A. Kimball to D. H. MacFarland, October 20, 1915	2001	1056
Def'ts' Exhibit No. D-27—Letter from J. R. Morron to L. G. McConnell, January 15, 1917	2002	1056
Def'ts' Exhibits Nos. D-28 to D-34—Letters from J. R. Morron to Mr. Holman	2002½	1056
Def'ts' Exhibits Nos. D-35 to D-50—Correspondence between E. B. Goode and A. P. Lockwood	2008½	1059
Def'ts' Exhibits Nos. D-51 to D-55—Correspondence between W. G. Dutton and Mr. Franks	2015½	1064
Def'ts' Exhibit No. D-56—Letter from W. L. H. to J. H. Kelter Co., June 3, 1919	2019	1066
Def'ts' Exhibit No. D-57—Letter from W. M. Floring to Albany Builders Supply Co., Inc., January 28, 1921	2020	1067
Def'ts' Exhibit No. D-58—Letter from Knickerbocker Portland Cement Co. to A. Lyth and Sons Co., May 3, 1921	2021½	1067
Def'ts' Exhibit No. D-59—Letter from Giant Portland Cement Co. to A. Lyth & Sons Co., May 10, 1920	2022	1068
Def'ts' Exhibits Nos. D-60 and D-61—Circulars from Alpha Portland Cement Co., April 11, 1919	2022½	1068
Def'ts' Exhibit No. D-62—Circular from Alpha Portland Cement Co., September 3, 1918	2024½	1070
Def'ts' Exhibit No. D-63—Letter from H. H. Ward to Albany Builders Supply Co., December 10, 1914	2028½	1074
Def'ts' Exhibit No. D-64—Letter from W. M. Floring to Albany Builders and Supply Co., April 13, 1920	2030	1074
Def'ts' Exhibit No. D-65—Letter from L. G. McConnell to D. H. MacFarland, January 16, 1917	2032	1074
Def'ts' Exhibit No. D-66—Letter from L. G. McConnell to C. A. Kimball, January 23, 1917	2033	1075
Def'ts' Exhibit No. D-67—Letter from W. G. Thompson to Mr. Heft, March 21, 1918	2033½	1076
Def'ts' Exhibit No. D-68—Letter from H. C. S. to Mr. Kimball, March 21, 1918	2034	1076
Def'ts' Exhibit No. D-69—Letter from E. J. to Mr. Kimball, March 21, 1918	2034½	1076
Def'ts' Exhibits Nos. D-70, D-71, and D-72—Price quotations	2034½	1077
Def'ts' Exhibit No. D-73—Letter from Alpha Portland Cement Co. to R. G. Brewer, March 21, 1918	2035½	1077
Def'ts' Exhibits Nos. D-74, D-75, and D-76—Price quotations	2037½	1078
Def'ts' Exhibit No. D-77—Letter from Vulcanite Portland Cement Co. to R. G. Brewer, March 21, 1918	2038½	1078
Def'ts' Exhibit No. D-78—Letter from Alpha Portland Cement Co. to J. J. Leonard, March 21, 1918	2040	1079
Def'ts' Exhibit No. D-79—Letter from O. B. Williams to J. J. Leonard, March 21, 1918	2041½	1079

	Original	Print
Def'ts' Exhibit No. D-80—Letter from D. H. MacFarland to J. R. Morron, March 21, 1918	2042½	1080
Def'ts' Exhibit No. D-81—Telegram from J. R. Morron to D. H. MacFarland, March 21, 1918	2043	1080
Def'ts' Exhibit No. D-82—Letter from D. H. MacFarland to J. R. Morron, March 21, 1918	2043½	1080
Def'ts' Exhibit No. D-83—Telegraph from J. R. Morron to B. H. MacFarland, March 22, 1918	2044	1081
Def'ts' Exhibit No. D-84—Letter from D. H. MacFarland to J. R. Morron, March 23, 1918	2044½	1081
Def'ts' Exhibits Nos. D-85 and D-86—Telegrams from J. R. Morron to D. H. MacFarland, March 24, 1918	2045	1081
Def'ts' Exhibit No. D-87—Letter from C. A. Kimball to McKenna, March 22, 1918	2046	1082
Def'ts' Exhibit No. D-88—Letter from C. A. Kimball to Boston office, March 22, 1918	2046½	1082
Def'ts' Exhibit No. D-129—Chart showing percentage change in volume of shipments for cement and other construction materials	2048	1082
Def'ts' Exhibit No. D-130—Circular letter to members from H. G. Jacobsen, May 25, 1920	2049	1083
Def'ts' Exhibit No. D-130A—Circular letter to members from A. N. Johnson, May 26, 1920	2049½	1083
Def'ts' Exhibit No. D-131—Circular letter to members from A. N. Johnson, June 22, 1920	2050½	1084
Def'ts' Exhibit No. D-132—Brief of The Portland Cement Co. to Interstate Commerce Commission re modification of service order No. 7	2051½	1085
Def'ts' Exhibit No. D-133—Circular letter to members from G. A. Ricker, August 21, 1920	2054½	1087
Def'ts' Exhibit No. D-134—Chart showing maximum wholesale prices of commodities	2056	1088
Def'ts' Exhibit No. D-136—Telegram from W. A. Holman to J. R. Morron, April 24, 1922	2057	1088
Def'ts' Exhibit No. D-137—Announcement, Edison Portland Cement Co	2057½	1089
Def'ts' Exhibit No. D-147—Letter from State highway engineer to Vulcanite Portland Cement Co., March 20, 1919	2058	1089
Def'ts' Exhibit No. D-148—Correspondence	2058½	1090
Def'ts' Exhibit No. D-149—Tabulation of replies to inquiry contained in Govt. Exhibit No. 326	2066½	1096
Def'ts' Exhibit No. D-150—Letter from J. A. Norton to Atlas Portland Cement Co., January 20, 1920	2067½	1098
Def'ts' Exhibit No. D-151—Letter from The Atlas Portland Cement Co., January 21, 1920	2068	1098
Def'ts' Exhibit No. D-152—Letter from Coplay Cement Mfg. Co. to George A. Fuller Co., April 5, 1921	2068½	1098
Def'ts' Exhibit No. D-153—Letter from A. I. Campbell to Lawrence Cement Company, November 1, 1920	2069½	1099

	Original	Print
Def'ts' Exhibits No. D-154 and D-155—Letters from Coplay Cement Co. to Thompson Starrett Co.	2070½	1100
Def'ts' Exhibit No. D-156—Telegram from W. A. Holman to W. E. Erdell, February 28, 1919	2071½	1101
Def'ts' Exhibit No. D-157—Industrial Board of the Department of Commerce, Bulletin No. 49	2072½	1102
Def'ts' Exhibits Nos. D-166 to D-170—Letters from J. R. Morron to W. A. Holman	2078½	1107
Def'ts' Exhibit No. D-171—Letter from The Atlas Portland Cement Co. to D. H. MacFarland, September 1, 1915	2081½	1109
Def'ts' Exhibit No. D-172—Letter from D. H. MacFarland to J. C. Larimer, November 30, 1915	2082	1109
Def'ts' Exhibits Nos. D-173, D-174, and D-175—Letters from J. R. Morron to D. H. MacFarland	2082½	1110
Def'ts' Exhibit No. D-176—Letter from L. G. McConnell to Clark & Conklin, July 23, 1918	2086	1112
Def'ts' Exhibit No. D-177—Letter from L. G. McConnell to Mr. Heft, August 5, 1918	2087	1113
Def'ts' Exhibit No. D-178—Letter from L. G. McConnell to Mr. Hicks, November 19, 1919	2087½	1113
Def'ts' Exhibit No. D-179—Letter from F. B. McKenna to L. G. McConnell, March 13, 1919	2088	1114
Def'ts' Exhibit No. D-180—Letter from L. G. McConnell to D. R. Long, January 21, 1920	2088½	1114
Def'ts' Exhibit No. D-181—Letter from L. G. McConnell to Mr. McKenna, October 22, 1919	2089	1114
Def'ts' Exhibit No. D-182—Letter from L. G. McConnell to Mr. Jaynes, October 3, 1919	2089½	1115
Def'ts' Exhibit No. D-183—Letter from L. G. McConnell to Mr. Long, October 3, 1919	2090	1115
Def'ts' Exhibit No. D-184—Letter from L. G. McConnell to Mr. Spencer, October 3, 1919	2090½	1115
Def'ts' Exhibit No. D-185—Letter from L. G. McConnell to Mr. Conklin, October 3, 1919	2091	1116
Def'ts' Exhibits Nos. D-186 and D-187—Correspondence between J. R. Morron and L. G. McConnell	2091½	1116
Def'ts' Exhibit No. D-190—Correction notice in freight rate books	2093	1117
Def'ts' Exhibits Nos. D-191 and D-192—Correspondence between W. M. Floring and J. W. Stinson	2095	1117
Def'ts' Exhibit No. D-193—Letter from H. S. Gaines to A. D. Naylor, January 28, 1919	2096½	1118
Def'ts' Exhibits Nos. D-194 and D-195—Letters from C. H. Cox to M. J. Frostholm, September 22, 1919, and November 23, 1920	2097	1119
Def'ts' Exhibit No. D-196—Telegram from Phœnix Portland Cement Co. to P. E. Bradlee, October 22, 1920	2098	1119

	Original	Print
Def'ts' Exhibits Nos. D-197 and D-198—Letters from C. H. Cox to P. E. Bradlee	2098½	1120
Def'ts' Exhibits Nos. D-199 and D-200—Correspondence between G. M. Clukas and W. N. Beach	2099½	1120
Def'ts' Exhibit No. D-201—Letter from Bickel to Albert Moyer, July 11, 1918	2101	1121
Def'ts' Exhibit No. D-202—Letter from C. H. Cox to F. L. Leach, October 6, 1919	2101½	1122
Def'ts' Exhibit No. D-203—Letter from A. G. Gowen to J. R. Morron, July 13, 1915	2102	1122
Def'ts' Exhibit No. D-204—Letter to Mr. Gowen, July 15, 1915	2102½	1122
Def'ts' Exhibits Nos. D-205 and D-206—Letters from A. G. Gowen to J. R. Morron, July 6, July 27, 1915	2103	1123
Def'ts' Exhibit No. D-207—Memorandum from Atlas Portland Cement Co.	2104½	1124
Def'ts' Exhibits Nos. D-208, D-209, and D-210—Correspondence between Mr. Young and J. R. Morron	2105	1124
Def'ts' Exhibit No. D-211—Minutes of meeting, September 14, 1915	2108	1127
Def'ts' Exhibit No. D-212—Minutes of meeting, December 16, 1915	2108½	1127
Def'ts' Exhibits Nos. D-213 and D-214—Correspondence between W. A. Holman and Archibald Cox	2109	1128
Def'ts' Exhibit No. D-215—Report from C. S. Swallow, January 5, 1916	2111	1129
Def'ts' Exhibits Nos. D-216 and D-217—Correspondence between W. F. Floring and Mr. Stinson	2111½	1129
Def'ts' Exhibit No. D-218—Letter from A. D. Naylor to Mr. White, April 25, 1921	2112½	1130
Def'ts' Exhibit No. D-219—Letter from A. D. Naylor to Mr. Abbott, April 25, 1921	2113	1130
Def'ts' Exhibit No. D-220—Letter from A. D. Naylor to Mr. White, June 8, 1921	2113½	1131
Def'ts' Exhibit No. D-221—Letter from F. H. Smith to salesman, May 16, 1916	2114	1131
Def'ts' Exhibit No. D-222—Letter from Lawrence Portland Cement Co. to F. H. Smith, May 17, 1916	2114½	1131
Def'ts' Exhibits Nos. D-223 and D-224—Letters from R. A. Pruden to J. P. Maloney	2115	1132
Def'ts' Exhibit No. D-225—Letter from F. H. Smith to J. P. Maloney, February 1, 1917	2116	1132
Def'ts' Exhibit No. D-226—Letter from R. A. Pruden to Construction Supply Co., April 19, 1919	2116½	1133
Def'ts' Exhibit No. D-227—Telegram from Construction Supply Co. to Lawrence Cement Co., April 19, 1919	2117	1133
Def'ts' Exhibit No. D-228—Letter from B. F. Stradley to J. F. Twamley, July 6, 1916	2117½	1133

	Original	Print
Def'ts' Exhibits Nos. D-229 to D-231—Correspondence between Pennsylvania Cement Co. and G. M. Clukas.	2118	1134
Def'ts' Exhibits Nos. D-232 to D-234—Correspondence between H. B. Brewster and E. P. Alker and H. B. Brewster	2120½	1135
Def'ts' Exhibits Nos. D-235 to D-237—Correspondence between E. B. Goode and T. F. McBride	2122	1136
Def'ts' Exhibits Nos. D-238 and D-239—Correspondence between P. L. Hayden and B. W. Kessel	2123½	1137
Def'ts' Exhibit No. D-240—Letter from D. H. MacFarland to W. A. Holman, April 7, 1919	2124½	1138
Def'ts' Exhibit No. D-241—Letter from J. R. Morron to Mr. MacFarland, April 10, 1919	2126	1139
Def'ts' Exhibit No. D-242—Letter from L. Larmont to Dexter Portland Cement Co., December 21, 1920	2126½	1140
Def'ts' Exhibit No. D-243—Letter from H. Y. to H. Wales Lines Co., December 29, 1920	2127	1140
Def'ts' Exhibits Nos. D-244 and D-245—Correspondence between S. J. Fehnel and J. W. Ramsay	2127½	1140
Def'ts' Exhibits Nos. D-246 to D-248—Correspondence between J. W. Ramsay and J. A. Horner	2128½	1141
Def'ts' Exhibit No. D-249—Letter from C. H. Cox to P. E. Bradlee, May 31, 1921	2130	1142
Def'ts' Exhibit No. D-250—Letter from L. R. Beach to Mr. MacFarland, June 19, 1920	2131	1143
Def'ts' Exhibits Nos. D-260A to D-260S—Shipments monthly and annually of member companies, 1913-1921	2138	1145
Def'ts' Exhibit No. D-261—Shipments of all companies, 1913-1921	2157	1164
Def'ts' Exhibit No. 262—Average price realized per barrel for all companies, 1913-1921	2158	1165
Def'ts' Exhibits Nos. D-263A to D-263R—Individual statements showing coal used by each company, 1913-1921	2159	1166
Def'ts' Exhibits Nos. D-264A to D-264S—Individual statements showing cost per barrel monthly and annually by each company, 1913-1921	2177	1184
Def'ts' Exhibits Nos. D-265A to D-265I—Labor costs per barrel, monthly and annually, for all companies, 1913-1921	2196	1203
Def'ts' Exhibit No. D-266—Production for all companies annually, 1913-1921	2205	1212
Def'ts' Exhibit No. D-267—Hourly rates of labor, monthly and annually, for Alpha Portland Cement Co., 1913-1921	2206	1213
Def'ts' Exhibits Nos. D-268A to D-268S—Individual statements of selling expense and pay-roll for member companies, 1913-1921	2207	1214

	Original	Print
Def'ts' Exhibits Nos. D-269A to D-269I—Selling expense and pay roll for all companies, 1913-1921	2226	1233
Def'ts' Exhibits Nos. D-270A to D-270S—Individual financial statements of member companies, 1913-1921.	2235	1224
Def'ts' Exhibits Nos. D-271A to D-271I—Financial statements of all companies, 1913-1921	2254	1261
Def'ts' Exhibits Nos. D-272A to D-272D—Individual statements of expense for Atlas, Lehigh, Penn-Allen, and Coplay Portland Cement Companies, 1913-1921.	2263	1270
Def'ts' Exhibits Nos. D-273A to D-273S—Individual statements of cost of bags for member companies, 1913-1921	2267	1273
Def'ts' Exhibit No. D-274—Annual profit or loss on bags for all companies, 1913-1921	2286	1293
Def'ts' Exhibits Nos. D-275A to D-275S—Individual statements of age of mills and rock deposit supply of member companies	2287	1294
Def'ts' Exhibits Nos. D-277A to D-277S—Individual statements of working capital for member companies, 1917-1921	2306	1313
Def'ts' Exhibit No. D-278—Working capital for all companies, 1917-1921	2325	1332
Def'ts' Exhibit No. D-279—Average price realized per barrel, all companies, 1913-1921	2326	1333
Def'ts' Exhibit No. D-285—Chart showing effect of war on prices of wholesale commodities	2329	1334
Def'ts' Exhibit No. D-286—Chart showing increase in price of coal as compared with increase in price of cement, 1913-1921	2330	1335
Def'ts' Exhibit No. D-292—Chart showing percentage of increase in labor cost and price of cement per barrel based on 1913	2331	1336
Def'ts' Exhibit No. D-293—Chart showing percentage of increase in price of coal and price of cement per barrel based on 1913	2332	1337
Def'ts' Exhibit No. D-294—Chart showing average hourly rates plant service of Alpha Portland Cement Co., 1913-1921	2333	1338
Def'ts' Exhibit No. D-295—Chart showing percentage of increase in selling cost and price of cement per barrel based on 1913	2334	1339
Def'ts' Exhibits Nos. D-296 to D-304—Charts showing average net prices received per barrel, 1913-1921	2335	1340
Def'ts' Exhibit No. D-305 to D-307—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, Allentown, Alpha, and Atlas	2344	1349
Def'ts' Exhibit No. D-308—Chart showing average receipts per barrel from sale of cement at mills and expense per barrel, Atlas Company, 1913-1921	2347	1352
Def'ts' Exhibit No. D-309—Chart showing various elements of expense of the Atlas Company, 1913-1921	2348	1352a

	Original	Print
Def'ts' Exhibits Nos. D-310 and D-311—Charts showing aggregate receipts from sale of cement at mills and expense for Bath and Coplay Companies, 1913-1921..	2349	1353
Def'ts' Exhibit No. D-312—Chart showing average receipts per barrel from sale of cement at mills and expense per barrel, 1913-1921, Coplay Company.....	2351	1355
Def'ts' Exhibits Nos. D-314 to D-321—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, for Dexter, Edison, Giant, Glens Falls, Hercules, Knickerbocker, Lawrence, and Lehigh Companies.....	2352	1356
Def'ts' Exhibit No. D-322—Chart showing average receipts per barrel from sale of cement at mills and expense per barrel, 1913-1921, Lehigh Company.....	2360	1364
Def'ts' Exhibits Nos. D-324 and D-325—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, Nazareth and Penn-Allen Companies	2361	1365
Def'ts' Exhibit No. D-326—Chart showing average receipts per barrel from sale of cement at mills and expense, 1913-1921, Penn-Allen Company.....	2363	1367
Def'ts' Exhibits Nos. D-328 to D-331—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, Pennsylvania, Phœnix, Security, and Vulcanite Companies.....	2364	1368
Def'ts' Exhibit No. D-332—Chart showing aggregate receipts from sale of cement at mills and expense, all companies, 1913-1921.....	2368	1372
Def'ts' Exhibit No. D-333—Chart showing percentage of profits to aggregate receipts from sale of cement at mills, 1913-1921, all companies.....	2369	1373
Def'ts' Exhibits Nos. D-334 to D-352—Chart for each company showing profit and invested capital, 1913-1921	2370	1374
Def'ts' Exhibit No. D-353—Chart showing profit and invested capital, 1913-1921, all companies.....	2389	1393
Def'ts' Exhibit No. D-354—Chart showing percentage of return on invested capital, 1913-1921, all companies	2390	1394
Def'ts' Exhibit No. D-356—Chart showing net income plus interest paid in proportion to total investment.	2391	1395
Def'ts' Exhibit No. D-364—Chart showing profits on invested capital, 1913-1921.....	2392	1396
Def'ts' Exhibit No. D-365—Chart showing average receipts per barrel for sale of cement at mills and average expense per barrel, 1913-1921, all companies....	2393	1397
Def'ts' Exhibit No. D-366—Chart showing profit and loss on bags, 1913-1921.....	2394	1398
Def'ts' Exhibit No. D-367—Chart graphically illustrating Government's Exhibits Nos. 373, 374.....	2395	1399

	Original	Print
Def'ts' Exhibits Nos. D-368A to D-368E—Charts graphically illustrating Government's Exhibit No. 361, 1915-1920	2396	1400
Def'ts' Exhibits Nos. D-369A to D-369H—Charts graphically illustrating Government's Exhibit No. 377	2401	1405
Def'ts' Exhibits Nos. D-370A to D-370E—Charts graphically illustrating Government's Exhibits Nos. 382, 388, 390	2409	1413
Def'ts' Exhibit No. D-371—Fundamentals of a cost system for manufacturers, published by Federal Trade Commission, July 1, 1916	2414	1417
Def'ts' Exhibit No. D-372—Letter from E. N. Hurley to C. F. Conn, August 2, 1916	2419	1420
Def'ts' Exhibit No. D-375—Address by E. N. Hurley, May 10, 1916	2420	1420
Def'ts' Exhibits Nos. D-376A to D-376F—Charts showing shipments in percentage of total each year based on 1916, 1913-1921	2430	1430
Def'ts' Exhibit No. D-377—Chart showing total commitments on specific job contracts at end of each month, August, 1918, to August, 1921	2436	1430
Def'ts' Exhibit No. D-378—Chart showing dates when changes were made effective by each company in the base price used by it in figuring most of its quotations, December 1, 1919, to December 31, 1920	2438	1430
Def'ts' Exhibit No. D-379—Letter from Allentown office to H. B. Shelly, January 13, 1916	2452	1430
Def'ts' Exhibit No. D-380—Letter from B. L. Swett to H. A. Swett, May 16, 1916	2452½	1431
Def'ts' Exhibits Nos. D-381 and D-382—Letters from B. L. Swett to A. M. Houser, May 17 and 16, 1916	2453	1431
Def'ts' Exhibit No. D-383—Letter from J. W. Ramsay to F. M. Hoover, July 26, 1916	2455	1433
Def'ts' Exhibit No. D-384—Letter from W. G. Dutton to Coplay Cement Mfg. Company, September 29, 1916	2455½	1434
Def'ts' Exhibit No. D-385—Letter from S. Tredennick to Allentown Portland Cement Co., January 31, 1917	2456½	1434
Def'ts' Exhibit No. D-386—Telegram from Allentown Portland Cement Co. to H. Wales Lines Co., February 1, 1917	2457	1435
Def'ts' Exhibit No. D-387—Letter from Allentown Portland Cement Co. to H. Wales Lines Co., February 1, 1917	2457½	1435
Def'ts' Exhibit No. D-388—Letter from Wm. Kraetz to E. P. Alker, September 11, 1916	2458	1435
Def'ts' Exhibit No. D-389—Letter from Pennsylvania Cement Co. to Wm. Kraetz, September 12, 1916	2459	1436
Def'ts' Exhibit No. D-390—Letter from Albert Moyer to Edw. Nennig, June 12, 1916	2459½	1436

	Original	Print
Def'ts' Exhibit No. D-391—Letter from vice-president to B. F. Stradley, November 14, 1916	2460	1437
Def'ts' Exhibit No. D-392—Letter from B. L. Swett to Jos. Fraker, May 16, 1916	2460½	1437
Def'ts' Exhibit No. D-393—Letter from A. K. Widenor to E. P. Alker, August 15, 1916	2461½	1438
Def'ts' Exhibit No. D-394—Letter from Pennsylvania Cement Co. to A. K. Widenor, August 16, 1916	2462½	1439
Def'ts' Exhibit No. D-395—Letter from Mr. Smith to J. J. Maloney, October 27, 1916	2436	1439
Def'ts' Exhibit No. D-396—Letter from R. M. Hoe to W. A. Fuchs, July 7, 1916	2463½	1439
Def'ts' Exhibit No. D-397—Letter from W. A. Fuchs to Fred Kunkel, July 10, 1916	2465	1440
Def'ts' Exhibit No. D-398—Letter from Fred Kunkel to W. A. Fuchs, July 15, 1916	2466	1441
Def'ts' Exhibit No. D-399—Letter from B. L. Swett to G. A. Morgan, February 5, 1917	2467	1442
Def'ts' Exhibit No. D-400—Letter from G. J. Bickel to G. A. Morgan, March 1, 1917	2467½	1442
Def'ts' Exhibits Nos. D-401 and D-402—Letters from G. J. Bickel to H. A. Swett, April 16 and 21, 1917	2468	1443
Def'ts' Exhibits Nos. D-403 and D-404—Letters from Allentown office to G. A. Morgan, March 12, 29, 1917	2469½	1444
Def'ts' Exhibit No. D-405—Letter from Lehigh Portland Cement Company to Anibal & Karg, April 30, 1917	2470½	1445
Def'ts' Exhibit No. D-406—Letter from Allentown office to G. A. Morgan, May 11, 1917	2471½	1445
Def'ts' Exhibit No. D-407—Letter from B. L. Swett to H. A. Swett, August 6, 1917	2472	1446
Def'ts' Exhibit No. D-408—Letter from Allentown office to F. E. Smith, October 23, 1917	2472½	1446
Def'ts' Exhibit No. D-409—Letter from Virginia Portland Cement Co. to A. E. Smith, July 28, 1917	2473	1446
Def'ts' Exhibit No. D-410—Letter from B. L. Swett to A. M. Houser, May 17, 1916	2474	1447
Def'ts' Exhibit No. D-411—Letter from Allentown office to H. A. Swett, July 17, 1917	2474½	1448
Def'ts' Exhibit No. D-412—Letter from B. L. Swett to H. A. Swett, October 19, 1917	2475	1448
Def'ts' Exhibit No. D-413—Letter from J. W. Ramsay to J. A. Horner	2475½	1448
Def'ts' Exhibit No. D-414—Letter from L. E. Cover to J. K. Barbour, February 26, 1918	2476	1449
Def'ts' Exhibit No. D-415—Letter from Donahue to E. H. Button, March 28, 1918	2476½	1449
Def'ts' Exhibit No. D-416—Letter from Glens Falls Portland Cement Co. to E. H. Button, March 30, 1918	2477	1450

	Original	Print
Def'ts' Exhibit No. D-417—Telegram from Donahue to Glens Falls Cement Co.	2477½	1450
Def'ts' Exhibit No. D-418—Telegram from J. W. Ramsay to Nazareth Cement Company, April 15, 1918..	2478	1450
Def'ts' Exhibit No. D-419—Telegram from Nazareth Cement Company to J. W. Ramsay, April 16, 1918...	2478½	1450
Def'ts' Exhibit No. D-420—Letter from Nazareth Cement Co. to J. B. Vandever, April 23, 1918.....	2479	1451
Def'ts' Exhibit No. D-421—Letter from J. W. Ramsay to S. J. Fehnel, April 26, 1918.....	2479½	1451
Def'ts' Exhibit No. D-422—Circular from Alpha Portland Cement Co., May 1, 1918.....	2480	1452
Def'ts' Exhibit No. D-423—Letter from F. H. Smith to R. A. Pruden, August 22, 1917.....	2481	1452
Def'ts' Exhibit No. D-424—Letter from L. G. McConnell to D. H. MacFarland, July 26, 1917.....	2481½	1453
Def'ts' Exhibit No. D-425—Letter from D. H. MacFarland to C. A. Kimball, July 31, 1917.....	2483	1454
Def'ts' Exhibit No. D-426—Letter from J. W. Watkins to S. J. Fehnel, May 20, 1918.....	2484	1455
Def'ts' Exhibit No. D-427—Letter from F. M. Hoover to S. J. Fehnel, June 6, 1918.....	2484½	1455
Def'ts' Exhibit No. D-428—Letter from Vulcanite Portland Cement Co. to G. J. Bickel, July 9, 1918.....	2485	1456
Def'ts' Exhibit No. D-429—Circular from Alpha Portland Cement Co., July 15, 1918.....	2485½	1456
Def'ts' Exhibit No. D-430—Letter from L. G. McConnell to Mr. Holman, January 25, 1919.....	2486	1457
Def'ts' Exhibit No. D-431—Letter from L. E. Browning to B. L. Swett, March 27, 1918.....	2487	1457
Def'ts' Exhibit No. D-435—Salesman's report, Browning, Lehigh Company.....	2487½	1458
Def'ts' Exhibit No. D-436—Salesman's report, E. F. Stickles, Lehigh Company, March 22, 1919.....	2488½	1459
Def'ts' Exhibit No. D-437—Salesman's report, A. M. Houser, Lehigh Company, December 20, 1919.....	2489½	1460
Def'ts' Exhibit No. D-438—Letter from E. P. Alker to H. C. Merritt, April 20, 1920.....	2490½	1461
Def'ts' Exhibit No. D-439—Letter from C. W. Denniston to Knickerbocker Portland Cement Co., October 21, 1919.....	2491	1462
Def'ts' Exhibit No. D-440—Letter from W. M. Floring to C. W. Denniston, October 23, 1919.....	2491½	1462
Def'ts' Exhibit No. D-441—Letter from Nazareth sales office to the officers, February 19, 1920.....	2492	1463
Def'ts' Exhibit No. D-442—Memorandum from Army Construction Division, Washington, D. C., to National Surety Company, January 25, 1920.....	2492½	1463
Def'ts' Exhibit No. D-443—Letter from C. H. Cox to F. L. Leach, November 3, 1919.....	2493½	1464

	Original	Print
Def'ts' Exhibit No. D-444—Salesman's report, Browning, Lehigh Company, April 20, 1918	2494	1464
Def'ts' Exhibit No. D-445—Letter from F. L. Leach to C. H. Cox, October 3, 1919	2495	1466
Def'ts' Exhibits Nos. D-446 and D-447—Correspondence between P. E. Bradlee and C. H. Cox	2496	1466
Def'ts' Exhibit No. 448—Letter from J. W. Ramsay to F. M. Hoover, January 6, 1920	2497	1467
Deft's' Exhibit No. D-449—Letter from J. W. Stinson to W. M. Floring, July 30, 1919	2498	1468
Def'ts' Exhibit No. D-450—Letter from C. H. Cox to P. E. Bradlee, May 9, 1919	2499	1468
Def'ts' Exhibit No. D-451—Salesman's report, F. L. Leach, Lehigh Company, August 24, 1918	2499½	1469
Def'ts' Exhibit No. D-452—Letter from Glens Falls Portland Cement Co. to Saratoga Coal Co., March 22, 1918	2500½	1470
Def'ts' Exhibit No. D-453—Salesman's report, D. A. Gray, Lehigh Co., May 7, 1921	2501	1470
Def'ts' Exhibit No. D-454—Salesman's report, P. B. Evans, Lehigh, June 25, 1921	2502	1471
Def'ts' Exhibit No. D-455—Estimate of values of defendants' properties in 1919	2502½	1472
Def'ts' Exhibit No. D-456—Chart showing net earnings of defendant companies as compared to average net earnings on similar investments, 1918-1920	2503	1472
Def'ts' Exhibit No. D-457—Chart showing profits of defendants as compared with replacement value working capital and rock deposit, 1919 and 1920	2504	1472
Def'ts' Exhibits Nos. D-458 and D-459—Salesman's reports, F. L. Leach, Lehigh Company, August 31, 1918, and January 4, 1919	2505	1472
Def'ts' Exhibit No. 460—Salesman's report, L. S. Pricher, Lehigh Company, August 24, 1918	2506½	1474
Def'ts' Exhibit No. D-461—Circular from Lehigh Portland Cement Co., October 5, 1918	2507½	1475
Def'ts' Exhibit No. D-462—Letter from J. W. Ramsay to J. A. Horner, October 15, 1918	2510	1477
Def'ts' Exhibit No. D-463—Letter from Nazareth Cement Company to F. M. Hoover, March 27, 1919	2510½	1478
Def'ts' Exhibit No. D-464—Letter from J. A. Horner to J. W. Ramsay, April 10, 1919	2511	1478
Def'ts' Exhibit No. D-465—Letter from McAllister to H. A. Moore, January 8, 1919	2511½	1478
Def'ts' Exhibit No. D-466—Letter from W. J. Grosvenor to R. L. Cope, June 7, 1919	2512½	1479
Def'ts' Exhibit No. D-467—Letter from F. W. Douglas to Lehigh Portland Cement Co., August 1, 1919	2513	1480
Def'ts' Exhibit No. D-468—Letter from C. H. Cox to P. E. Bradlee, August 7, 1919	2513½	1480

	Original	Print
Def'ts' Exhibit No. D-469—Letter from W. M. Floring to Mr. Abbott et al., September 16, 1919	2514	1480
Def'ts' Exhibit No. D-470—Salesman's report, J. Fraser, Lehigh Company, June 28, 1919	2514½	1481
Def'ts' Exhibits Nos. D-471, D-472, D-473—Circulars from Lehigh Portland Cement Co	2516	1482
Def'ts' Exhibit No. D-474—Letter from C. H. Cox to P. E. Bradlee, January 12, 1920	2518½	1484
Def'ts' Exhibits Nos. D-475, D-476, D-477, D-478, and D-479—Circulars from Lehigh Portland Cement Co.	2519	1484
Def'ts' Exhibit No. D-480—Letter from J. W. Stinson to A. D. Naylor, January 8, 1920	2525	1490
Def'ts' Exhibit No. D-481—Letter from A. D. Naylor to Mr. Floring, January 10, 1920	2526	1491
Def'ts' Exhibit No. D-482—Letter from G. M. Clukas to E. P. Alker, November 4, 1920	2527	1492
Def'ts' Exhibit No. D-483—Letter from E. P. Alker to S. G. Taylor, November 4, 1920	2527½	1492
Def'ts' Exhibit No. D-484—Night letter from Nazareth Cement Company, April 7, 1920	2528	1493
Def'ts' Exhibit No. D-485—Letter from B. F. Abbott to A. D. Naylor, October 24, 1920	2528½	1493
Def'ts' Exhibits Nos. D-486 and D-487—Letters from C. H. Cox to P. E. Bradlee, October 23, 1920, September 20, 1920	2529	1493
Def'ts' Exhibit No. D-488—Salesman's report, C. H. Kent, Lehigh Company, April 3, 1920	2530½	1494
Def'ts' Exhibit No. D-489—Salesman's report, Browning, Lehigh Company, March 6, 1920	2532	1495
Def'ts' Exhibit No. D-490—Salesman's report, C. S. Wheat, Lehigh Company, July 5, 1919	2533½	1496
Def'ts' Exhibit No. D-491—Letter from E. P. Alker to H. C. Merritt, August 27, 1920	2534½	1497
Def'ts' Exhibit No. D-492—Circular from Security Cement and Lime Co., June 3, 1920	2535	1497
Def'ts' Exhibit D-493—Letter from F. B. Ward to S. N. Peters, September 10, 1920	2536	1498
Def'ts' Exhibit No. D-494—Letter from S. N. Peters to A. J. Barnes, September 13, 1920	2537	1499
Def'ts' Exhibit No. D-495—Letter from C. S. Stitzel to Dexter Portland Cement Co., April 10, 1920	2538	1499
Def'ts' Exhibit No. D-496—Letter from Nazareth Cement Company to J. W. Ramsay, December 3, 1920	2538½	1500
Def'ts' Exhibit No. D-497—Letter from W. M. Floring to Mr. Feeks, November 18, 1920	2539	1500
Def'ts' Exhibit No. D-499—Letter from G. P. James to Mr. Dyer, June 19, 1920	2540	1501
Def'ts' Exhibit No. D-500—Letter from H. A. Moore to E. P. Alker, January 27, 1921	2540½	1501
Def'ts' Exhibit No. D-501—Letter from H. B. Warner to H. S. Rayner, February 3, 1921	2541½	1502

	Original	Print
Def'ts' Exhibit No. D-502—Letter from H. S. Rayner to H. B. Warner, February 2, 1921	2542	1502
Def'ts' Exhibits Nos. D-503 and D-504—Letters from sales manager to salesman Lawrence Cement Company	2542½	1503
Def'ts' Exhibit No. D-505—Letter from R. A. Pruden to salesman, March 1, 1921	2543½	1503
Def'ts' Exhibit No. D-506—Letter from H. A. Meech to A. J. Stanford, February 15, 1921	2544	1504
Def'ts' Exhibit No. D-507—Letter from A. J. Stanford to H. A. Meech, February 16, 1921	2544½	1504
Def'ts' Exhibit No. D-508—Letter from W. M. Floring to Mr. Feeks, February 10, 1921	2545	1504
Def'ts' Exhibit No. D-509—Letter from Nazareth Cement Company to J. W. Ramsay, March 8, 1921	2545½	1505
Def'ts' Exhibit No. D-510—Letter from B. W. Kessel to Mr. Child, March 28, 1921	2547	1505
Def'ts' Exhibit No. D-511—Letter from C. H. Cox to P. E. Bradlee, March 26, 1921	2547½	1505
Def'ts' Exhibit No. D-512—Letter from W. M. Floring to A. D. Naylor, May 2, 1921	2548	1506
Def'ts' Exhibit No. D-513—Letter from F. H. Smith to salesman, May 2, 1921	2548½	1506
Def'ts' Exhibit No. D-514—Letter from C. E. Tileston to G. F. Bayle, April 28, 1921	2459	1507
Def'ts' Exhibit No. D-515—Letter from G. F. Bayle to C. E. Tileston, April 29, 1921	2550	1507
Def'ts' Exhibit No. D-516—Letter from A. D. Naylor to J. W. Stinson, June 9, 1921	2551	1508
Def'ts' Exhibits Nos. D-517A to D-517S—Summary of files of invoices, correspondence, etc., showing trade practices of defendant companies	2551½	1508
Def'ts' Exhibits Nos. D-518A to D-518D—Charts illustrating Exhibits D-517A to D-517S, re trade practices	2690	1648
Def'ts' Exhibit No. D-538—Letter from A. De Navarro to Thorn & Hunkins Lime & Cement Co., June 3, 1901	2696	1648
Def'ts' Exhibit No. D-539—Letter from J. R. Morron to L. R. Burch, January 24, 1920	2696½	1648
Def'ts' Exhibit No. D-540—Letter from C. H. Cox to M. J. Frostholm, November 5, 1920	2697½	1649
Def'ts' Exhibit No. D-541—Letter from E. P. Alker to H. A. Moore, December 8, 1920	2698	1649
Def'ts' Exhibit No. D-542—Letter from C. H. Cox to M. J. Frostholm, November 11, 1920	2698½	1650
Def'ts' Exhibit No. D-543—Letter from E. P. Alker to G. M. Clukas, November 6, 1920	2699	1650
Def'ts' Exhibit No. D-544—Letter from L. Learmont to Dexter Portland Cement Co., December 13, 1920	2699½	1650

	Original	Print
Def'ts' Exhibit No. D-545—Letter from H. F. to H. Wales Lines Co., December 18, 1920	2702½	1651
Def'ts' Exhibit No. D-546—Salesman's report, Henry, Lehigh Co., December 18, 1920	2703	1652
Def'ts' Exhibit No. D-547—Telegram from Speight to Pennsylvania Cement Co., February 3, 1921	2704	1653
Def'ts' Exhibits Nos. D-548 and D-549—Letters from H. A. Moses to L. R. C. Speights	2704½	1653
Def'ts' Exhibit No. D-550—Letter from W. L. Sperry to Lawrence Cement Co., January 28, 1921	2705½	1654
Def'ts' Exhibit No. D-551—Letter from R. A. Wetzler to Mr. Matheslus et al., February 8, 1921	2706	1654
Def'ts' Exhibit No. D-552—Letter from H. B. Warner to H. S. Rayner, February 2, 1921	2707	1655
Def'ts' Exhibit No. D-553—Letter from H. A. Moore to E. P. Alker, January 28, 1921	2708	1656
Def'ts' Exhibit No. D-554—Salesman's report, J. L. Hall, Lehigh Company, February 5, 1921	2709	1657
Def'ts' Exhibit No. D-555—Letter from Nazareth Cement Company to J. W. Ramsay, February 8, 1921	2710½	1658
Def'ts' Exhibit No. D-556—Letter from J. W. Ramsay to S. J. Fehnel, March 7, 1921	2711	1658
Def'ts' Exhibit No. D-557—Letter from R. A. Wetzler to Messrs. Furbush et al., March 8, 1921	2711½	1658
Def'ts' Exhibit No. D-558—Letter from G. S. Stage to Dexter Portland Cement Co., March 9, 1921	2712	1659
Def'ts' Exhibit No. D-559—Letter from H. G. to Erie Contractors Supply Co., March 16, 1921	2712½	1659
Def'ts' Exhibit No. D-560—Letter from F. A. S. to Messrs. Bigbee et al., March 28, 1921	2713	1659
Def'ts' Exhibit No. D-561—Circular from Edison Portland Cement Co., March 29, 1921	2713½	1660
Def'ts' Exhibit No. D-562—Letter from R. A. Wetzler to W. B. Brigg, March 5, 1921	2716	1660
Def'ts' Exhibits Nos. D-563 and D-564—Correspondence between H. Wales Lines Co. and Dexter Portland Cement Co	2717½	1662
Def'ts' Exhibit No. D-565—Letter from A. D. Naylor to Mr. White, April 9, 1921	2719	1663
Def'ts' Exhibit No. D-566—Letter from A. D. Naylor to W. M. Floring, May 5, 1921	2720	1664
Def'ts' Exhibit No. D-567—Letter from A. D. Naylor to Mr. Stinson, May 5, 1921	2720½	1664
Def'ts' Exhibits Nos. D-568 and D-569—Letters from C. N. Apgar to J. J. Collister, December 9 and 16, 1920	2721	1664
Def'ts' Exhibit No. D-570—Letter from Atlas Portland Cement Co. to C. N. Apgar, December 13, 1920	2724	1667
Def'ts' Exhibit No. D-571—Letter from W. F. Clark to J. J. Collister, December 14, 1920	2725	1668

	Original	Print
Def'ts' Exhibits Nos. D-572 and D-573—Correspondence between C. N. Apgar and J. J. Collister	2725½	1668
Def'ts' Exhibits Nos. D-574 and D-575—Correspondence between W. F. Clark and J. J. Collister	2727½	1669
Def'ts' Exhibit No. D-576—Letter from C. N. Apgar to J. J. Collister, January 3, 1921	2729	1671
Def'ts' Exhibits Nos. D-577 and D-578—Correspondence between W. F. Clark and J. J. Collister	2730	1671
Def'ts' Exhibits Nos. D-579 and D-580—Correspondence between W. F. Clark and G. M. Crossland	2731	1672
Def'ts' Exhibits Nos. D-581 and D-582—Letters from W. F. Clark to C. N. Apgar, August 16 and 19, 1925	2733½	1674
Def'ts' Exhibit No. D-583—Summary of Coats & Burchard Company's appraisal of Lehigh's plants as of August, 1920	2734½	1675
Def'ts' Exhibit No. D-584—Letter from H. M. Scott to Robert Cope, September 16, 1919	2735	1676
Def'ts' Exhibit No. D-585—Letter from A. H. Moses to A. F. Bendel, September 18, 1919	2737½	1677
Def'ts' Exhibit No. D-586—Invoices from Security Cement and Lime Co. to Tidewater Portland Cement Co.	2738	1678
Def'ts' Exhibit No. D-587—Invoices from Hercules Cement Corporation to Bath Portland Cement Co.	2741½	1685
Def'ts' Exhibits Nos. D-588 and D-589—Letters from J. F. Twamley to F. B. Franks, July 18 and 22, 1918	2743½	1686
Def'ts' Exhibit No. D-590—Letter from R. S. Weaver to C. H. Breerwood, December 22, 1919	2744½	1687
Def'ts' Exhibit No. D-591—Letter from C. H. Breerwood to Allentown Portland Cement Co., December 23, 1919	2745½	1687
Def'ts' Exhibit No. D-592—Letter from C. H. Breerwood to J. W. Fuller, August 4, 1920	2746½	1688
Def'ts' Exhibit No. D-593—Letter from A. B. Daniels to B. L. Swett, August 28, 1919	2748½	1689
Def'ts' Exhibit No. D-594—Letter from B. L. Swett to Knickerbocker Portland Cement Co., August 28, 1919	2749	1689
Def'ts' Exhibit No. D-595—Letter from J. Bowen to Knickerbocker Portland Cement Co., August 30, 1919	2750½	1691
Def'ts' Exhibit No. D-596—Letter from B. L. Swett to A. B. Daniels, September 12, 1919	2751½	1691
Def'ts' Exhibits Nos. D-597 and D-598—Correspondence between B. L. Swett and A. D. Naylor	2752½	1692
Def'ts' Exhibit No. D-599—Letter from Giant Portland Cement Co. to Sorco Pipe & Supply Co., January 9, 1920	2753½	1692
Def'ts' Exhibit No. D-600—Letter from A. H. Moses to Clarksburg Coal Sales Co., February 2, 1920	2754	1693

	Original	Print
Def'ts' Exhibit No. D-601—Letter from Clarksburg Coal Sales Co. to Edison Portland Cement Co., January 30, 1920	2754½	1694
Def'ts' Exhibit No. D-602—Letter from A. H. Moses to Benjamin Bissell, February 4, 1920	2755	1964
Def'ts' Exhibits Nos. D-603 and D-604—Telegrams from A. H. Moses to Davis Coal Co., March 10, 1920, and February 23, 1920	2755½	1695
Def'ts' Exhibit No. D-605—Letter from Edison Portland Cement Co. to Bixler Coal & Coke Co., February 25, 1920	2756½	1696
Def'ts' Exhibit No. D-606—Letter from A. H. Moses to Operators' Fuel Co., March 9, 1920	2757	1696
Def'ts' Exhibit No. D-607—Letter from A. H. Moses to Fisher Summit Coal Co., March 8, 1920	2757½	1697
Def'ts' Exhibit No. D-608—Letter from A. H. Moses to Moore & Co., Inc., March 24, 1920	2758	1697
Def'ts' Exhibit No. D-609—Letter from Giant Portland Cement Co. to P. & R. R. R. Co., February 19, 1920	2758½	1697
Def'ts' Exhibit No. D-610—Circular from Security Cement & Lime Co., February 21, 1920	2759½	1698
Def'ts' Exhibit No. D-611—Letter from Giant Portland Cement Company to American Hardware & Equipment Co., February 23, 1920	2760½	1699
Deft's Exhibit No. D-612—Letter from Phœnix Portland Cement Co. to Commonwealth Fuel Co., March 1, 1920	2761	1699
Def'ts' Exhibit No. D-613—Letter from J. E. Long to Penn-Allen Cement Co., March 1, 1920	2761½	1699
Def'ts' Exhibit No. D-614—Letter from S. N. Peters to W. P. Rogers, March 3, 1920	2762½	1700
Def'ts' Exhibit No. D-615—Letter from Giant Portland Cement Co. to Thomas Hardware Co., March 3, 1920	2763½	1700
Def'ts' Exhibit No. D-616—Letter from Phœnix Portland Cement Co .to George Paull, March 6, 1920	2764	1701
Def'ts' Exhibit No. D-617—Letter from S. N. Peters to F. T. Brinkley, March 17, 1920	2764½	1701
Def'ts' Exhibits Nos. D-618 and D-619—Correspondence between Geo. W. Pack & Son, Inc., and Bath Portland Cement Co	2765	1701
Def'ts' Exhibit No. D-620—Letter to Wm. C. Mallonee, March 18, 1920	2766	1702
Def'ts' Exhibit No. D-621—Telegram from S. N. Peters to W. C. Mallonee, March 18, 1920	2767	1703
Def'ts' Exhibits Nos. D-622 and D-623—Correspondence between Bath Portland Cement Co. and Hendrickson and Dilatush	2767½	1703
Def'ts' Exhibit No. D-624—Telegram from Bath Portland Cement Co. to C. T. Kingsbury, April 24, 1920.	2768½	1704

	Original	Print
Def'ts' Exhibit No. D-625—Letter from Bath Portland Cement Co. to W. J. Kenlon, May 3, 1920	2769	1704
Def'ts' Exhibit No. D-626—Letter from W. J. Kenlon to W. G. Dutton, May 1, 1920	2769½	1704
Def'ts' Exhibit No. D-627—Telegram from Giant Portland Cement Company to C. R. Capps, May 3, 1920	2770	1705
Def'ts' Exhibit No. D-628—Telegram from C. R. Capps to Giant Portland Cement Co., May 4, 1920	2770½	1705
Def'ts' Exhibit No. D-629—Telegram from George Paull to L. C. Morton, May 5, 1920	2771	1705
Def'ts' Exhibit No. D-630—Telegram from L. C. Morton to George Paull, May 6, 1920	2771½	1706
Def'ts' Exhibit No. D-631—Telegram from George Paull to L. C. Morton, May 6, 1920	2772	1706
Def'ts' Exhibit No. D-632—Telegram from Commonwealth Fuel Co. to L. C. Morton, May 7, 1920	2772½	1706
Def'ts' Exhibit No. D-633—Telegram from Geo. Paull to L. C. Morton, May 10, 1920	2773	1706
Def'ts' Exhibit No. D-634—Telegram from Commonwealth Fuel Co. to L. C. Morton, May 12, 1920	2773½	1707
Def'ts' Exhibit No. D-635—Letter from Bath Portland Cement Co. to Ohio Coal & Supply Co., May 18, 1920	2774	1707
Def'ts' Exhibit No. D-636—Letter from F. B. Franks to Louis Rafetto, May 22, 1920	2775	1708
Def'ts' Exhibit No. D-637—Circular from Alpha Portland Cement Co	2775½	1708
Def'ts' Exhibit No. D-638—Tabulation showing percentage of total cash dividends bear to replacement value, working capital, and rock deposit	2779	1708
Def'ts' Exhibit No. D-639—Tabulation showing percentage of dividends to total capitalization, 1913-1921	2780	1708
Def'ts' Exhibit No. D-640—Tabulation showing replacement value, working capital, rock deposit, and percentage of net earnings to total reported to Government, 1919-1920	2789	1708
Def'ts' Exhibit No. D-641—Tabulation showing some instances wherein specific job contract reports show contracts at the same delivery point at different prices on approximately the same date	2790	1708
Def'ts' Exhibit No. D-642—Telegram from Lehigh Portland Cement Co. to office, October 19, 1916	2835	1709
Def'ts' Exhibit No. D-643—Letter from R. E. Griffith to S. N. Peters, October 20, 1919	2835½	1709
Def'ts' Exhibit No. D-644—Letter from L. V. Costello to D. H. MacFarland, October 20, 1916	2836	1709
Def'ts' Exhibit No. D-645—Letter from A. L. Stark to C. A. Kimball, October 20, 1916	2836½	1710

	Original	Print
Def'ts' Exhibits Nos. D-646 and D-647—Price memorandums, Atlas Portland Cement Co., October 20, 1916	2837	1710
Def'ts' Exhibit No. D-648—Memorandum from L. G. McConnell to Atlas Portland Cement Co., November 13, 1916	2838½	1711
Def'ts' Exhibit No. D-649—Telegram from Atlas Portland Cement Co. to Atlas Portland Cement Co., November 13, 1916	2839	1712
Def'ts' Exhibit No. D-650—Letter from F. B. M. to Atlas Portland Cement Co., November 13, 1916	2839½	1712
Def'ts' Exhibit No. D-651—Letter from Coplay Cement Mfg. Co. to Mr. Dutton, November 21, 1916	2840½	1713
Def'ts' Exhibit No. D-652—Telegram from Lehigh Portland Cement Co. to L. E. Browning, January 12, 1917	2841	1713
Def'ts' Exhibit No. D-653—Price memorandum, Atlas Portland Cement Co., January 15, 1917	2841½	1714
Def'ts' Exhibit No. D-656—Telegram from R. E. Griffith to Giant Portland Cement Co., January 15, 1917	2845	1717
Def'ts' Exhibit No. D-657—Letter from Nazareth Cement Co. to J. W. Ramsay, January 16, 1917	2845½	1717
Def'ts' Exhibit No. D-658—Salesman's report, H. A. Swett, Lehigh Co., February 24, 1917	2846	1717
Def'ts' Exhibit No. D-659—Letter from F. B. M. to The Atlas Portland Cement Co., March 17, 1917	2847	1718
Def'ts' Exhibit No. D-660—Telegram from Lehigh Portland Cement Co. to Herbert Gray, March 26, 1917	2847½	1719
Def'ts' Exhibit No. D-661—Telegram from R. E. Griffith to Giant Portland Cement Co., March 27, 1917	2848	1719
Def'ts' Exhibits Nos. D-662 and D-663—Telegrams between D. H. MacFarland and L. G. McConnell	2848½	1719
Def'ts' Exhibit No. D-664—Letter from L. G. McConnell to Mr. McKenna, May 4, 1917	2849½	1720
Def'ts' Exhibit No. D-665—Telegram from W. E. Erdell to E. G. Brick, March 20, 1918	2850½	1720
Def'ts' Exhibit No. D-666—Letter from Penn-Allen to W. B. Abbey, March 20, 1918	2851	1721
Def'ts' Exhibit No. D-667—Telegram from R. E. Griffith to S. N. Peters, March 20, 1918	2851½	1721
Def'ts' Exhibit No. D-668—Letter from Alpha Portland Cement Co. to Alpha Portland Cement Co., March 21, 1918	2852	1721
Def'ts' Exhibit No. D-669—Letter from F. M. Coogan to Mr. Kent, March 21, 1918	2852½	1721
Def'ts' Exhibit No. D-670—Letter from F. M. Coogan to Mr. Santee, March 21, 1918	2853	1722

	Original	Print
Def'ts' Exhibit No. D-671—Representatives notice No. 80, March 21, 1918	2853½	1722
Def'ts' Exhibit No. D-672—Telegram from Lehigh Portland Cement Co. to W. W. Harder, March 22, 1918	2854½	1723
Def'ts' Exhibit No. D-673—Letter from F. H. Smith to Lawrence Cement Co., March 23, 1918	2855	1723
Def'ts' Exhibit No. D-674—Letter from E. B. Goode to P. A. Holcombe, April 4, 1918	2855½	1724
Def'ts' Exhibit No. D-675—Letter from S. Tredennick to R. L. Cope, April 24, 1918	2856½	1725
Def'ts' Exhibit No. D-676—Letter from R. L. Cope to H. Wales Lines Co., April 25, 1918	2858	1726
Def'ts' Exhibit No. D-677—Telegram from A. T. Reynolds to Pennsylvania Cement Co., June 13, 1918	2859	1726
Def'ts' Exhibit No. D-678—Letter from Giant Portland Cement Co. to Windsor Cement Co., April 3, 1918	2859½	1727
Def'ts' Exhibit No. D-679—Letter from J. R. Morron to cement companies, January 9, 1919	2860	1727
Def'ts' Exhibit No. D-680—Letter from R. L. Humphrey to J. R. Morron, December 19, 1918	2860½	1727
Def'ts' Exhibit No. D-681—Letter from B. M. Baruch to J. R. Morron, December 18, 1918	2861½	1728
Def'ts' Exhibit No. D-682—Letter from J. R. Morron to Mr. MacFarland, January 30, 1920	2862½	1729
Def'ts' Exhibit No. D-683—Letter to Mr. MacFarland, February 16, 1920	2863½	1730
Def'ts' Exhibit No. D-685—Circular from The Atlas Portland Cement Co., April 11, 1919	2865	1730
Def'ts' Exhibit No. D-686—Circular from The Lehigh Portland Cement Co., April 14, 1919	2866	1731
Def'ts' Exhibit No. D-687—Letter from J. R. Morron to D. H. MacFarland, June 14, 1919	2867	1732
Def't's Exhibit No. D-688—Letter from R. A. Wetzler to Mr. Whitton, December 26, 1919	2868	1733
Def'ts' Exhibits Nos. D-689 and D-690—Telegrams from Atlas Portland Cement Co. to Atlas Portland Cement Co., December 15 and 18, 1919	2869	1733
Def'ts' Exhibits Nos. D-691 and D-692—Letters from F. G. Conkling to L. G. McConnell, December 15 and 16, 1919	2870	1734
Def'ts' Exhibit No. D-693—Bulletin from Giant Portland Cement Co., December 20, 1919	2871	1735
Def'ts' Exhibit No. D-694—Letter from W. D. Cloos to Mr. Wetzler, January 9, 1920	2872	1735
Def'ts' Exhibit No. D-695—Salesman's report, Browning, Lehigh Company, December 20, 1919	2873	1736
Def'ts' Exhibits Nos. D-697 and D-698—Letters from J. R. Morron to D. H. MacFarland, January 24, and February 4, 1920	2874	1737

	Original	Print
Def'ts' Exhibit No. D-699—Letter from J. F. Forsyth to Atlas Portland Cement Co., March 10, 1920	2876	1739
Def'ts' Exhibit No. D-700—Letter from H. F. D. to F. B. McKenna, March 13, 1920	2877	1739
Def'ts' Exhibit No. D-701—Letter from W. G. Dutton to A. E. La Roche, May 26, 1920	2878	1740
Def'ts' Exhibit No. D-702—Letter from J. H. Porter to S. N. Peters, June 1, 1920	2879	1741
Def'ts' Exhibit No. D-703—Letter from S. N. Peters to Carolina Building Material Co., June 4, 1920	2880	1741
Def'ts' Exhibit No. D-704—Letter from W. G. Dutton to J. P. Stewart, June 3, 1920	2881	1742
Def'ts' Exhibit No. D-705—Letter from W. S. Dutton to Quinlan & Robertson, Inc., June 4, 1920	2882	1742
Def'ts' Exhibit No. D-706—Letter from A. E. Le Roche to Bath Portland Cement Co., June 2, 1920	2883	1743
Def'ts' Exhibit No. D-707—Letter from B. F. Abbott to Mr. Naylor, June 10, 1920	2884	1744
Def'ts' Exhibit No. D-708—Letter from A. D. Naylor to Mr. White, June 15, 1920	2885	1745
Def'ts' Exhibit No. D-709—Letter from A. D. Naylor to Mr. Wasson, June 16, 1920	2886	1745
Def'ts' Exhibit No. D-710—Letter from O. E. Wasson to Knickerbocker Portland Cement Co., Inc., June 15, 1920	2887	1746
Def'ts' Exhibit No. D-711—Letter from S. N. Peters to J. H. Wickersham, July 1, 1920	2888	1747
Def'ts' Exhibit No. D-712—Letter from F. B. Franks to Louis Rafetto, July 2, 1920	2889	1749
Def'ts' Exhibit No. D-713—Letter from W. P. Dutton to C. M. Schaeffer, July 2, 1920	2890	1748
Def'ts' Exhibit No. D-714—Letter from B. J. White to Mr. Naylor, July 2, 1920	2891	1749
Def'ts' Exhibit No. D-715—Letter from A. D. Naylor to A. R. Miller, Jr., July 6, 1920	2892	1750
Def'ts' Exhibit No. D-716—Telegram from A. R. Miller, Jr., to A. D. Naylor, July 3, 1920	2893	1750
Def'ts' Exhibit No. D-717—Letter from F. B. Franks to B. & O. R. R. Co., July 7, 1920	2893	1750
Def'ts' Exhibit No. D-718—Letter from A. N. G. to O. W. Stager, July 7, 1920	2894	1751
Def'ts' Exhibit No. D-719—Letter from A. N. G. to R. C. Morse, July 7, 1920	2895	1752
Def'ts' Exhibit No. D-720—Letter from A. D. Naylor to J. J. McCann, August 10, 1920	2896	1753
Def'ts' Exhibits Nos. D-721 and D-722—Correspondence between A. D. Naylor and Mr. Wasson	2897	1753
Def'ts' Exhibit No. D-723—Letter from J. T. Phelan to J. W. Fuller, August 20, 1920	2899	1754
Def'ts' Exhibit No. D-724—Letter from F. G. Robbins to Giant Portland Cement Co., October 9, 1920	2900	1755

	Original	Print
Def'ts' Exhibit No. D-725—Letter from O. W. Stager to R. C. Lea, October 23, 1920	2901	1755
Def'ts' Exhibit No. D-726—Letter from R. A. Wetzler to C. M. Edwards, March 1, 1920	2902	1756
Def'ts' Exhibit No. D-727—Letter from J. A. Feeks to A. D. Naylor, March 4, 1920	2903	1756
Def'ts' Exhibit No. D-728—Letter from R. A. Wetzler to Mr. Furbush, March 30, 1920	2904	1757
Def'ts' Exhibit No. D-729—Telegram from Dexter Portland Cement Co., April 7, 1920	2905	1757
Def'ts' Exhibit No. D-730—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., April 7, 1920	2906	1758
Def'ts' Exhibit No. D-731—Letters from S. N. Peters to Giant Portland Cement Co., April 7, 1920	2906	1758
Def'ts' Exhibit No. D-732—Letter from W. G. Dutton to W. J. Kenlon, April 7, 1920	2907	1758
Def'ts' Exhibit No. D-733—Telegram from Pennsylvania Cement Co. to W. H. Watson, April 7, 1920	2908	1759
Def'ts' Exhibit No. D-734—Price memorandum of The Edison Portland Cement Co., April 8, 1920	2909	1759
Def'ts' Exhibit No. D-735—Letter from W. A. M. to F. B. McKenna, April 7, 1920	2910	1760
Def'ts' Exhibit No. D-736—Letter from L. R. Burch to J. R. Morron, April 8, 1920	2910	1760
Def'ts' Exhibit No. D-737—Salesman's report, Wm. H. Jones, Atlas Company, April 8, 1920	2911	1761
Def'ts' Exhbit No. D-738—Letter from A. H. S., April 8, 1920	2911	1761
Def'ts' Exhibit No. D-739—Letter from The Atlas Portland Cement Company to dealers, April 8, 1920	2912	1761
Def'ts' Exhibit No. D-740—Letter from Atlas Portland Cement Co. to L. G. McConnell, April 9, 1920	2913	1762
Def'ts' Exhibit No. D-741—Letter from R. A. Pruden to F. H. Smith, April 8, 1920	2914	1763
Def'ts' Exhibit No. D-742—Letter from Coplay Cement Mfg. Co. to W. G. Zipp, April 9, 1920	2914	1763
Def'ts' Exhibit No. D-743—Letter from Coplay Cement Mfg. Co. to L. R. Cutler, April 9, 1920	2915	1763
Def'ts' Exhibit No. D-744—Letter from C. H. Cox to S. R. Kepner & Co., April 16, 1920	2916	1764
Def'ts' Exhibit No. D-745—Letter from S. N. Peters to Giant Portland Cement Co., April 17, 1920	2916	1764
Def'ts' Exhibit No. D-746—Letter from E. B. Goode to sales force, May 3, 1920	2917	1764
Def'ts' Exhibit No. D-747—Letter from J. W. Ramsay to J. A. Horner, May 29, 1920	2918	1765
Def'ts' Exhibit No. D-748—Letter from F. A. Weibel to salesman, June 16, 1920	2919	1765

	Original	Print
Def'ts' Exhibit No. D-749—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., June 8, 1920	2919	1766
Def'ts' Exhibit No. D-750—Circular from Edison Portland Cement Co., June 21, 1920	2920	1766
Def'ts' Exhibit No. D-751—Letter from Atlas Portland Cement Co. to L. R. Burch, June 19, 1920	2921	1766
Def'ts' Exhibit No. D-752—Telegram from F. A. Boeye to Atlas Portland Cement Co., June 18, 1920	2922	1767
Def'ts' Exhibit No. D-753—Letter from W. M. Floring to "Our Customers," June 18, 1920	2923	1767
Def'ts' Exhibit No. D-754—Letter from M. C. Wall to Mr. Van Wagner, June 21, 1920	2924	1767
Def'ts' Exhibit No. D-755—Letter from Atlas Portland Cement Co. to Mr. Burch, June 24, 1920	2924	1768
Def'ts' Exhibit No. D-756—Letter from L. G. McConnell to L. R. Burch, June 22, 1920	2925	1768
Def'ts' Exhibit No. D-757—Salesman's report, W. H. Jones, Atlas Co., June 23, 1920	2926	1768
Deft's' Exhibits Nos. D-758 and D-759—Letters from L. G. McConnell to eastern districts, June 23 and 24, 1920	2926	1769
Deft's' Exhibit No. D-760—Letter from S. N. Peters to Giant Portland Cement Co., June 22, 1920	2928	1769
Def'ts' Exhibit No. D-761—Letter from D. S. MacKenzie to C. H. Cox, June 21, 1920	2929	1770
Def'ts' Exhibit No. D-762—Letter from C. H. Cox to Donald MacKenzie, June 22, 1920	2930	1770
Def'ts' Exhibit No. D-763—Letter from E. B. Goode to sales force, June 23, 1920	2931	1771
Def'ts' Exhibit No. D-764—Letter from W. D. Cloos to Mr. Wetzler, June 26, 1920	2932	1771
Def'ts' Exhibit No. D-765—Circular from Edison Portland Cement Co., July 1, 1920	2933	1772
Def'ts' Exhibit No. D-766—Letter from R. A. Wetzler to Mr. Bigbee et al., July 1, 1920	2934	1774
Def'ts' Exhibit No. D-767—Letter from R. A. Wetzler to Mr. Whitton et al., July 16, 1920	2935	1774
Def'ts' Exhibit No. D-768—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., July 13, 1920	2936	1775
Def'ts' Exhibits Nos. D-769 to D-772—Correspondence between L. G. McConnell and Atlas Portland Cement Co.	2936	1775
Def'ts' Exhibit No. D-773—Quotation from Atlas Portland Cement Co	2939	1777
Def'ts' Exhibit No. D-775—Letter from J. W. Ramsay to J. A. Horner, July 15, 1920	2940	1777
Def'ts' Exhibit No. D-776—Letter from R. A. Wetzler to Mr. Kahn et al., July 16, 1920	2940	1778

	Original	Print
Def'ts' Exhibit No. D-777—Letter from general sales manager to Giant Portland Cement Co., July 17, 1920	2941	1778
Def'ts' Exhibit No. D-778—Letter from E. B. Goode to sales force, July 18, 1920	2942	1778
Def'ts' Exhibit No. D-779—Representatives notice No. 112, Dexter Portland Cement Co	2943	1779
Def'ts' Exhibit No. D-780—Letter from J. W. Ramsay to J. A. Horner, July 28, 1920	2944	1780
Def'ts' Exhibit No. D-781—Telegram from Pennsylvania Cement Co. to H. A. Meech, October 15, 1920	2945	1780
Def'ts' Exhibit No. D-782—Letter from R. A. Wetzler to Mr. Whitten et al., July 28, 1920	2946	1781
Def'ts' Exhibit No. D-784—Circular from Edison Portland Cement Co., October 1, 1920	2947	1781
Def'ts' Exhibit No. D-785—Letter from W. D. Cloos to Mr. Bruff et al., October 14, 1920	2948	1781
Def'ts' Exhibit No. D-786—Circular from Edison Portland Cement Co., October 18, 1920	2949	1782
Def'ts' Exhibit No. D-787—Letter from D. Mackenzie to C. H. Cox, October 20, 1920	2950	1782
Def'ts' Exhibit No. D-788—Letter from C. H. Cox to P. E. Bradlee, October 14, 1920	2951	1783
Def'ts' Exhibit No. D-789—Letter from W. G. Dutton to Mr. Franks, November 6, 1920	2952	1783
Def'ts' Exhibit No. D-791—Salesman's report, H. H. Beans, Lehigh Company, November 27, 1920	2953	1784
Def'ts' Exhibit No. D-792—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., December 1, 1920	2954	1785
Def'ts' Exhibit No. D-793—Telegram from L. G. McConnell to J. R. Morron, December 2, 1920	2954	1785
Def'ts' Exhibits Nos. D-794, D-795, D-796—Telegrams between L. G. McConnell and J. R. Morron	2955	1786
Def'ts' Exhibit No. D-797—Letter from L. G. McConnell to J. R. Morron, December 3, 1920	2957	1787
Def'ts' Exhibit No. D-798—Letter from L. G. McConnell to eastern districts, December 3, 1920	2958	1788
Def'ts' Exhibit No. D-799—Telegram from J. R. Morron to L. G. McConnell, December 3, 1920	2959	1788
Def'ts' Exhibit No. D-800—Letter from F. A. Boeye to L. G. McConnell, December 2, 1920	2959	1788
Def'ts' Exhibit No. D-801—Letter from R. W. Hilles to H. Wales Lines Co., December 2, 1920	2960	1789
Def'ts' Exhibit No. D-802—Letter from Edison Portland Cement Co. to Sullivan-Sikora, December 2, 1920	2961	1789
Def'ts' Exhibit No. D-804—Telegram from Dexter Portland Cement Co. to H. Wales Lines Co., December 6, 1920	2962	1790

	Original	Print
Def'ts' Exhibit No. D-805—Letter from E. P. Alker to H. C. Carpenter, December 7, 1920	2962	1790
Def'ts' Exhibit No. D-806—Salesman's report, Browning, Lehigh Company, January 1, 1921	2963	1790
Def'ts' Exhibit No. D-807—Letter from eastern sales manager to Richmond office, January 25, 1921	2964	1791
Def'ts' Exhibit No. D-808—Salesman's report, F. W. Douglas, Lehigh Company, April 16, 1921	2965	1791
Def'ts' Exhibit No. D-809—Letter from J. P. T. to L. R. Burch, January 26, 1921	2966	1792
Def'ts' Exhibit No. D-810—Letter from E. W. C. to L. R. Burch, January 26, 1921	2966	1792
Def'ts' Exhibit No. D-811—Letter from G. E. Smith to E. Jeynes, January 11, 1921	2967	1793
Def'ts' Exhibit No. D-812—Letter from W. C. B. to New York State district, January 26, 1921	2967	1793
Def'ts' Exhibit No. D-813—Letter from Atlas Portland Cement Co. to salesmen, January 27, 1921	2968	1793
Def'ts' Exhibit No. D-814—Letter to J. P. Tully, January 27, 1921	2969	1794
Def'ts' Exhibit No. D-815—Letter from J. R. West to offices, January 25, 1921	2969	1794
Def'ts' Exhibit No. D-816—Letter from Edison Portland Cement Co. to A. C. Bruff, January 26, 1921	2970	1795
Def'ts' Exhibit No. D-817—Letter from Nazareth Cement Company to the offices, February 7, 1921	2970	1795
Def'ts' Exhibit No. D-819—Salesman's report, W. W. Harder, Lehigh Company, August 30, 1919	2971	1796
Def'ts' Exhibit No. D-820—Letter from L. G. McConnell to F. B. McKenna, October 20, 1920	2972	1797
Opinion, Knox, J	2974	1797
Final decree	2988	1809
Order amending final decree	2993	1813
Petition for and order allowing appeal	2995	1814
Assignment of errors	2998	1815
Bond on appeal (omitted in printing)	3003	1816
Citation and service (omitted in printing)	3006	1816
Order re transcript of record	3009	1817
Stipulation re transcript of record	3012	1817
Clerk's certificate	3015	1818
Citation and service (omitted in printing)	3016	1818

[fols. 1-4] **IN UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES OF AMERICA, Plaintiff

v.

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS Portland Cement Company, The Allentown Portland Cement Company, Alpha Portland Cement Company, Bath Portland Cement Company, Coplay Cement Manufacturing Company, Dexter Portland Cement Company, The Edison Portland Cement Company, Giant Portland Cement Company, The Glens Falls Portland Cement Company, Hercules Cement Corporation, Knickerbocker Portland Cement Company, Inc.; Lawrence Cement Company, Lehigh Portland Cement Company, Nazareth Cement Company, Penn-Allen Cement Company, Pennsylvania Cement Company, The Phœnix Portland Cement Company, Security Cement and Lime Company, The Vulcanite Portland Cement Company, E. P. Alker, C. Raymond Hulsart, Miss M. B. Phalen, and Marion S. Ackerman, Defendants.

[fol. 4½] BILL OF COMPLAINT

I

The Parties

The United States of America, by its attorney for the Southern District of New York acting under the direction of the Attorney General, brings this proceeding in equity against Cement Manufacturers Protective Association, an unincorporated organization, having its office at 19 West 44th Street, New York City, in the Southern District of New York, and the following officers and members thereof:

Officers of Cement Manufacturers Protective Association

Name	Office	Address
E. P. Alker	President	30 East 42d Street, New York City, N. Y.
C. Raymond Hulsart	Vice president	19 West 44th Street, New Cty, N. Y.
Miss M. B. Phalen	Secretary	19 West 44th Street, New York City, N. Y.
Marion S. Ackerman	Treasurer	302 Broadway, New York City, N. Y.

Members of Cement Manufacturers Protective Association

Name	State of incorporation	Location of mills
The Atlas Portland Cement Company.	Pennsylvania....	Coplay, Pa.; Northampton, Pa.; Hudson, N. Y.
The Allentown Portland Cement Company.	New Jersey.....	Evansville, Pa.
Alpha Portland Cement Company.	New Jersey.....	Manheim, W. Va.; Alpha, N. J.; Martins Creek, Pa.; Cementon, N. Y.; Jamesville, N. Y.
Bath Portland Cement Company.	Pennsylvania....	Bath, Pa.
Coplay Cement Manufacturing Company.	Pennsylvania....	Coplay and Saylors, Pa.
Dexter Portland Cement Company.	Pennsylvania....	Nazareth, Pa.
The Edison Portland Cement Company.	New Jersey.....	New Village, N. J.
Giant Portland Cement Company.	Delaware.....	Egypt, Pa., and Norfolk, Va.
The Glens Falls Portland Cement Company.	New York.....	Glens Falls, N. Y.
[fol. 5] Hercules Cement Corporation.	Pennsylvania....	Hercules, Pa.
Knickerbocker Portland Cement Company, Inc.	New York.....	Hudson, N. Y.
Lawrence Cement Company.	New York.....	Siegfried, Pa.
Lehigh Portland Cement Company.	Pennsylvania....	Ormrod, West Coplay, Fogelsville, and Newcastle, Pa.; Fordwick, Va.
Nazareth Cement Company.	Pennsylvania....	Nazareth, Pa.
Penn-Allen Cement Company.	Pennsylvania....	Nazareth, Pa.
Pennsylvania Cement Company.	Pennsylvania....	Bath, Pa.
The Phœnix Portland Cement Company.	Pennsylvania....	Nazareth, Pa.
Security Cement and Lime Company.	West Virginia...	Security, Md.; Martinsburg, W. Va.
The Vulcanite Portland Cement Company.	New Jersey.....	Vulcanite, N. J.

The Cement Manufacturers Protective Association above described will be hereinafter referred to as defendant Eastern Association.

The Officers of the Cement Manufacturers Protective Association above described will be hereinafter referred to as individual defendants.

The members of the Cement Manufacturers Protective Association above described will be hereinafter referred to as defendant corporations.

Defendant Eastern Association, the individual defendants and defendant corporations, will be hereinafter referred to as defendants.

II

Jurisdiction

Defendant Eastern Association maintains its office in New York City, in the Southern District of New York, from which its business [fol. 5½] is conducted by the individual defendants; and defendant corporations through duly accredited representatives attend meetings of said Association held from time to time in New York City, in the Southern District of New York.

Defendant corporations (except Lawrence Cement Company, which is sales agent for The Lawrence Portland Cement Company, a Pennsylvania corporation, with its mill at Siegfried, Pa.), are engaged in the manufacture of Portland cement at mills situated in the States of New York, New Jersey, Pennsylvania, Maryland, Virginia, and West Virginia, from which mills large quantities of Portland cement are sold and shipped in interstate trade and commerce throughout said States, and particularly into New York City, in the Southern District of New York, and into the States of Delaware, Connecticut, Rhode Island, Massachusetts, Vermont, New Hampshire, Maine, and the District of Columbia.

Defendant corporations, with the exception of The Glens Falls Company, The Phœnix Company and Security Company, maintain offices in New York City, in the Southern District of New York.

Defendants have been and now are unlawfully restraining interstate trade and commerce in Portland cement in violation of the provisions of section 1 of the Act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies" (26 Stat., 209), known as the Sherman Anti-Trust Act, and this proceeding is brought under section 4 of said Act to [fol. 6] prevent and restrain the combinations and conspiracies hereinafter particularly described by means of which said unlawful restraint of interstate trade and commerce in Portland cement has been and is being accomplished.

III

The Commodity

In 1824 Mr. Joseph Aspdin, of Leeds, England, received a British patent for a cementing product which he named Portland cement. The name was due to a rather fanciful resemblance between the set cement and a well-known English building stone—the oolitic limestone of Portland.

In spite of the rather rapid development of the Portland cement industry abroad, particularly in England and Germany, after 1850 or thereabout, it was not until the end of the third quarter of the nineteenth century that its manufacture was actively taken up in the United States. Then, like many other industries, it took life almost simultaneously in several parts of the country, experiments

in the manufacture of Portland cement being carried on almost or quite independently at a number of small plants in New York, in the so-called Lehigh district in western Pennsylvania, in Michigan, and in Maine.

Portland cement is now produced by burning a finely ground artificial mixture containing essentially lime, silica, alumina, and iron oxide in certain definite proportions. Usually this combination is made by mixing limestone or marl with clay or shale in such proportion that the mixture will contain about three parts of lime [fol. 6½] carbonate to one part of clayey materials. The mixture is burned at a high temperature, approaching 3,000° F., in kilns of special design and lining. During the burning the lime combines with the silica, alumina, and iron oxide, forming a semifused mass called "clinker," which consists of silicates, aluminates, and ferrites of lime in certain fairly definite proportions. This clinker must be finely ground and the resulting powder is known as Portland cement.

The marvelous growth of the Portland cement industry in the United States is indicated by the following table showing quantities produced during periods of 10 years from 1870 to 1920:

Period	Approximate quantities in barrels
1870-1880	124,000
1881-1890	1,770,500
1891-1900	25,429,354
1901-1910	401,900,643
1911-1920	864,247,719

Portland cement is now recognized as one of the most important building materials. It enters into competition with lumber, steel, brick, stone, hollow tile, etc. Its range of usefulness embraces practically every building enterprise from a small piece of sidewalk in the rural districts to the subways and skyscraping office buildings in the cities; from a small gutter to the Panama Canal; from a water trough to an ocean-going vessel.

IV

[fol. 7] General Conditions under Which the Portland Cement Industry has been Conducted Since 1902

As early as 1902 it was apparent that the manufacture of Portland cement was destined to become one of the leading industries in the United States. From the latter part of 1902 down to the present time the Portland cement industry in whole or in part has been subjected directly or indirectly to many restraining influences in the nature of agreements, combinations, and conspiracies entered into and carried out through the instrumentality of organizations known as associations.

The associations mentioned are unincorporated bodies organized along the lines of what have come to be generally known as the "Eddy Plan," "The New Competition," "Open Price Plan," and "Open Competition Plan." The forms of these plans vary in minor details, but the outstanding and most fundamental principle of all is the exchange between members of comprehensive statistical data which enables each to know what his competitors are doing and to conduct his business accordingly.

The National Association

The Association of American Portland Cement Manufacturers, an unincorporated body, was organized in the latter part of 1902, its first annual meeting having been held in the Bellevue Hotel, at Philadelphia, Pa., on December 9, 1902. The name of the asso- [fol. 7½] ciation was changed to the Portland Cement Association at a meeting held in Chicago, Ill., on May 8-9-10, 1916. At the same meeting it was announced that the principal office of the association had been changed from Philadelphia to Chicago, where it has been since maintained. The association also maintains branch offices in 21 cities throughout the United States. Practically every company manufacturing cement in the United States is a member of this association. This association will be hereinafter referred to as the National Association.

Defendant corporations are members of said National Association and representatives of certain of them participated in its organization and have taken an active part in the conduct of its affairs from the date of organization. The size, power, and importance of the National Association is indicated by its statement in 1913 that "the shipments of the members now amount to 95 per cent of all shipments" of Portland cement in the United States.

The National Association has held meetings from time to time in various cities, including Philadelphia, Pa., New York City, N. Y., Atlantic City, N. J., Detroit, Mich., Cleveland, Ohio, and San Francisco, Calif., which were largely attended by representatives of member companies from all sections of the United States where Portland cement is manufactured.

The activities of the National Association which plaintiff alleges have facilitated the accomplishment of the unlawful restraint of [fol. 8] interstate trade and commerce in Portland cement complained of will be hereinafter more fully set forth under Section VI of this petition, entitled "The Means."

License Association—Abandoned

During the period from 1908 to 1911, certain of the defendant corporations, viz., Atlas, Alpha, Bath, Dexter, Edison, Glens Falls, Lawrence, Lehigh, Phoenix, and Vulcanite, were organized together as members of the Association of Licensed Cement Manufacturers. The members of this association were licensed, by a corporation

organized by certain of the defendant corporations for that purpose, under a certain patent covering an apparatus employed in a particular process for manufacturing Portland cement. They were required under the license agreement entered into to sell Portland cement at certain scheduled "delivered prices," which were uniform for any given point of delivery, and to do numerous other things clearly in violation of the Sherman Anti-Trust Act.

This association was dissolved and abandoned by unanimous vote of the members on or about January 6, 1911. However, the validity of the patent had been previously attacked in litigation, and a short time after the dissolution of the association a court of appeals adjudged that the patent was non-basic and did not prevent the use of the same process by means of other apparatus.

Sectional Organizations

[fol. 8½] From 1902 to 1915 there existed one large outstanding association, the National Association above described, to which substantially all of the manufacturers of Portland cement throughout the United States belonged. By the year 1915 the Portland cement industry had become one of such magnitude and its members were scattered throughout such a vast territory that it was determined that certain of its duties, such as the collection, compilation, and distribution of statistical data which are of particular interest to mills located in the same territory, could be more satisfactorily and expeditiously performed by local or sectional organizations, thus leaving the National Association free to concentrate its efforts upon problems affecting the interests of the industry as a whole.

In pursuance of this plan the following sectional organizations were formed:

Cement Manufacturers Protective Association, with headquarters at New York City, N. Y.

The Midwest Cement Credit and Statistical Bureau, with headquarters at Chicago, Ill.

The Southern Audit and Statistical Bureau, with headquarters at Dallas, Tex.

Norcross Audit and Statistical Bureau, with headquarters at Kansas City, Mo.

Southern Statistical Bureau, with headquarters at Atlanta, Ga.

These sectional organizations have been and are now in continuous operation. They allege that they have no direct con-
[fol. 9] nection whatsoever with the National Association. However, practically all of the members of these sectional organizations are also members of the National Association.

This proceeding is directed against the Cement Manufacturers Protective Association, its officers and members. The National Association, its officers and members, and the other sectional organizations and their officers and members are not more fully described and made parties hereto for jurisdictional reasons, it being deemed more appropriate to proceed against them separately in the districts in which their activities are centered.

The Eastern Association

The Cement Manufacturers Protective Association, an unincorporated body above described and referred to as defendant Eastern Association, was organized at a meeting held at the Engineers' Club, New York City, N. Y., on January 6, 1916. The organization meeting was attended by accredited representatives of defendant corporations, Atlas Company, Alpha Company, Allentown Company, Coplay Company, Dexter Company, Edison Company, Giant Company, Glens Falls Company, Lawrence Company, Lehigh Company, Penn-Allen Company, Pennsylvania Company, Phœnix Company, and Vulcanite Company, engaged (except Lawrence Company) in the manufacture of Portland cement at mills situated in the States of New York, New Jersey, Pennsylvania, Virginia, and West Virginia. [fol. 9½] The office of the association was established at Philadelphia, Pa., and was maintained there until April 1, 1918, when it was removed to its present location in New York City.

The constitution of defendant Eastern Association states its objects to be the collection and dissemination of:

(a) Information concerning credits.

(b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, stocks of cement and clinker on hand, and shipments.

Defendant corporations are now members of said Eastern Association; and representatives of the majority of them, in conjunction with the individual defendants and their predecessors in office, have actively participated in the conduct of its business from the date of organization. Defendant corporations manufacture between 25,000,000 and 30,000,000 barrels of Portland cement annually, which is upwards of 90 per cent of the quantity annually produced in the northeastern section of the United States.

Defendant Eastern Association has held frequent meetings, monthly, semi-monthly, and special, which were largely attended by representatives of defendant corporations.

The activities of defendant Eastern Association, which plaintiff [fol. 10] alleges have facilitated the accomplishment of the unlawful restraint of interstate trade and commerce in Portland cement complained of, will be hereinafter more fully set forth under Section VI of this petition, entitled "The Means."

Conditions During the War Period

Portland cement ranked next in importance to lumber as a war building material. Its prominence in the war program was realized

as early as April, 1917, when the congestion of government orders at certain points along the Atlantic seaboard threatened to cause local shortages and sharp rises in price. However, the production of cement was ample for the increased requirements of the war even without drawing on the excess production capacity of the cement mills. In fact, the declining consumption of cement resulting from the curtailment of normal building operations had more than offset the new orders for the Government, but to assure an adequate supply of cement for the Government it was deemed necessary to allocate the supply and to fix prices to be paid by the Government. The price to the general public was never fixed.

Representatives of the Government found the Portland cement industry already well organized, which facilitated the immediate appointment on April 21, 1917, of a "Cooperative Committee on Cement" comprised of representatives of the cement industry and of the Government.

The Committee fixed prices for Portland cement higher than the [fol. 10½] prices which had been obtained at any time during a period of 15 years preceding the war. However, the war prices were lower than the prices which have prevailed at any time since the Government relinquished control of prices. In fact, shortly after the termination of governmental supervision of prices of various commodities the price of Portland cement advanced by leaps and bounds until near the close of the year 1920, retailing in some instances as high as $8 per barrel, more than four times the highest price fixed by the Government.

V

The Combination and Conspiracy

Defendant corporations, from the date each became affiliated with the National Association organized in 1902; defendant Eastern Association, from the date of its organization in 1916; the individual defendants, from the date each became an officer of defendant Eastern Association; and defendant corporations, from the date each became affiliated with defendant Eastern Association, and continuously thereafter up to the present time, and particularly since January 1, 1919, with full knowledge of all the facts hereinafter stated, (1) combined and conspired to adopt the ways and means hereinafter stated with the intent of restraining interstate trade and commerce in Portland cement, and with the intent of accomplishing and continuing the results hereinafter stated; and (2) by virtue of and through their membership in and connection with said associations, and their participation in the activities of said associations, [fol. 11] and by the ways and means hereinafter set forth, have knowingly engaged in, are now engaged in, and unless enjoined from so doing will continue to engage in an unlawful combination and conspiracy in restraint of interstate trade and commerce in Portland cement, in violation of section 1 of the Act of Congress of July 2, 1890, entitled "An Act to protect trade and commerce

against unlawful restraints and monopolies" (26 Stat., 209), known as the Sherman Anti-Trust Act.

VI

The Means

The said combination and conspiracy was brought about and accomplished in the manner and by the means now stated, viz:

1. Activities of the National Association

Defendant corporations are now members of said National Association; through duly accredited representatives certain of defendant corporations participated in its organization; each assists in its maintenance by the payment of annual dues based upon the number of barrels of Portland cement produced by it during the preceding year; each makes certain reports to said association and receives certain reports from said association; through duly accredited representatives each defendant corporation attends meetings of said National Association and is responsible for the acts of the association from the date each became affiliated therewith, said date being to the plaintiff unknown.

[fol. 11½] Proceedings at Meetings

The proceedings of meetings which have been reported show, among other things:

(a) "Some sort of gentlemen's agreement that will be sacred to gentlemen" was openly advocated.

(b) Prices were frequently and freely discussed and higher prices persistently advocated, one member saying on one occasion, "I think the grass is green and the men who make the prices are likewise green."

(c) Curtailment of production was freely and openly discussed and advocated as an effective means of assuring higher prices.

(d) The forms of reports made to and issued by the association and how the information contained therein could be utilized to the best advantage were frequently discussed and explained.

(e) Withholding cement from the market, awaiting a fair price, was openly advocated.

(f) Uniform cost accounting systems were frequently advocated and the adoption thereof finally accomplished as to a large majority of defendant corporations.

Trade Practices

In September, 1915, May, 1916, September, 1917, and May, 1918, a committee of the National Association appointed for that purpose made reports on trade conditions affecting the cement industry and its conclusions and recommendations were adopted by the association, published in pamphlet form, and distributed to its [fol. 12] members. Briefly stated, these trade practices, 24 in number:

1. Defined a dealer.

2. Defined a consumer.

3. Suggested that dealers be discouraged in making sales of cement in carload lots at a smaller margin of profit than 10 cents per barrel.

4. Suggested that the customary cash discount be not allowed unless remittances were made actually within 10 days from date of invoice.

5. Suggested that payment of commissions to dealers on sales made directly to consumers be discontinued.

6. Advised against making quotations to dealers for delivery at towns other than their home towns, except under certain conditions.

7. Suggested a form of contract for use by dealers in connection with specific work contracts and urged that its use be insisted upon.

8. Suggested that dealers be required to make monthly reports of deliveries on specific work contracts "in order that the misuse of cement by dealers may be eliminated;" and provided a form for that purpose.

9. Defined a blanket contract as one covering unknown and uncertain requirements of dealers, contractors, or consumers for delivery beyond 15 days and advised that "the practice of making blanket contracts can not be too strongly condemned."

10. Recommended a form of "salesmen's order blanks" and urged that it be adopted and used.

[fol. 12½] 11. Suggested "that in order to keep the situation more nearly in the control of the cement company, all trade quotations should be for immediate acceptance, 15-day shipment, and for not more than one carload each," and provided a form for use in this connection.

12. Advised against granting extensions in time of delivery.

13. Suggested that dealers be required to state in their bids the brand of cement they proposed to furnish.

14. Defined specific work as a job requiring a carload or more of cement for delivery for a specified period of time beyond 15 days.

15. Suggested that quotations for specific work should be for acceptance within 5 or 15 days, depending upon certain stated circumstances, and provided a form for use in making quotations.

16. Suggested that specific work sales contracts should accurately describe the work as to location, character, name of owner, contractor or other party doing the work, and provided a form to be used.

17. Suggested conditions under which sales should be made to railroad companies, etc.

18. Suggested that "when quotations are issued covering a change in price, the change in price should be made effective on the date quotations are written" in order to avoid price tipping.

19. Advised against guaranteeing prices against decline.

20. Recommended that no cement be sold or quoted on specifi- [fol. 13] cations other than those of United States Government or of the American Society for Testing Materials.

21. Recommended that charges for bin tests should be borne by the purchaser.

22. Recommended that under no circumstances should cement manufacturers bear the expense of commercial laboratory tests.

23. Suggested comprehensive rules and regulations with reference to handling sacks.

24. Urged that credit information be interchanged freely among cement companies.

New editions of these Trade Practices containing minor changes were published in 1916, 1918, and 1919. The practices have been generally adopted and observed throughout the industry, and especially by defendant corporations, and greatly facilitated the accomplishment of the said unlawful combination and conspiracy.

2. Activities of the Eastern Association

The individual defendants are now officers of defendant Eastern Association; defendant corporations are now members of defendant Eastern Association; through duly accredited representatives the majority of defendant corporations participated in its organization; each assists in its maintenance by the payment of annual dues based upon the number of barrels of Portland cement produced by it during the preceding year; each makes certain reports to said association and receives certain reports from said association; through duly accredited representatives each corporate defendant [fol. 13]½ attends meetings of defendant Eastern Association and is responsible for the acts of the association from the date each became affiliated therewith, said date being to the petitioner unknown.

Proceedings at Meetings

Although it was originally contemplated that all proceedings of defendant Eastern Association would be stenographically reported and preserved, this has not been done. The proceedings of meetings which have been reported show, among other things:

(a) The object of the association was declared to be "cooperation," and it was announced that satisfactory cooperation could not be assured unless all manufacturers of Portland cement belonged to the association, since it was possible that "one or two companies staying out might destroy all the good work the rest of us might do."

(b) That members of the association were always fearful lest their activities might be considered to be in violation of the law.

(c) That the activities of the association, particularly the comprehensive system of reporting statistics, were considered confidential and secret.

(d) That the discount to be allowed in payment of invoices was frequently discussed and attention called to the fact that a discount is closely related to the price.

(e) Production capacity of mills of member companies was fre-[fol. 14] quently and adroitly discussed in such a manner that it was not necessary to openly advocate curtailment of production.

(f) The employment of a force of checkers or inspectors to investigate contracts was discussed, one member suggesting that contractors might object to giving information to a man he considered to be a "detective from the cement trust." It was determined to employ a force of checkers, and this policy has been pursued since 1916.

(g) Diversion of cement from one job to another was opposed, except on condition that contractors pay the prevailing price if there had been an increase in price in the meantime.

(h) The importance of adopting a uniform cost-accounting system was discussed and dissatisfaction was expressed at the delay of the National Association in accomplishing that object.

(i) The credit to be allowed for bags returned was openly discussed and the importance of uniformity in that regard was pointed out.

(j) The subject of trade relations was discussed and determined to be within the province of the National Association. (See "Trade Practices" on p. 16.)

(k) The members of the association expressed satisfaction with the results accomplished.

Reports

Defendant Eastern Association, its officers and members, use between 25 and 30 forms of reports in connection with the collection, [fol. 14½] compilation, and dissemination of statistical data. The comprehensiveness of the system and the minute details reported are indicated by the following brief description of a number of the more important of the forms used:

Form 20. Used by manufacturers in reporting full details of specific job contracts.

Form 21. Used by manufacturers in reporting changes in specific job contracts.

Form 8. Summary report issued daily by association showing contracts filed with all members.

Form 1. Used by manufacturers in requesting further information about contracts taken by other manufacturers.

Form 2. Used by checkers or inspectors in reporting the results of investigations of contracts about which information is desired.

Form 5. Used by association in submitting checkers' reports on contracts under investigation.

Form 6. Used by manufacturers in expressing satisfaction with checkers' reports or requesting further investigation and pointing out possible discrepancies.

Form 22. Used by manufacturers in reporting monthly status of contracts.

Form 9. Used by association in sending out monthly summary of contracts of members.

Form 10. Quarterly report by association of all specific job contracts on file with member companies showing name of contractor, full description of work, quantity sold, the price, quantity delivered to date and balance to be shipped, etc.

[fol. 15] Form 23. Used by manufacturers in reporting monthly the quantity of clinker burned, cement ground, cement shipped, clinker in stock, and cement in stock.

Form 12. Summary of report issued monthly by association showing as to each member the quantity of clinker burned, cement ground, cement shipped, clinker in stock, and cement in stock, etc.

Form 24. Used by manufacturers in reporting semi-monthly total shipments during preceding period of 15 days.

Form 14. Summary report issued by association showing 15-day shipments by each member.

Form 26. Quarterly report by manufacturers showing bags returned.

Form 19. Quarterly report issued by Association showing as to each member the number of bags returned, the number accepted, and the number rejected.

This system of reports constitutes the most important of the various means employed by defendant Eastern Association, its officers and members, to accomplish said unlawful combination and conspiracy.

Defendant Eastern Association exchanges statistical data with the Midwest Association. Defendant corporations belonging to defend-

ant Eastern Association also belong to the National Association and make reports to that association.

3. Other Concerted Acts

Point of Delivery.—Defendant corporations, without exception, [fol. 15½] make all sales f. o. b. point of delivery, the purchaser paying the freight and being allowed credit therefor when making payment for the cement.

Freight Basing Points.—In the northeastern section of the United States the following points adjacent to certain groups of defendants' mills are among those used by defendant corporations as arbitrary basing points: Universal, Pa.; Lehigh Valley, Pa.; Hudson, N. Y.; and Fordwick, Va. The Lehigh Valley point is by far the most important, as upwards of 85 per cent of the entire quantity of cement consumed in the northeastern section of the United States is produced in that territory.

Freight Rate Books.—Defendant corporations caused to be compiled, printed, and distributed to members of defendant Eastern Association, books called "Freight Rate Books." These books show in convenient form the actual freight rates from the arbitrary basing points above described to practically every city and town in the northeastern section of the United States.

Mill Base Prices.—Defendant corporations establish from time to time so-called mill base prices for each freight basing point. For instance, at one time the basing price at Lehigh Valley, Pa., was $2.30 per barrel, and at Hudson, N. Y., $2.40 per barrel.

Charges and Credits for Bags.—Defendant corporations make the same charges and allow the same credits for bags.

4. Operation of Scheme as to Manufacturers.

The exchange of views at frequent meetings and the action taken [fol. 16] pursuant thereto, the concerted adoption and observance of the trade practices, and the dissemination of statistical data, as hereinabove set forth, together constitute a gigantic scheme of concerted action. In order to effectively execute said scheme of concerted action defendant corporations provided and have continued to provide defendant Eastern Association with the following salaried officers and employees: a vice president, hereinafter referred to as the manager; a secretary; a force of clerical assistants; and a force of traveling and investigating engineers known as "checkers."

Defendant corporations agreed to furnish the manager of said Eastern Association statements showing their several mill capacities for the production of Portland cement and instructed him to compile and distribute to all members statements showing all their several mill capacities, which was done. They also agreed to furnish and do furnish said manager monthly reports showing amounts of clinker burned, cement ground and cement shipped during the month, and the amounts of clinker in stock and cement in stock at the close of the month; and instructed him to compile and distribute monthly to all members comparative tables of figures show-

ing as to each defendant corporation the amounts of clinker burned, cement ground and cement shipped during the month, and the amounts of clinker in stock and cement in stock at the close of the month, a summary of that information for the elapsed period of the current year and for the corresponding period of the preceding year. Such tables have been and are being regularly compiled and distributed.

[fol. 16½] Defendant corporations agreed to furnish the manager of said association full information as to the details of each contract (including date made, date of termination, name of contractor, full description and location of work, quantity sold, the price, quantity delivered to date, balance to be shipped, etc.) made for the future delivery of Portland cement and instructed him to compile and tabulate such information as to all the members and to furnish copies of such compilations and tabulations to each. Such information has been furnished and such compilations and tabulations have been and are being made and distributed daily, and a summary of the daily reports is distributed monthly. The checkers of said association, at the request of any member, investigate the construction work designated in any contract reported to ascertain the quantity actually needed and to determine the question of priority as between two or more such contracts made by different members covering the same construction work, and the facts ascertained are reported through the manager of said association to all the members interested therein.

Defendant corporations also agreed to report to the manager of said association and instructed him to communicate to all other members all cancellations on account of contracts found to exceed the actual requirements of specific construction work already undertaken or definitely projected, or found to be duplicates of contracts held by other members covering the same construction work. This [fol. 17] has been and is being done. In consideration of the cancellations of contracts thus reported by certain members many other members made similar cancellations of their contracts, both upon their own initiative and upon the results of investigations requested by other members. This resulted in reducing to a minimum the quantities of cement under contracts for future delivery at prices specified as of the dates of the contracts and gave the manufacturers a more complete control of the situation.

Defendant corporations agreed to report to the manager of said association semi-monthly the total shipments of cement made during the preceding 15-day period and instructed him to compile and tabulate such information as to all the members and to distribute copies of such compilations to each. This has been and is being done.

Each defendant corporation having full and complete information as to each other defendant's production capacity, the quantity actually produced, the quantity sold on specific job contracts and at what prices, the quantity cancelled, and knowing that approximately one-third of the total production is sold on specific job con-

tracts, and it being understood that the differential in prices between dealers and contractors would be 10 cents per barrel except in New Jersey where 25 cents per barrel is allowed, was cognizant of every important detail of the business of each potential competitor and had his finger constantly on the pulse of supply and demand. [fol. 17½] Consequently, when the supply showed a tendency to materially exceed the demand, the course to be pursued was thoroughly understood and defendants would shut down their mills or operate them at less than full capacity, thus effecting a substantial curtailment of production and nullifying the operation of the law of supply and demand.

5. Operation of Scheme as to Dealers and the Public

Against the concerted actions of the defendants, the dealers and the public have stood and now stand defenseless.

A dealer located at, say Brockton, Mass., requesting quotations on a quantity of cement for stock, has substantially this experience: If he is a recognized dealer as defined in the Trade Practices, if the manufacturer thinks the dealer can make proper use of the quantity of cement specified, if the reports of defendant Eastern Association show that the particular dealer is not indebted to any other cement manufacturer, although the indebtedness may be the result of a refusal to pay because of a legitimate controversy rather than a lack of ability to pay, the manufacturers will quote. Upon examination of the quotations the dealer finds that all companies quote the same price regardless of the location of their mills and the distance from Brockton, that all prices are f. o. b. Brockton, that all companies require him to pay the freight and permit him to deduct the amount thereof in making payment for the cement, that [fol. 18] all companies allow him the same credit for bags returned in good condition, that all companies allow him the same discount if the bill is paid within 10 days, that all companies quote for immediate acceptance and for only one carload, which must be shipped within 15 days.

If the dealer desires to purchase a larger quantity of cement he must show that it is to be used on a specific job and must furnish the manufacturer a copy of the contract for the construction of the building, whereupon the checkers determine whether the quantity ordered is actually needed, and if not, the excess is canceled. Dealers and contractors resent the activities of the checkers, but to no avail. If by any chance more cement has been delivered to a particular job than is required, and it is proposed to use it on another job in the immediate vicinity, the contractor is required to pay the difference between the original price and the prevailing price if there has been an advance in price in the meantime. The Brockton dealer finally holds an executory contract for the quantity of Portland cement the manufacturer is willing to let him have for the specific job. The price is, say, $3.72 per barrel f. o. b. Brockton, representing a Lehigh Valley mill base price of $2.30, 4 bags 60 cents, and freight 82 cents.

Any manufacturer learning of this particular transaction through reports from the association or otherwise can instantly analyze the price and determine the mill base price charged by the manufacturer making the sale. If the established mill base price has not been charged, explanations are in order.

[fol. 18½] The contractors are unable to purchase directly from manufacturers except at the same prices they would be required to pay to the dealer. The general public is also obliged to pay any prices the dealers may demand and at one time within the last two years, in certain cities in the northeastern section of the United States, dealers demanded of the public as high as $7 and $8 per barrel. The action of the manufacturers in adhering to their policy of selling only to dealers, under the conditions stated, was tantamount to sanctioning the extortion engaged in by the dealers.

VII

Results

The outstanding result of said unlawful combination and conspiracy is the uniformity accomplished between defendant corporations in the following respects:

1. Uniform quality of product.

2. Uniform practice of making sales f. o. b. point of delivery.

3. Uniform freight basing points.

4. Uniform mill base prices, notwithstanding differences in cost of production by each.

5. Uniform freight rates, regardless of location of mills from which shipments are actually made.

6. Uniform prices to all dealers at the same points of delivery notwithstanding differences in cost of production and freight rates.

7. Uniform discounts allowed to dealers.

[fol. 19] 8. Uniform prices to contractors at the same point of delivery notwithstanding differences in cost of production and freight rates.

9. Uniform charges for bags.

10. Uniform credit allowances for bags returned.

11. Uniform differential allowed between prices quoted dealers and prices quoted contractors.

12. Uniform cost-accounting systems.

Another result of said unlawful combination and conspiracy is the control and regulation of production. Having knowledge of each

member's capacity to produce, the quantity actually produced, the quantity in stock, the quantity under contract, and in addition meeting frequently and discussing the probable demand for cement, it is a simple matter to produce only what it is believed the market will absorb without breaking prices, and plaintiff alleges that defendant corporations have materially restricted production.

Another result is the unconscionable prices which have been charged for Portland cement since January 1, 1919, resulting in enormous profits to defendant corporations, as evidenced by large stock dividends and cash dividends declared and paid by certain of defendant corporations from time to time; and generous increases in salaries and excessive bonuses paid to certain officials of certain of defendant corporations.

Another and perhaps the most serious result is the effect the high prices demanded for cement have had upon building operations throughout the country. Due to the high prices of cement and other [fol. 19½] building materials, building operations have been greatly retarded—thus depriving men of employment and preventing relief from the grave shortage of housing facilities.

Summarily stated, said unlawful combination and conspiracy has resulted in eliminating the competition to which the public is entitled, which the law contemplates, and which, but for said combination and conspiracy, would exist between defendant corporations in the manufacture and sale of Portland cement, and constitutes an unreasonable and unlawful restraint of interstate trade and commerce within the meaning of the Sherman Anti-Trust Act.

VIII

The Immediate Menace of Continuing the Combination and Conspiracy

Defendants are still engaged in carrying out said unlawful combination and conspiracy in restraint of interstate trade and commerce in Portland cement by the various means hereinbefore set forth and intend to continue to carry on their activities in all respects as heretofore. Unless this court shall promptly issue its preliminary injunction restraining the defendants, pending final hearing on this petition, from further carrying out said unlawful combination and conspiracy, the prevailing high prices resulting from the elimination of every semblance of competition will cause irreparable injury to the public in that such prices must be paid by the public without possibility of restitution; and especially in that unreasonably high [fol. 20] prices charged for this important building material seriously curtails building operations which are so essential to the development of the country and the prosperity, comfort, and welfare of its citizens.

IX

Prayer

Wherefore petitioner prays:

1. That writs of subpœna issue, directed to each and every of the defendants, commanding them to appear herein and answer, but not under oath (answer under oath being hereby expressly waived), the allegations contained in this petition, and to abide by and perform such orders and decrees as the court may make in the premises.

2. That upon the application of the plaintiff for a preliminary injunction, of which the defendants shall be given ten days' notice, the court order this cause to be heard thereon; and that upon such application and hearing the court issue its preliminary injunction against each of the defendants, their officers and agents, restraining them, individually and collectively, from further engaging in, carrying out, or maintaining the said combination and conspiracy, or any other of like character and effect; and particularly from further employing any or all of the above-described means by which said combination and conspiracy has been accomplished.

3. That the court, upon final hearing of this cause, adjudge and decree the Cement Manufacturers' Protective Association in and of [fol. 20½] itself, as well as each of the elements composing it, whether corporate or individual, whether considered collectively or separately, to be an unlawful instrumentality, organized, operated, and maintained solely for the purpose of carrying into effect the unlawful combination and conspiracy in restraint of interstate trade and commerce in Portland cement hereinbefore described, in violation of section 1 of the Act of Congress of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies" (26 Stat. 209).

4. That the court, upon final hearing of this cause, adjudge and decree that the defendants have engaged in a combination and conspiracy in restraint of interstate trade and commerce in Portland cement in the manner and by the means hereinbefore described, in violation of the Act of Congress of July 2, 1890 entitled "An Act to protect trade and commerce against unlawful restraints and monopolies" (26 Stat., 209), and that they and their officers, directors, and agents be perpetually enjoined, individually and collectively, from further engaging in, carrying out, or maintaining the said combination and conspiracy, or any other of like character and effect, and particularly from further employing any or all of the above-described means of carrying out said combination and conspiracy.

[fol. 21] 5. That plaintiff have such other, further, and general relief as the nature of the case may require and the court may deem proper.

United States of America, by William Hayward, United States Attorney for the Southern District of New York. H. M. Daugherty, Attorney General. Guy D. Goff, Assistant to the Attorney General. William Hayward, United States Attorney for the Southern District of New York. James A. Fowler, Oliver E. Pagan, Ben A. Matthews, Roger Shale, Special Assistants to the Attorney General.

[fols. 21½–26] Jurat showing the foregoing was duly sworn to by S. Wallace Kemp omitted in printing.

[Title omitted]

ANSWER—Filed Oct. 3, 1924.

Cement Manufacturers Protective Association and the officers and members thereof above named as defendants herein, jointly [fol. 27½] and severally answering the allegations of the Petition, say:

Each of the nineteen defendant corporations is (in itself, in its ownership and control, and in the interests it represents) entirely separate and distinct from all the others. These nin-teen distinct organizations are competitively engaged in manufacturing and selling Portland cement, an industry often and correctly described as "the most individualistic of the larger branches of manufacture."

Summary of Defendants' Position with Respect to the General Charges of the Petition

The picture of the Portland cement industry in the United States, and particularly the northeastern portion thereof, presented by the Petition as an industry long subjected to restraining influences in the nature of agreements, combinations and conspiracies resulting in artificial uniformities, control of production, unconscionable prices and enormous profits, is not a true representation of said industry but directly contrary to the facts and accordingly denied.

The facts are that the industry, and particularly the portion thereof here involved, has exhibited and exhibits an illustration of long-recognized economic forces operating freely and without restraint, the illustration being exceptionally clearcut by reason of the exceptional commercial identity of the product of all manufacturers, the exceptional number of large competing manufacturers, the exceptional surplus production capacity over consumption and [fol. 28] the exceptional sales competition, as hereinafter more fully explained.

Many of the matters and things alleged in the Petition as "re-

sults" of the operation of a "scheme" or "combination and conspiracy" in fact have not existed and do not exist. For instance, there have been neither "unconscionable" or unreasonable prices, nor "enormous" or immoderate profits, nor control or restriction of production, nor material effect upon building operations.

None of the alleged "results" is in fact a result, consequence or effect of any scheme, combination or conspiracy. Such facts, characterized in the Petition as "results," as do exist to any extent, divide themselves into two groups:

(i) Some of them (as, for instance, freight rates, the standardization of the commodity, retail prices, etc.) have been controlled by, and resulted from, the acts of others, (particularly the Interstate Commerce Commission in the matter of freight rates; the Government, various scientific bodies, engineers, architects and other buyers and users in the matter of standardization; and dealers in the matter of resale prices) over whom neither any of the defendants nor the defendants collectively have exercised, or can exercise, control.

(ii) The others (and particularly such of the alleged uniformities as may at times be observed in the industry, as hereinafter fully explained) are developments inherently incident to the intensely competitive conditions prevailing throughout the history of the portion of the industry here involved and other economic factors, which [fol. 28½] had their inception and existed prior to any concerted action whatsoever in the industry, and have gradually grown and become better defined, without plan or restraint of any kind, as the competition has become increasingly operative and the conduct of industry generally has become less haphazard and wasteful, and more intelligent, scientific and efficient.

There is not among the defendants, and has not been, any association organized, as alleged in the Petition, along the lines known as the "Eddy Plan", "Open Price Plan", etc. Most of the defendant corporations are, it is true, members of certain associations hereinafter (pp. 37-50; 71-139) fully described—for the purpose of (1) promoting the use of cement and (2) the collection of certain information which enables each manufacturer to know (i) the extent of its own obligations for the future delivery of cement, (ii) something of the financial position of some of those seeking credit, (iii) the official freight rates, and (iv) the existing supply of cement, such information as every manufacturer needs and legitimately attempts to secure—but these associations merely render these helpful services which could not otherwise be secured; exert no restraint whatsoever upon any part of the complete freedom of action of each manufacturer; and are, the defendants assert, not only lawful, but in fact highly beneficial both to the industry and to the public.

All the allegations and suggestions of the Petition which personify the economic factors which have in fact produced existing conditions, into a superior control named in the Petition "a gigantic scheme of concerted action" or "combination and conspiracy", are

[fol. 29] denied. The portion of the industry here involved in fact has presented, and presents, a struggle for business between an unusual number of well-equipped competitors, the incidents and results of which are inconsistent with the allegations of unified anthropomorphic control and in accordance with the unrestrained workings of economic laws as hereinafter explained.

[fol. 29½] The Allegations Concerning Control and Regulation of Production.

All allegations with respect to collective "control and regulation of production," are denied. The actual shipments of each manufacturer have been and are inconsistent with any unified control or any condition except that of vigorous competition, wherein each is struggling to take business from the others.

In the accompanying chart (Exhibit I), the shipments of each manufacturer each year from 1915 to 1921, are accurately shown by a black line extending up into the scale of millions of barrels, the distance equivalent to the actual shipments, the lines for each of the six years being placed side by side over the name of the manufacturer whose shipments each line represents.

Thus, taking the three alphabetically first, in 1915 Allentown shipped nearly a million barrels, Alpha nearly five and a quarter millions, and Atlas, from the mills mentioned in the Petition or shipped into the territory, about five and three-fourths millions. In the next year, 1916, Allentown shipments decreased about a hundred thousand barrels, Alpha's shipments decreased more than half a million, while Atlas increased nearly a million. In the next year, 1917, Allentown and Alpha shipments fell off further, while Atlas shipments were about the same. In the same three years, the shipments of Edison, Giant, Knickerbocker and Security increased continuously, Bath, Coplay, Dexter, Glens Falls, Lawrence, Lehigh and Phoenix decreased continuously, while Nazareth, Penn Allen, Pennsylvania and Vulcanite moved variously both up and down.

(Here follows Exhibit I to Answer, marked side folio page 30.)

Similar unsymmetrical developments occurred in the remaining [fol. 31] three years (1918 reflecting Government war restriction), and at the end of the six years the position of no defendant is relatively to all the rest what it was at the beginning. Six of the companies shipped less in 1920 than in 1915, eight shipped more, five shipped about the same amount.

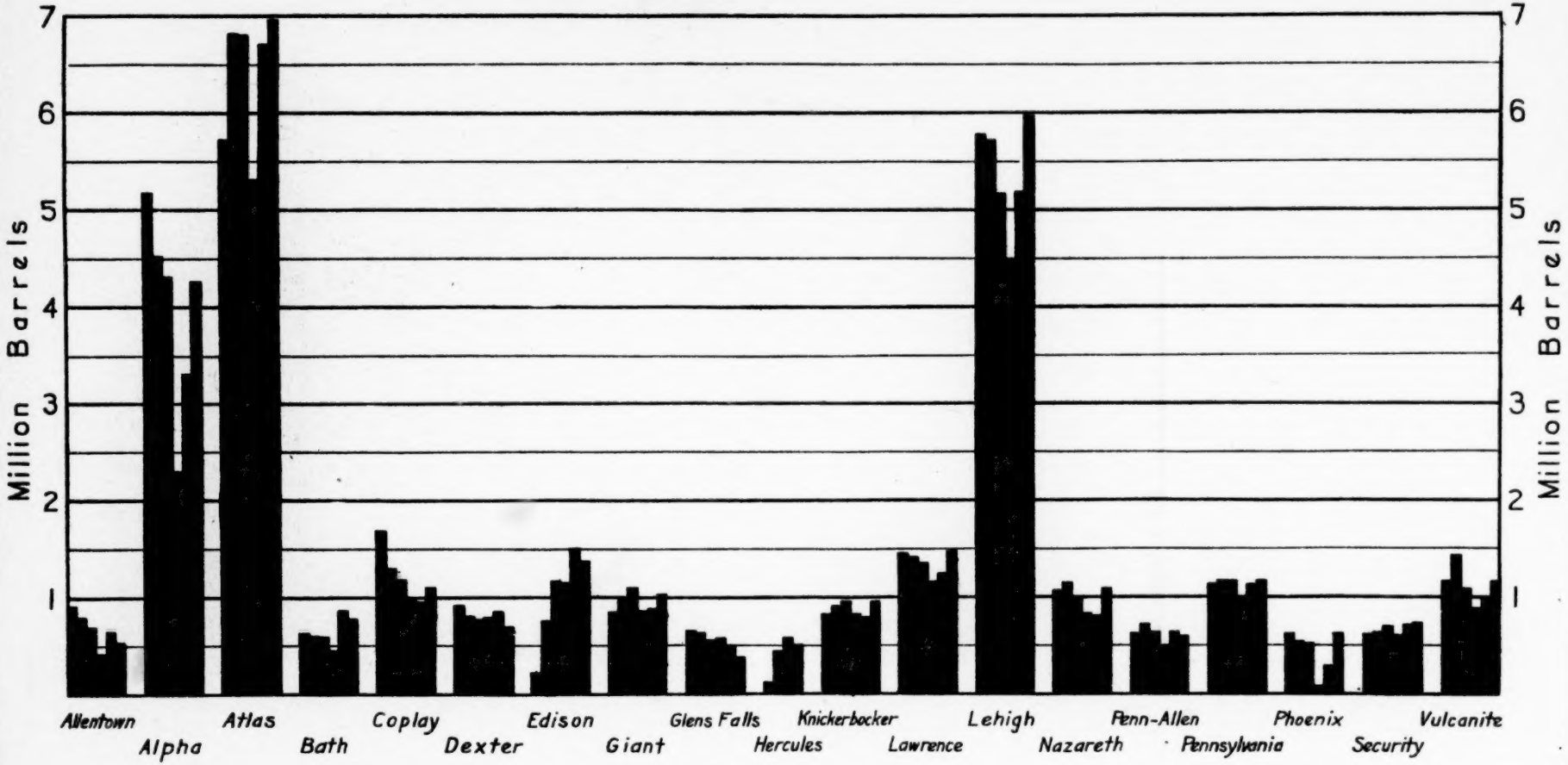
The facts thus refute the allegations of the Petition that this portion of the Portland cement industry operates pursuant to any "scheme" or "combination and conspiracy." The following table shows what percentage of the total business of all these manufacturers each of them secured each year, from which it will be observed that there has been nothing remotely resembling anything like collective control or distribution of the business among the nineteen separate competitors.

30

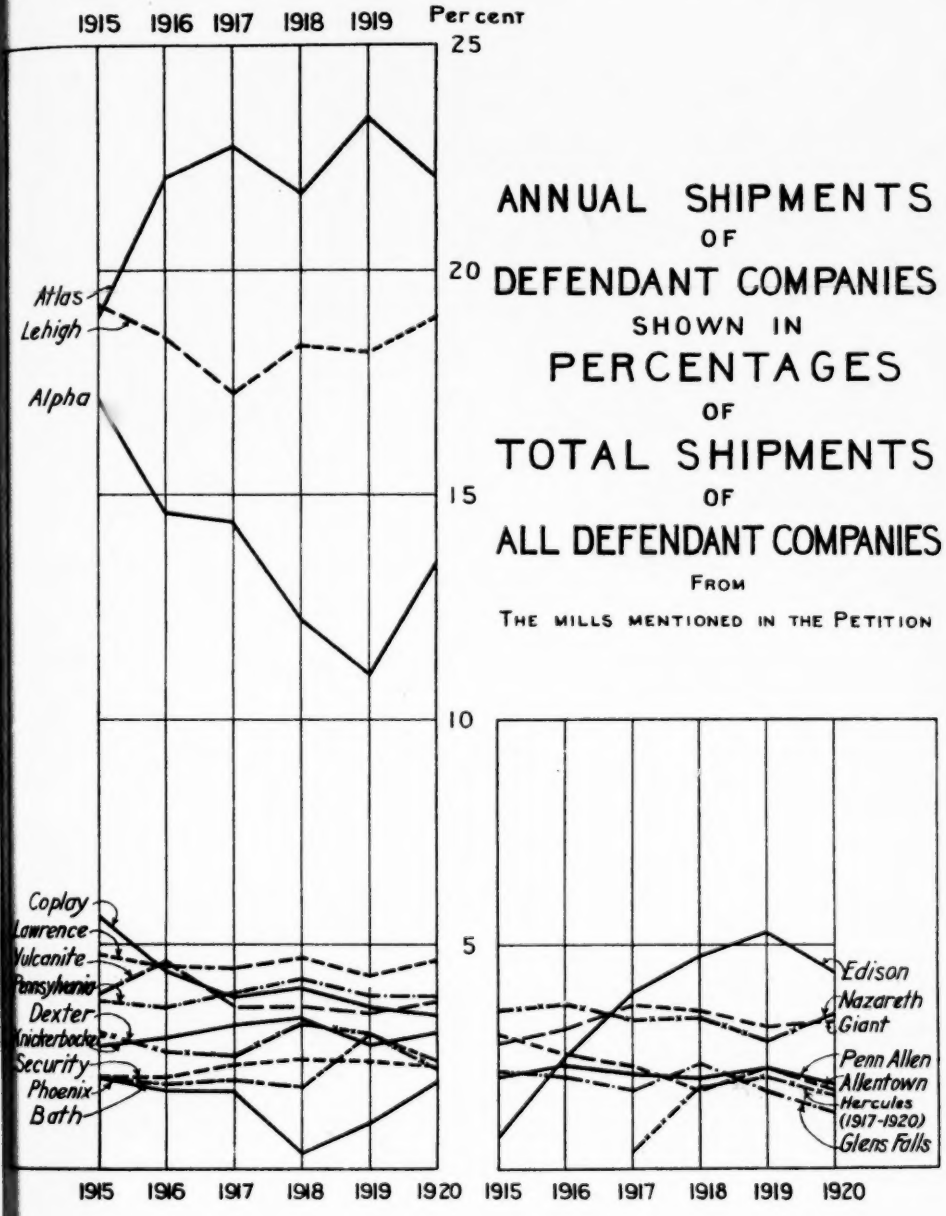
Exhibit I to Answer

COMPARATIVE YEARLY SHIPMENTS OF DEFENDANT COMPANIES

FROM THE MILLS MENTIONED IN THE PETITION



Yearly Shipments of each Company are shown, left to right, from 1915 to 1920, inclusive, except Hercules, 1917 to 1920, inclusive.



ANNUAL SHIPMENTS OF DEFENDANT COMPANIES SHOWN IN PERCENTAGES OF TOTAL SHIPMENTS OF ALL DEFENDANT COMPANIES

FROM

THE MILLS MENTIONED IN THE PETITION

Company	1915	1916	1917	1918	1919	1920
Allentown	3.00	2.57	2.33	1.74	2.28	1.72
Alpha	17.19	14.64	14.42	12.25	11.04	13.54
Atlas	19.00	22.06	22.78	21.72	23.44	22.10
Bath	2.08	1.90	1.98	1.84	3.02	2.45
Coplay	5.62	4.40	3.87	4.07	3.64	3.48
Dexter	3.06	2.61	2.53	3.25	3.01	2.20
Edison	0.75*	2.48*	3.94	4.77	5.28	4.39
Giant	2.84	3.15	3.68	3.53	3.16	3.27
Giens Falls.....	2.20	2.06	1.88	2.39	1.75	1.23*
Hercules	....	....	0.39*	1.84	2.05	1.65
Knickerbocker..	2.77	2.95	3.22	3.40	2.80	3.07
Lawrence	4.82	4.55	4.50	4.73	4.33	4.68
Lehigh	19.26	18.52	17.28	18.35	18.20	18.99
Nazareth	3.55	3.70	3.35	3.39	2.85	3.46
Penn Allen	2.09	2.33	2.14	2.03*	2.27	1.89
Pennsylvania ..	3.75	3.62	3.97	4.24	3.88	3.86
Phœnix	2.07	1.76	1.76	0.35*	1.02	1.99
Security	2.04	2.05	2.34	2.46	2.48	2.31
Vulcanite	3.91	4.65	3.64	3.65	3.50	3.72

[fol. 31½] For easy comparison the portion of the total business of all, which each secured each year, is graphically shown in the accompany chart, Exhibit II.

The earnings of the nineteen separate manufacturers have been equally or more diverse, ranging, for instance, in the year 1920 (wherein shipments of cement in the United States were the largest in the history of the industry), from a loss of more than $700,000 on an "invested capital," as reported to the Government, of less than $4,000,000 to earnings of about 21 per cent on the "invested capital." Between these extremes, the results were diverse. One of these manufacturers lost upwards of $20,000 on an "invested capital" of $1,435,790 and a business of more than 500,000 barrels; another made less than $5,000 on an "invested capital" of more than $3,000,000 and a business of more than 1,000,000 barrels; another made less than $12,000 on an "invested capital" of more than $800,000 and a business of more than 500,000 barrels. The detailed figures are given at page 18, infra.

There is no conceivable way of reconciling the facts with any agreement, collective control or regulation.

(Here follows Exhibit II to Answer, marked side folio page 32.)

*Operating only part of year or not at all.

[fol. 33] The Allegations Concerning "Unconscionable" Prices

All allegations with respect to "unconscionable" or unreasonable prices, are denied. The prices received by these manufacturers for Portland cement are, and for more than twenty-five years have been, remarkably low when measured by the operations involved in the manufacture and costs.

The manufacture of Portland cement embraces quarrying and transporting the rock and other materials; reducing them to an impalpable powder by expensive operations; analyzing them and mixing them in accurate proportions; analyzing the mixture; subjecting it for a long period to gradually increasing and nicely adjusted heat, approaching finally 3,000° F., during which carbon dioxide and other substances are first removed in comparatively low and long-continued heat and the purified materials brought by high heat to a state of incipient fusion, in extremely hard balls known as clinker, so hard and abrasive that they will scratch glass; cooling; mixing with proper proportions of gypsum; grinding the extremely hard clinker to a powder so fine that 78 per cent. thereof will pass through a sieve having 40,000 holes to the square inch; analyzing; packaging and shipping. The manufacture involves delicate treatment of large masses of material, the application of a high degree of watchful skill and accuracy since the product is easily ruined by improper mixture or content, or underburning or overburning by too short or too long exposure or too low or too high heat, and the penalty of any inaccuracy extends to great quantities of the product), large investment, much fuel and labor, and an unusual amount of [fol. 33½] repair and replacement of apparatus. Notwithstanding these elements in the manufacture, the product is sold by the manufacturer at a price which is, as these defendants are informed, lower than that of any other manufactured commodity.

The cheapness of Portland cement is attested by "the marvelous growth of the Portland cement industry in the United States" recited in the Petition. Portland cement has made its way in competition with natural cement, lumber, brick and stone. As accurately summarized in War Industries Board Bulletin No. 41 (Government Printing Office 1919), pp. 4, 5:

"A lowering of the price of Portland cement from $3 a barrel in 1880 to 80 cents in 1912, * * * while the prices of its chief competitors, lumber, brick and stone, advanced from 20 to 75 per cent., is one of the reasons why Portland cement has gained new uses at the expense of its rivals. * * * The decline in cement prices from 1913 to 1914 and 1915 was the result of sharp competition between cement mills with productive capacity over fifty per cent. in excess of the output. The subsequent rise in the price of cement from 1916 to 1918 was due to rapidly increasing wages and fuel costs. On the whole, however, cement prices did not rise as rapidly as the prices of other building materials."

The average price per barrel of Portland cement in the United States, and in the Lehigh District (where most of the mills of defendants are located) as shown by the bulletins of the United States Geological Survey, has been as follows:

	United States	Lehigh district
[fol. 34] 1870-1880	$3.00	....
1881	2.50	....
1882	2.01	....
1883	2.15	....
1884	2.10	....
1885-1888	1.95	....
1889	1.67	....
1890	2.09	....
1891	2.13	....
1892	2.11	....
1893	1.91	....
1894	1.73	....
1895	1.60	....
1896	1.57	....
1897	1.61	....
1898	1.62	....
1899	1.43	....
1900	1.09	....
1901	.99	....
1902	1.21	....
1903	1.24	....
1904	.88	....
1905	.96	....
1906	1.13	....
1907	1.11	....
1908	.85	.75
1909	.81	.70
1910	.89	.73
1911	.84	.71
1912	.81	.67
1913	1.00	.84
1914	.92	.81
1915	.86	.70
1916	1.10	.94
1917	1.35	1.22
[fol. 34½] 1918	1.59	1.51
1919	1.71	1.64
1920	2.01	1.91

In the price studies of the War Industries Board, the Department of Labor and the Department of Commerce, the year 1913 is taken as "a pre-war standard for measuring price changes" and as affording the index number; and examination of cement prices may begin at that year:

The condition of the cement industry just prior to that year is accurately set forth in a statement quoted with approval by the Geological Survey, in "The Cement Industry in 1911"—the ninth year of the "combination and conspiracy," according to the Petition—as follows:

"The situation presents a peculiar paradox. Here is a great industry showing constant development and increase in production, but the situation from the standpoint of the manufacturer is far from encouraging, owing to extremely low prices. There are no dividends in sight, and some of the mills are in the sheriff's hands. * * *

"Considering this side of the industry the cement manufacturer has been a veritable anomaly in modern commercial and industrial development. His industry enjoys the unique distinction of being the only one of its magnitude that has been practically free from overcapitalization. The price of his product is so low that one could not scrape the free sand from the gutters at much less cost per barrel than the present price of cement" (pp. 12-13).

(Here follows Exhibit III to Answer, marked side folio page 35.)

In the next year, 1912, prices declined further and conditions were thus described:

"For the majority of plants in the United States the first three [fol. 36] to six months of 1912 was a very quiet period. Fully forty-five of the active plants were idle during three months or more, the majority having shut down on account of full stock houses and lack of demand for cement. * * * Taken altogether the year 1912 was one of large production and still larger shipments and of low prices" (Cement in 1912, pp. 14, 16).

Beginning with the common "pre-war standard" year, the following table gives the average cost per barrel and the average price received per barrel by the defendant manufacturers operating each year from 1913 to 1920, inclusive, together with the percentage which the margin between cost and price bears to the selling price—or what would be the percentage of profit on the selling price but for the fact that other items reducing profit are not included in cost:—

Year	Cost per barrel	Price received per barrel	Per cent margin to price
1913	$.7151	$.8403	14.9
1914	.7398	.9616	14.1
1915	.6796	.7257	6.3
1916	.8158	.9699	15.9
1917	1.1069	1.2410	10.8
1918	1.3923	1.5426	9.7
1919	1.4496	1.6529	12.3
1920	1.7798	1.9290	7.7

VERAGE COST PER BARREL AND PRICE RECEIVED PER BARREL
AND
ERCENTAGE OF MARGIN BETWEEN THEM TO SELLING PRICE
(Mills mentioned in the Petition)

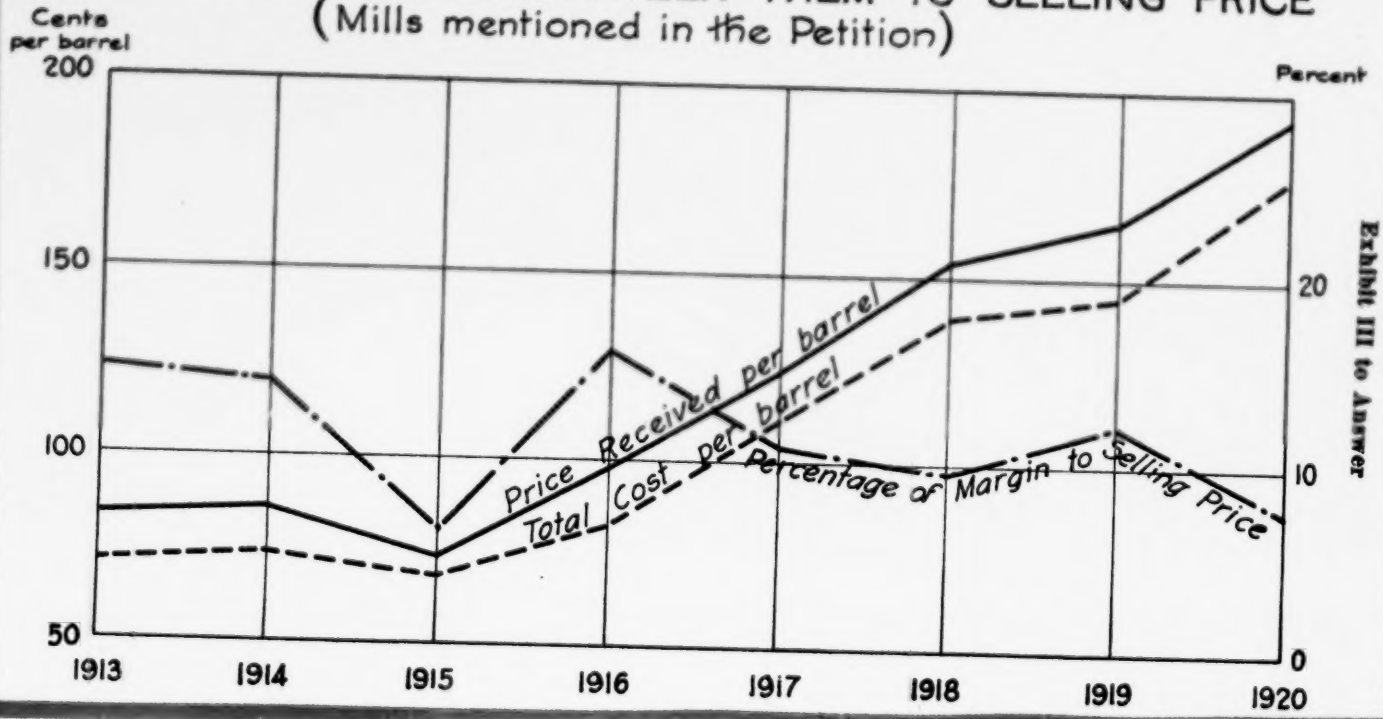


Exhibit III to Answer

These same figures are shown graphically in the accompanying chart, Exhibit III, the percentage of the selling price represented by the margin between cost and price being in red.

An understanding of these figures involves noting the following: [fol. 36½] (1) The price per barrel received by any manufacturer of cement at any particular time always represents a number of prices which differ from each other according to when and where each lot of the cement for which the prices are received, has been sold (infra, p. 155). The price per barrel on any particular day, or during any year, may embrace prices received from the delivery of some lots of cement sold on contracts two or three years before at the then market prices, prices received from other lots sold at more recent market prices, prices received from lots sold at points near the mill to which the manufacturer has a freight advantage, as well as from lots sold at points distant from the mill on which the freight disadvantage must be absorbed by the manufacturer.

Accordingly, an advance or decline in market prices at a particular time or during a particular period affects the price received at that time or during that period more or less, according to the amount of cement then being delivered under old contracts made at other prices, the places of delivery and other variable factors.

For instance, for two or three months prior to May, 1915, the cement of the defendant corporations then operating sold at prices about 10 cents a barrel below cost, as a result of one of the occasional trade wars between them, and the average price per barrel for the year was nearly 14 cents below that of the year before. From March, 1918, throughout that year, market prices were about 40 cents a barrel higher than during the period from March, 1917, to the end of 1917, and 55 cents higher than prices in the first three months of 1917, but existing contracts at previous prices, and like factors, prevented the average price received advancing cor- [fol. 37] respondingly. In 1919, market prices were 15 cents a barrel below the prices of 1918, but the price received nevertheless actually advanced above the price received in 1918, chiefly because war conditions had operated so that sales represented to an exceptional degree fresh business at then market prices.

(2) The percentage of the selling price represented by the margin between cost and price must be considered in connection with the fact that, as stated by the Geological Survey:

"The rate of turnover of capital is necessarily much faster in the iron industry than in the cement industry, in which the rate of turnover is practically slower than that of any other industry. In other words, if the profits per ton were 10 per cent of the selling price of both pig iron and cement, the returns to the producer in the case of the iron industry would be 15 to 20 per cent a year profit, while in the cement industry the same capital would produce only 5 per cent profit" ("Cement in 1910," p. 11).

The rate of turnover in the cement industry is generally more than two years. Allowing for the variable factors and for the fact

that the margin between cost per barrel and price received per barrel does not accurately show profit because other items diminishing profits are not included in cost, and adding the fact that shipments in 1919 were several million barrels below those in 1920, the percentages of this table correspond with the profits of about 7 per cent in 1919 and about 5 per cent in 1920, shown in the financial tables, infra, p. 18.

[fol. 37½] The Allegations Concerning "Enormous" Profits

All the allegations of "enormous" or immoderate profits, are denied. The profits of these manufacturers have long been, and are, meager and less than those commonly resulting from investment in industrial enterprises.

To understand the figures, it is necessary to note the fact that under the prevailing competitive conditions, the profits of a few cement mills are exceptions to the general rule. A few of the smaller mills are so isolated by freight rates from other mills that the cost of delivering cement therefrom to purchasers is well separated from the competitive market prices. For example, an isolated mill serving a territory which can be reached from any other mill only at a freight disadvantage of, say, 50¢ or more a barrel, and being also able to make deliveries more promptly, accurately and satisfactorily than mills shipping from a great distance, other things being equal, can earn much larger profits than any mill not having such freight advantages over competitors.

Similarly, manufacturing costs at different mills vary considerably. For instance, an exceptional mill operating a quarry wherein the rock being quarried at a particular time contains precisely the correct proportions of the different elements so that no artificial mixing is necessary, can operate at lower cost than a mill which has to bring in large quantities of proper limestone or other materials from considerable distances to mix with the rock of its quarry to obtain proper proportions. On account of a multiplicity of such factors, the manufacturing cost of one mill may be 25¢ or more per barrel different from that of others.

[fol. 38] Among these defendant corporations, the exceptional mills having extreme advantages in freight or manufacturing costs are of comparatively small capacities, which could not supply more than a small fraction of the demand or materially affect market prices.

Since the allegations of the Petition concerning profits relate to the two years since the relinquishment of Government war control, the figures of those years are here given. In the case of each of the two manufacturers (Atlas and Lehigh) operating mills mentioned in the Petition and also other mills in other parts of the country, cement from which is excluded from the territory here involved by freight rates, the figures herein are reached by taking a proper proportion of the general figures of the manufacturer. The matters of showing the investment upon which each manufacturer is entitled to a fair return and the earnings, are dealt with thus: In one

table, only "invested capital" as reported to the Government and "net income" as so reported, with taxes deducted, are shown. In another table "invested capital" plus funded indebtedness and "net income" together with interest less taxes are shown. In the third table the capital figure represents capital stock plus surplus or minus deficit plus funded indebtedness, and the figures of earnings are "net income" together with interest minus taxes. The figures of the three methods of computing profits, of the manufacturers individually and collectively, are as follows:—

[fol. 38½]

TABLE I

	Invested capital		Net income minus taxes		Per cent profit	
	1919	1920	1919	1920	1919	1920
Allentown	$843,375.00	$843,375.00	$51,023.13	$11,279.37	6.0	1.3
Alpha	13,682,000.68	14,952,777.90	844,249.91	1,139,317.55	6.1	7.6
Atlas	15,140,632.35	13,269,595.66	1,292,178.28	913,636.52	8.5	6.9
Bath	979,372.88	996,185.82	101,303.64	103,673.38	10.3	10.4
Coplay	3,307,090.77	3,254,490.73	(a) 6,337.87	4,239.96	0.0	1.3
Dexter	1,182,480.92	1,200,828.15	249,307.96	135,753.65	21.0	11.3
Edison	(b) 3,780,578.40	3,780,578.40	(a) 577,411.04	(a) 740,955.50	0.0	0.0
Giant	2,629,140.40	2,814,884.42	279,905.58	147,333.30	10.3	5.2
Glens Falls	1,153,040.81	1,200,466.13	184,725.76	46,740.19	16.0	3.8
Hercules	1,458,643.49	1,435,790.01	53,122.06	(a) 23,173.25	3.6	0.0
Knickerbocker	3,477,298.92	3,522,561.27	162,832.23	165,256.07	4.7	4.7
Lawrence	2,302,072.79	2,785,048.48	277,492.70	178,693.11	12.0	6.4
Lehigh	12,908,419.93	13,618,140.61	1,098,569.71	546,610.19	7.8	4.0
Nazareth	2,796,374.49	3,080,490.73	321,794.76	470,815.49	11.5	15.2
Penn-Allen	604,800.93	637,300.34	60,469.80	38,885.50	9.9	6.1
Pennsylvania	1,222,582.33	1,358,289.34	209,222.45	207,336.20	17.1	15.2
Phœnix	543,034.91	469,853.46	(a) 5,778.15	99,193.18	0.0	21.1
Security	1,709,675.20	1,756,145.40	252,910.39	163,362.53	14.8	9.3
Vulcanite	2,611,536.77	2,904,281.84	202,728.20	66,589.24	7.7	2.2
	$72,332,151.97	$73,881,083.69	$5,382,414.26	$3,674,586.68	7.4	5.0

(a) Deficit.
(b) As "Invested Capital" was not reported to Government in 1919, 1920 figures are shown.

TABLE II

	Invested capital plus funded indebtedness		Net income plus interest and minus taxes		Per cent profit	
	1919	1920	1919	1920	1919	1920
Allentown	$1,233,375.00	$1,230,875.00	$89,799.80	$48,525.62	7.3	3.9
Alpha	13,682,000.68	14,952,777.90	844,249.91	1,139,317.55	6.2	7.6
Atlas	20,050,390.90	17,244,344.96	1,570,646.86	1,140,179.32	7.8	6.6
Bath	1,264,372.88	1,281,185.82	118,403.64	120,773.38	9.4	9.9
Coplay	3,807,090.77	3,754,490.73	68,815.49	38,796.73	1.8	1.0
Dexter	1,182,480.92	1,200,828.15	249,307.96	135,753.65	21.0	11.2
Edison	(a) 5,280,578.40	7,280,578.40	(b) 188,648.30	(b) 614,344.44	0.0	0.0
Giant	3,179,140.40	3,314,884.42	294,817.09	165,530.19	9.3	5.0
Glens Falls.....	1,451,040.81	1,495,466.13	202,605.76	64,591.97	14.0	4.3
Hercules	2,210,487.49	2,329,470.01	100,543.81	33,401.12	4.8	1.4
Knickerbocker ..	3,477,298.92	3,522,561.27	170,362.08	169,514.67	4.9	4.8
Lawrence	2,302,072.79	2,785,048.48	303,776.55	193,453.45	13.1	6.9
Lehigh	13,039,419.93	13,722,140.61	1,154,569.71	553,510.19	8.9	4.0
Nazareth	3,560,374.49	3,585,490.73	367,069.76	512,304.60	10.3	14.3
Penn-Allen	892,100.93	862,900.34	83,556.26	58,171.26	9.4	6.7
Pennsylvania ...	1,472,582.33	1,608,289.34	221,722.45	219,836.20	15.0	13.6
Phœnix	824,534.91	751,353.46	15,110.19	123,715.84	1.8	16.4
Security	2,979,675.20	2,971,145.40	322,088.11	227,204.70	10.8	7.6
Vulcanite	2,611,536.77	2,904,281.84	217,310.69	83,111.96	8.3	2.9
	$93,500,554.52	$86,798,112.99	$6,206,107.82	$4,413,347.96	6.6	5.1

(a) As "Invested Capital" was not reported to Government in 1919, 1920 figures are shown.
(b) Deficit.

[fol. 39]

TABLE III

	Capital stock, plus surplus or minus deficit, plus funded indebtedness		Net income plus interest and minus taxes		Per cent profit	
	1919	1920	1919	1920	1919	1920
Allentown	$1,707,242.61	$1,710,590.37	$89,799.80	$48,525.62	5.26	2.8
Alpha	12,299,595.12	12,955,534.57	844,249.91	1,139,317.55	6.9	8.8
Atlas	18,457,712.08	17,177,347.50	1,570,646.86	1,140,179.32	8.5	6.6
Bath	1,227,924.95	1,306,386.43	118,403.64	120,773.38	9.6	9.2
Coplay	3,807,090.77	3,754,990.73	68,815.49	38,796.73	1.8	1.03
Dexter	1,185,230.92	1,201,188.15	249,307.96	135,753.65	21.0	11.3
Edison	11,022,258.88	2,318,221.30	(a) 188,648.30	(a) 614,314.44	0.0	0.0
Giant	3,828,431.41	3,924,444.86	294,817.09	165,530.19	7.7	4.2
Glens Falls.....	1,564,248.06	1,495,087.99	202,605.76	64,591.97	12.9	4.3
Hercules	2,210,487.49	2,329,470.01	100,543.81	33,401.12	4.5	1.4
Knickerbocker ..	3,502,562.43	3,567,910.40	170,362.08	169,514.67	4.9	4.8
Lawrence	2,431,090.61	2,937,907.14	303,776.55	193,453.45	12.5	6.6
Lehigh	13,207,000.00	14,203,000.00	1,154,569.71	553,510.19	8.7	3.9
Nazareth	1,844,000.00	1,585,000.00	367,069.76	512,304.60	20.0	32.3
Penn-Allen	914,989.62	876,887.05	83,556.26	58,171.26	9.1	6.6
Pennsylvania ...	1,607,889.34	1,653,904.06	221,722.45	219,836.20	13.8	13.3
Phœnix	799,625.22	903,818.40	15,110.19	123,715.84	1.9	13.7
Security	2,987,820.03	3,023,211.75	322,088.11	227,204.70	10.8	7.5
Vulcanite	2,688,973.51	2,671,758.65	217,310.69	83,111.96	8.1	3.1
Total	$87,294,173.05	$79,596,659.36	$6,206,107.82	$4,413,347.96	7.1	5.5

(a) Deficit.

[fol. 39½] The extent to which profits have been kept down by the competition and the meager returns which these profits represent, is made plain by the reference to profits on capital invested in industrial operations generally. Taking all industrial companies listed on the New York Stock Exchange (about two hundred and fifty in number) as reflecting the earnings on industrial investment, during these years a dollar invested in an industrial enterprise should have shown a much larger return. Compiling a table on the same basis as Table III, the figures of these representative companies are:—

	Capital Stock Plus Surplus and Funded Indebtedness	Net Income Minus Taxes	Per Cent Profit
1917.....	$8,151,397,750	$1,066,996,078	13.08%
1918.....	8,727,839,902	881,377,755	10.09%
1919.....	9,525,470,667	889,541,307	9.33%
1920.....	10,476,546,779	887,155,690	8.4 %

The cement industry during 1919 and 1920 represented an exception to most industrial conditions, the sales in 1920 being the largest in the history of the industry, while in most industries the period was one of extreme depression. With that in mind, the comparison indicates the remarkably meager profits of the cement industry in this portion of the United States.

As to the allegation concerning dividends, the facts are:—In 1919, four of the manufactuerers paid no dividend whatever, five paid dividends ranging from 3½ to 7 per cent. on their preferred stock and no dividends on their common stock, one paid its preferred stock dividend and 2½ per cent. on its common stock, the remain-[fol. 40] ing nine paid dividends on all outstanding stock. In 1920, four paid no dividend at all, five paid dividends on their preferred stock and not on their common stock, the rest paid dividends on all their stock.

As to the allegations concerning stock dividends, four manufacturers out of the nineteen have declared stock dividends during the years in question. One declared a stock dividend to common stockholders who had received no dividend whatever for ten years, to capitalize profits put back in plant in the years when no dividend was paid on the common stock. Another whose nominal capital was less than two-fifths of its "invested capital" as officially determined, declared a stock dividend to capitalize profits put back in plant from 1906 to 1914. The other two stock dividends were similarly to capitalize prior profits put back in plant and adjust capitalization to "invested capital".

As to the allegations concerning salaries and bonuses, those operating these properties are not in general those who own them. No profits have been diverted to salaries or bonuses. Salaries have increased with the increase in cost of living and the general increase in the cost of all labor, and not otherwise. Bonuses have been

in lieu of salary or pay-roll increase and generally with a view to discontinuance upon return to normal conditions.

[fol. 40½] I

The Parties

The allegations of the Petition naming the parties are sustantially correct, and admitted except as to certain errors which are corrected in the following statement:

(a) The Allentown Portland Cement Company, a New Jersey Corporation, was dissolved June 27, 1919, as appears by the records in the office of the Secretary of State of New Jersey of that date. The cement mill formerly owned by it is now owned and operated by Allentown Portland Cement Company, a Pennsylvania corporation, which is a member of said Association but not a party hereto.

(b) The Lawrence Cement Company, incorporated under the laws of the State of New York, is not, and never has been a member of Cement Manufacturers Protective Association; said Lawrence Cement Company is sales agent for the Lawrence Portland Cement Company, a Pennsylvania corporation with its mill at Siegfried, Pennsylvania, which is a member of said Association but not a party hereto.

(c) The Glens Falls Portland Cement Company and Security Cement & Lime Company are members of Cement Manufacturers Protective Association with respect to transmitting and receiving credit information, statistics of production, commitment, shipment and stocks on hand and freight books, but not with respect to any of the activities of said Association relating to reporting contracts—all hereinafter referred to and explained.

A number of the mills mentioned in the Petition have been transferred to different legal ownership at different times, as a result [fol. 41] of reorganization or otherwise, as illustrated by the case of the Allentown mill, supra. In so far as this Answer presents statistics, for purposes of comparison, these changes of legal ownership are ignored.

II

Jurisdiction

The allegations of the first three paragraphs of Subdivision II of the Petition in support of the jurisdiction are admitted.

The defendants deny that they or any of them have been or are unlawfully restraining interstate trade or commerce in Portland cement, in violation of the provisions of any Act of Congress or at all, and deny that they or any of them have engaged in any combination or conspiracy, by means of which any unlawful restraint

of trade or commerce in Portland cement has been or is being accomplished.

[fol. 41½]

III

The Commodity

For the purposes of this suit the allegations of subdivision III of the Petition, concerning the commodity, are in general admitted, but qualified and supplemented as follows:

Cement of the Portland type consists of definite chemical compounds which, when mixed with water combine therewith, forming crystalline substances of great mechanical strength and capable of adhering firmly to clean inert material, as contrasted with other cements used as construction material, which are mechanical mixtures (usually of lime and active silica) ready to unite in the presence of water and form a compound (as silicate of lime) which is hydraulic but of less strength and reliability than Portland cement.

Experiments in the manufacture of cements of the Portland type were carried on in several parts of the United States at about the time mentioned in the Petition, nearly fifty years ago. But commercially, the industry began in the so-called Lehigh District (on a narrow strip of land, extending across the Delaware and Lehigh Rivers, where nature had jammed together the slate and limestone found on either side of the strip into a mixture of approximately properly proportioned materials, sometimes called "cement rock"), and with the increase in chemical and geological knowledge other districts and plants have been from time to time added until the Portland cement is now manufactured in many different places throughout the United States.

The production of Portland cement in the whole United States, including the Lehigh District, and in the Lehigh District are set forth in the following table:

[fol. 42] Portland Cement. Production in the Whole United States and Lehigh District, and Percentage of Lehigh Valley to Total Output in U. S. 1870-1920. Compiled from Figures of U. S. Geological Survey

Year	Lehigh Valley	United States	% L. V. to U. S.
1870-1879		82,000 (estimated)	
1880	(Separate figures not available until 1890.)	42,000	
1881		60,000	
1882		85,000	
1883		90,000	
1884		100,000	
1885		150,000	
1886		150,000	
1887		250,000	
1888		250,000	
1889		300,000	
1890	201,000	335,500	60.0
1891	248,500	454,813	54.7
1892	280,840	547,440	51.3
1893	265,317	590,652	44.9
1894	485,329	798,757	60.8
1895	634,276	990,324	64.0
1896	1,048,154	1,543,023	68.1
1897	2,002,059	2,677,775	74.8
1898	2,674,304	3,692,284	72.4
1899	4,110,132	5,652,266	72.7
1900	6,153,629	8,482,020	72.6
1901	8,595,340	12,711,225	67.7
1902	10,829,922	17,230,644	62.8
1903	12,324,922	22,342,973	55.2
1904	14,211,039	26,505,881	53.7
1905	17,368,687	35,246,812	49.3
1906	22,784,613	46,463,424	49.0
1907	24,417,686	48,785,390	50.0
[fol. 42½]			
1908	20,200,387	51,072,612	39.6
1909	24,246,706	64,991,431	37.3
1910	26,315,359	76,549,951	34.4
1911	25,972,108	78,528,637	33.1
1912	24,762,083	82,438,096	30.0
1913	27,139,601	92,097,131	29.5
1914	24,614,933	88,230,170	27.9
1915	24,876,442	85,914,907	29.0
1916	24,105,381	91,521,198	26.3
1917	24,423,507	92,814,202	26.3
1918	19,701,820	71,081,663	27.7
1919	22,747,956	80,777,935	28.2
1920	25,417,956	100,023,245	25.4

[fol. 43] The elementary facts relating to the commodity, from which sundry conditions and practices of the industry referred to in the Petition have gradually evolved:

(1) Portland cement as an article of commerce is defined and generally marketed by reference to standard specifications and tests. Those now in force are the result of several years' work of a special committee representing the United States Government, the American Society of Civil Engineers, and the American Society for Testing Materials. They prescribe the chemical limits, the specific gravity, the fineness, the soundness, the time of setting, the tensile strength, how the samples should be treated, and the like. These tests and specifications developed from the importance or necessity of insuring a definite standard of strength and character in a material upon which the stability of great works and the safety of many people depend, and have for many years been the recognized and established means by which Portland cement has been defined, demanded, offered and sold.

The commodity being thus completely standardized, presents an exceptionally clearcut example of commercial homogeneity. The character and strength of the commodity as demonstrated by the standard specifications and tests being the basis upon which the engineer has figured, and the thing demanded by the purchaser and user being simply a thing which meets those specifications and tests regardless of its origin, the product of one manufacturer meeting them is commercially identical with the like product of any other manufacturer, and Portland cement produced by one manufacturer does not command a higher or lower price than Portland cement produced by others.

[fol. 43½] The commodity is accordingly one which is to an exceptional degree governed by the economic law that

"When a commodity is perfectly uniform or homogeneous in quality, any portion may be indifferently used in place of an equal portion; hence in the same market, and at the same moment all portions must be exchanged at the same ratio. * * * Where no difference exists at all, or where no difference is known to exist, there can be no ground for preference whatever. If in selling a quantity of perfectly equal and uniform barrels of flour a merchant arbitrarily fixed different prices on them, a purchaser would, of course, select the cheaper ones; and where there was absolutely no difference in the thing purchased, even an excess of a penny in the price of anything worth a thousand pounds would be a valid ground of choice. Hence follows what is undoubtedly true, with the proper explanations, that in the same open market, at any one moment, there cannot be two prices for the same kind of article" (Jevons, "The Theory of Political Economy," p. 90).

(2) The commodity is of little intrinsic value in proportion to weight and bulk and ruined by exposure, so storage is expensive and risky; and carrying in storage to supply contracts for future

delivery is economically impracticable. Contracts for future delivery of Portland cement are, accordingly, not sales of an article in existence, but contracts for cement which will be manufactured some time in the future, at or near the time of delivery, and such contracts at a price fixed long prior to delivery, represent dealing in futures and embrace an important element of speculation as to future costs and conditions.

[fol. 44] (3) The commodity is in the form of a powder so fine that 78 per cent will pass through a sieve having 40,000 holes to a square inch—a sieve which will practically hold water. In salable quantities it is heavy, the standard barrel containing 376 pounds net, and the smallest salable unit, the standard bag, containing 94 pounds net. The handling and shipping of a commodity of such fineness and weight necessitates the use of packages of unusual cost and value in proportion to the value of the contents. Some little cement is sold in wooden barrels, a little in heavy paper bags and a little in bulk, but the general form of package is a sack of heavy, high grade cotton duck, capable of holding the fine powder and resisting without tearing or bursting, the strains resulting from the rough handling, and from piling and jolting incident to transportation of the heavy weights. Such bags, suitable for effecting one delivery, are not destroyed thereby but remain suitable for other deliveries.

This characteristic of the commodity has given rise to the practice of manufacturers taking back the bags for use in subsequent shipments. Among the defendants the practice takes different forms, some retaining title to their bags (with a view to compelling their return) and others selling the packaged cement as a unit and paying for the bags returned in usable condition, whatever part of the purchase price the purchaser has paid for bags.

(4) The commodity is heavy, shipped in packages, and must be protected in transit; and freight rates are of controlling importance in determining the radius of shipment from any mill and in determining the lowest price at which a purchaser at any point of delivery can buy the commodity.

[fol. 44½] (5) The commodity in usable quantities can be handled and distributed only by means of suitable equipment, and the dealer (with employees and trucks to take the cement from railroad cars and buildings temporarily to receive and protect the cement, etc.) plays an exceptionally important economic part in the industry, in addition to his exceptional competitive importance by reason of the commercial identity of the product of all manufacturers, the competition between them, his local good will, and the demand he controls by reason of the fact that the purchaser of cement from a dealer generally purchases the cement as incidental to other materials purchased from him and otherwise.

(6) The potential production capacity exceeds the demand for the commodity—"the industry has never been able to market over probably 75 per cent of its capacity" (U. S. Dept. of Agriculture,

Public Roads, January, 1921, p. 9), and the difficulty and necessity of effecting sales have exerted more influence than production in shaping practices in the industry, most of which have developed from the market back to the mill as distinguished from developing from the mill out to the market.

(7) The variety of uses of the commodity is correctly indicated in the Petition. The additional facts relating to the use of the commodity which seem relevant to the allegations of the Petition are:

Complete records of the proportionate amount of cement devoted to different uses have not been available to these defendants. An examination of contracts for future delivery of cement by these defendants representing about a third of all the cement sold by them (the rest being their current business of which no relevant records [fol. 45] exist) during the year 1920, discloses the fact that about one-tenth of the cement so sold was for housing operations, the figures being as follows:

Concrete roads and street paving	30.5	per cent
Industrial operations	32.8	" "
Federal, State and Municipal Operations	5.4	" "
Bridges, water power and se vers	9.7	" "
Housing operations	10.4	" "
Railroad operations	3.8	" "
Miscelaneous	7.4	" "

In the average suburban or country dwelling of frame construction with concrete sidewalks, etc., costing $8,000 to $10,000, the cost of the cement varies from 1½ to 2 per cent of the cost of the building. In typical metropolitan office buildings of fireproof construction, the cost of the cement varies from 1½ to 3 per cent of the total cost of the building. In typical metropolitan apartment buildings, the cost of the cement varies from 1.7 to 2.1 per cent of the total cost of the building. Even in typical reinforced concrete buildings (in which the only material entering into foundation, walls, floors and roof, is reinforced concrete), the cost of the cement averages about 6½ per cent of the cost of the building. The variation in the manufacturer's price per barrel is in all instances an inconsiderable item in the total cost.

In housing operations, the cement used represents, on the average, about 2 per cent of the total cost of the building. That, translated into concrete figures, means that a difference of 10¢ a barrel in the price of cement makes a total difference of about $5 for each $10,000 spent in building. This 10¢ a barrel represents the difference be- [fol. 45½] tween the manufacturer's part of the market prices of cement in the northeastern portion of the United States when, and for some months before, the Petition was filed and the corresponding price fixed by the Government with a view to discouraging production when the cost of manufacture was much lower in 1918. In a large part of the territory the 10¢ a barrel represents an advance. In the remainder, it represents a decline from the Government price.

(8) The competition affecting the sale of Portland cement is between individual manufacturers of the standard product, between those different geographical localities where the standard product is manufactured and whence it is shipped to the same markets, and between Portland cement and other construction materials.

(9) The commodity is used only as one ingredient of a concreted whole composed of mixtures of the commodity with other materials, such as sand, stone and gravel, manipulated in differing proportions with the addition of water into plastic compounds which may be cast and harden. The demand for the commodity depends upon knowledge as to how the concreted whole should be made and used for various purposes, and upon the intelligent practice of such knowledge, more than upon the mere character of the commodity, which is limited by chemical laws and fixed by standard specifications. Adequate investigation and education of users in the proper uses of the commodity, is beyond the resources of any single manufacturer and calls for action by the industry as a whole.

[fol. 46] IV

General Conditions Under Which the Portland Cement Industry Has Been Conducted Since 1902

The accuracy of the allegation that "as early as 1902 it was apparent that the manufacture of Portland cement was destined to become one of the leading industries in the United States" depends upon the observer with respect to whom the allegation is made. In fact, the destiny of the industry has appeared differently to different persons in 1902, and before, and since. Many have overestimated the rapidity of the growth of the industry so that the production capacity has always exceeded the consumption, and the resulting intense competition has made the history of the industry one of low prices, failures of the less efficient and survival of the fittest, occasional bitter trade wars (such as that hereinafter described on p. 34) and other incidents of the play of economic forces in an industry wherein there are numerous independent producers of a thing commercially homogeneous.

The defendants deny that "from the latter part of 1902 down to the present time," or at all, the Portland cement industry, or the portion thereof with which they or any of them are connected, has been in whole or in part subjected directly or indirectly to any restraining influence in the nature of agreement, combination or conspiracy, entered into or carried out through the instrumentality of organizations known as associations or otherwise, or at all; and they refer to the following general facts as showing the general conditions which have prevailed:

[fol. 46½] (1) The corporate defendants are independent companies, each representing capital and interests separate and distinct from all the others. They are some of the present survivors of the

many independent enterprises which have been started in the industry. While full records have not been available to these defendants, they are informed by such records as have been found and allege that upwards of 321 separate companies have been incorporated for the manufacture of Portland cement in the United States; of which about 60 did not succeed in enlisting sufficient capital to begin operations; upwards of 30 (having capital ranging from less than $1,000,000 to $12,500,000) have failed and been wound up; upwards of 90 have gone out of business for want of success; upwards of 20 have failed but proceeded after reorganization; upwards of 30 have not succeeded independently and have been taken over and carried by stronger and more efficient companies. About 85 companies are in operation at present, having thus far survived (with sundry reorganizations) the conditions which have prevailed and now prevail in this "most individualistic of the larger branches of manufacture."

(2) While bitter trade wars have occurred occasionally throughout the history of the industry, one illustration will suffice, because it concerned these defendants and occurred while substantially all of the things alleged in the Petition as constituting or contributing to restraint were in full operation.

In the early part of 1915—according to the Petition the thirteenth year of the "combination and conspiracy"—one of these trade wars (wherein competing defendants arbitrarily reduced prices well below cost and took large consequent losses solely in the hope that the dam- [fol. 47] age thus inflicted would improve their own ultimate position in the competition) was in progress, with the result that each of these defendants then selling cement was selling below the actual cost of production during each month while this trade war continued.

The average price per barrel of cement in the United States in 1914 was $.927. The average price per barrel received by the seventeen defendant corporations operating in 1914 was $.861, and the average cost per barrel was $.739, a difference of $.122 per barrel. With this margin of about $.12 per barrel for the year as a starting point, and with the average cost per barrel in December, 1914, higher than the corresponding figure of the previous year, through the usual process of sufficient quantities being offered at reduced prices, and others being forced to meet the reduction or not sell, at the end of December, 1914, prices in this section generally dropped 5¢ a barrel, about the middle of January 5¢ more, about the middle of February 5¢ more, and about the middle of March 10¢ more, where they remained until the end of May, when that particular trade war ended and prices began to rise, so that during June and July they were only slightly below the average cost per barrel and by the end of July cement was selling above cost of manufacture. From the middle of March until the end of May, substantially all the seventeen defendants then operating were offering and selling cement at prices which minus freight yielded considerably less than $.60 a barrel. The average cost per barrel of the defendant corporations in 1915 was $.679. In other words, the

prices at which these defendants were selling cement were more than ten cents a barrel below the average cost. The extraordinarily low prices of the cement of the defendant corporations during this [fol. 47½] period were due to competition "of the cut-throat variety" between some of them, such as occasionally occurs in the industry.

During the period the defendant corporations were members of the Portland Cement Association, then substantially the same as now, each defendant corporation receiving monthly statistics of production, shipments and stocks on hand; and the bitter competition illustrates the fact that such reports exert no restraining influence.

(3) The defendants deny that they or any of them have belonged to, or have knowledge of the existence in the cement industry of any association "organized along the lines of what have come to be generally known as the Eddy Plan, The New Competition, Open Price Plan, and Open Competition Plan."

Associations organized along the lines so known are, as these defendants are informed, characterized by the fact that they exist primarily for what is called the "Open Price," meaning thereby that the members make known to each other current prices, bids and quotations, frequently with discussion thereof or comment thereon by either the members or officials of the association, all in such manner that there may or may not in fact result some understanding, or surrender or coercion of the will of the individual member, or restraint, with respect to price.

The associations, Portland Cement Association and Cement Manufacturers Protective Association mentioned in the Petition, exist and operate for purposes and with results having no connection with price, hereinafter fully set forth (pp. 71-140). Neither is an "Open Price" Association. Neither collects or distributes current prices, bids or quotations. Neither discusses or comments on price [fol. 48] figures. Neither embraces any element of agreement or understanding, or surrender or coercion of the will of the individual member, or restraint, with respect to any part of the member's conduct or activities.

The Places of the Associations Mentioned in the Cement Industry

The allegations of the Petition attributing any control of the conduct of any of the defendant corporations to any association or any activity thereof, are all denied.

The two associations of which defendant corporations (with the exceptions noted) are members, occupy a comparatively small place in the business life of each defendant corporation, and exert no control whatsoever over its conduct. The relation of each association to each defendant is, in substance, as follows:

As to the Portland Cement Association, each defendant corporation makes a contribution (measured by about a cent per barrel) to create a demand for its product, this representing the least expensive, most effective and only practicable way of maintaining and

increasing the demand for the commodity it is offering, as hereinafter explained; each, if it wants to, sends some of its executives, mill-men or other agents to attend meetings or conventions three times a year, where they may refresh themselves and learn of the progress of their calling; and each receives from time to time printed matter of professional interest, a comparatively trifling part of which comprises monthly statistics of production, shipments and stocks. The activities of this Association are referred to more fully hereinafter. Aside from its principal activity in increasing the demand for the product, membership in this Association bears substantially [fol. 48½] the same relation to the conduct of the business of each manufacturer as membership in, say, the American Medical Association or other association which holds conventions and distributes technically informative literature, bears to the individual practice of each physician or worker in other fields. The Association has not limited or controlled, and does not limit or control any part of the complete freedom of any manufacturer in any respect whatsoever.

As to the Cement Manufacturers Protective Association, each defendant corporation makes a contribution (measured by a mill or so or fraction thereof per barrel) to secure, in the only possible way, information which will enable it to know the extent of its own obligations for future delivery of cement entering into specific pieces of construction and protect itself against being defrauded by misrepresentation relative thereto, together with certain limited information which may assist in enabling it to arrive at conclusions about extending credits, and a mechanically-convenient list of the official freight rates, which makes unnecessary the maintenance of a multiplicity of separate bureaus of traffic experts each duplicating the work of all the others and thus saves each manufacturer much expense. Each defendant corporation may send a credit man or man who has to do with its contracts, or both, to short monthly meetings to assist in conducting the business of the Association (conducted democratically and without any representative board) which involves, and in nearly six years of operation has in fact occasioned no consideration whatsoever of specific figures or facts comprised in the information and no comment whatsoever on the conduct of anyone with respect to such figures or facts. In addition to these [fol. 49] more important pieces of information, each defendant corporation obtains from this Association also statistics of production, shipments and stocks. The activities of this Association are set forth fully hereinafter (infra, p. 98). It occupies a comparatively small place in the business life of each manufacturer performing services which could not otherwise be secured, and exerting no restraint whatsoever upon its complete freedom of action in all things.

The lines along which Cement Manufacturers Protective Association has been organized and operated are accurately recited in the copy of the plan, constitution and by-laws attached hereto and made a part hereof, considered and adopted at the time of the organization

of the Association and strictly adhered to throughout all its existence and activities (Exhibit IV, p. 186).

The important purposes of both of said Associations are unrelated to supplying statistical data, and the allegation that "the outstanding and most fundamental principle of all is the exchange between members of comprehensive statistical data," is, accordingly, denied. As an activity of comparatively secondary importance and wholly separable from other more important activities, the Portland Cement Association for nearly twenty years, and the Cement Manufacturers Protective Association since 1916, has each collected and disseminated certain statistical data confined to showing the existing supply, as they are now doing, as fully set forth hereinafter (infra, pp. 81, 123).

As demonstrated by the history of the past, the collection and distribution of monthly statistics of production, shipments and stock on hand have not, in this particular industry, been sufficient to exert [fol. 49½] any restraining influence whatsoever, or even to prevent trade wars, sales below cost, and other incidents of the most intense competition.

These statistics are in substance those which have been collected and distributed by the United States Government in the statistics of the Cement Industry published by the Geological Survey each year since 1884, the only material differences being in the promptness and accuracy with which the same kind of information is supplied. They are the same in kind as those supplied by the Federal Reserve Banks, the Bureau of Mines, the Secretary of Commerce, the Secretary of Agriculture, the Treasury Department, the Department of the Interior, the Federal Trade Commission, the Produce Exchange, numerous trade publications like the "Iron Age," "Dun's Review," "Bradstreet's Review," "Engineering News" and various other private agencies. They represent such information as any one engaging in manufacturing must have, unless his operations are to be conducted in blind and haphazard fashion, resulting in shortages of cement to meet the demand, high prices and great profits at certain times, and over-production, shut-downs and unemployment at other times.

Accordingly the allegations of the Petition as to the lines along which these Associations are organized are denied, but it is admitted that one wholly separable activity of the Portland Cement Association and of the Cement Manufacturers Protective Association has been the exchange of statistical data concerning production, shipments and stocks on hand, and that such data exchanged through the last-named Association enables each member to know what its competitors have produced, have contracted to deliver, have shipped [fol. 50] and have on hand—in a word, the existing supply, and freely to exercise its unrestrained judgment and will with that information before it.

The So-called National Association

For the purposes of this suit the defendants (the corporations being not quite a fourth of the members) admit that the Associa-

tion of American Portland Cement Manufacturers was organized in the latter part of 1902, and that its first annual meeting was held on December 9, 1902 (but said meeting was held in New York City and not in the Bellevue Hotel, at Philadelphia, Pa., as alleged in the Petition); that the name of the Association was changed to Portland Cement Association at a meeting held in Chicago, Ill., in May, 1916; that the principal office has been in Chicago since 1916; that the Association also maintains branch offices in twenty-one cities throughout the United States; that practically every company manufacturing cement in the United States is a member of this Association; that the defendant corporations are members of said Association and representatives of certain of them participated in its organization and have taken an active part in the conduct of its affairs; and that manufacturers making 95 per cent of all Portland cement made in the United States are members of the Association.

Defendants deny that the power or importance of said Association is indicated by the shipments of its members and aver that its power and importance, or the lack thereof, are indicated by the limits of its activities as defined by its constitution, by-laws and practices during many years, as hereinafter set forth (infra, p. 71).

For the purposes of this suit the defendants admit that the Asso-
[fol. 50½] ciation has held meetings from time to time in various cities, including Philadelphia, Pa., New York City, N. Y., Atlantic City, N. J., Detroit, Mich., Cleveland, Ohio, and San Francisco, Calif., which were largely attended by representatives of the member companies from all sections of the United States where Portland cement is manufactured.

Defendants deny that the activities of that Association, or any of them, have facilitated the accomplishment of any unlawful restraint of interstate trade or commerce in Portland cement. During the period that said Association has been functioning with all the activities referred to in the Petition in operation as fully as they ever have been, and subsequent to most of the incidents singled out for reference in the Petition, the intense competition existing between these defendant corporations has at all times continued and has at times been marked by the bitterness of what has been termed in Government reports thereof "the cut-throat variety."

License Association—Abandoned 1910

For the purposes of this suit defendants admit the allegation that from 1908 to 1911 certain of the defendant corporations, viz., Atlas, Alpha, Bath, Dexter, Edison, Glens Falls, Lehigh, Phœnix and Vulcanite were organized together as members of the Association of Licensed Cement Manufacturers, the facts concerning said Association being as follows:

Prior to the formation of said Association, certain of the defend-
ants named, after exhaustive investigation in litigation of United States Letters Patent No. 645,031 of March 6, 1900, to Hurry and Seaman, purporting to cover a pioneer invention, consisting in sub-
[fol. 51] stance of an apparatus comprising "means" for calcining and clinkering cement by the use of pulverized coal in rotary kilns,

instead of the more expensive oil theretofore used, considering the controlling effect which said patent would or might exert on their businesses and the cement industry had formed a corporation which had secured a license with power to sub-license under said patent, upon payment of a royalty of $200,000 a year, which royalty was in fact paid.

Hurry and Seaman were "the first to burn powdered coal with commercially successful results in rotary kilns" (196 Fed. 385, 398). The position of the Portland cement industry in the United States has been attributed (in the reports of the United States *Geographical* Survey and elsewhere) to the reduction in price resulting from reduced manufacturing costs largely effected by the successful burning of powdered coal in rotary kilns which overcame the lower labor costs of foreign manufacturers and the mounting prices of rival construction materials. An illustration of the apparatus of the patent appears in the Encyclopædia Britannica, 11th Ed. Vol. V, page 656, under the designation, "Hurry and Seaman's System." The patent is discussed in the opinion of the United States Court of Appeals for the Seventh Circuit in 196 Fed. 385, handed down January 2, 1912.

The licenses under said patent for approximately two years ending with 1910, were limited to the use of the invention in making cement sold at not less than a minimum price, which price was in fact, little more than the actual cost, said limitation on the licenses applying to cement sold in certain territory but not all territory served by the licensees. The prices received by the licensees were in fact from 8 to 16 cents per barrel less than the average price in the United [fol. 51½] States while the limitations were in force. (See Cement in 1909, Cement in 1910, U. S. Geol. Survey.) Said licenses and associations were based directly on a similar contract and arrangement, endorsed by the United States Court of Appeals for the Seventh Circuit, and entered into in reliance on said decision, and the advice of counsel learned in the law, and were in accordance with the view of the law then generally prevailing and commonly acted upon in many industries. Thereafter the view of the law set forth in said decision of the Court of Appeals was questioned, and it was suggested that such limitations in patent licenses were regarded by some as improper, whereupon, in January, 1911, and more than ten years prior to the filing of the Petition herein, the limitations on the licenses with respect to price and other conditions, were cancelled, and said Association and all activities relating thereto abandoned.

These defendants do not know whether or not the limitations in said licenses were clearly, or at all, in violation of the Sherman Anti-Trust Act as interpreted since they were abandoned. Excepting said limitations they deny that they, or any of them, have agreed to do or have done anything in violation of said Act.

Sectional Organizations

The defendants deny that in the year 1915, or at all, it was determined that any of the duties of the National Association could be

more satisfactorily or expeditiously, or at all, performed by any other organization, and aver that no activity of the Portland Cement Association (referred to in the Petition as the National Association) [fol. 52] has been taken over by any sectional or other organization, and said Association continues to perform its duties and activities without regard to, and wholly independent of, any activity of any other association.

The defendants admit that the so-called National Association is, and has always been, free to concentrate, and has concentrated, its efforts upon problems affecting the interests of the industry as a whole.

The defendants deny that the sectional organizations referred to in the Petition, or any of them, were formed pursuant to any plan embracing more than one association, and say that the facts relating to the organizations mentioned, so far as known to these defendants, are as follows:

Cement Manufacturers' Protective Association, with headquarters at New York City, N. Y., was organized on January 6, 1916, to meet certain conditions, by the means hereinafter specified, independently and without suggestion from any existing association or regard to the subsequent formation of any other association.

The Mid-West Cement Credit and Statistical Bureau, these defendants are informed, was organized by cement manufacturers in the middle west upwards of a year later, and in 1917, substantially along the lines of the Cement Manufacturers Protective Association.

The Southern Audit and Statistical Bureau is said to be a name under which an individual conducts a bureau engaged in collecting and supplying to manufacturers information. None of these defendants has knowledge or information of any of the details of said Bureau or its activities.

Norcross Audit and Statistical Bureau is said to be conducted by the same individual and in the same manner as the Bureau last mentioned.

[fol. 52½] Southern Statistical Bureau was commenced in the year 1918. Its activities are said to be in substance, but not in form, much like those of Cement Manufacturers Protective Association.

The defendants admit that these so-called sectional organizations have no connection whatsoever with the National Association.

The defendants admit that the National Association, its officers and members and the other so-called sectional organizations, their officers and members, are not made parties hereto.

The So-called Eastern Association

The defendants admit that the Cement Manufacturers Protective Association is an unincorporated body, organized at a meeting held at the Engineers' Club in New York City, N. Y., on January 6th, 1916, attended by representatives of the defendant corporations, Atlas Company, Alpha Company, Allentown Company, Coplay Company, Dexter Company, Edison Company, Giant Company, Glens Falls Company, Lehigh Company, Penn-Allen Company, Pennsyl-

vania Company, Phœnix Company and Vulcanite Company, but not by any representatives of the other companies named as defendants; and that the office of the Association was maintained at Philadelphia, Pa., until April 1, 1918, when it was removed to its present location in New York City.

The constitution of the defendant Cement Manufacturers Protective Association accurately states its objects to be as follows:

[fol. 53] Article III

Objects

The objects of the Association are the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information concerning the matters following, to wit:

(a) Information concerning credits.

(b) Information concerning contracts which had been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, stocks of cement and clinker on hand, and shipments."

The facts which seem necessary to enable one unfamiliar with the Portland Cement Industry fully to understand these objects and the means and activities directed toward their accomplishment are explained hereinafter (p. 98) in answer to the allegations of the Petition concerning "2. Activities of the Eastern Association."

Defendants admit that defendant corporations are now members of said Association (with the exceptions hereinbefore noted); that the representatives of the majority of the defendants have participated in the conduct of the business of the Association from the date of its organization; and that the individual defendants named as President [fol. 53½] and Treasurer, at present occupy those offices, their duties being in substance respectively, to preside at meetings and to serve as custodian of the funds. The other individuals named as Vice President and Secretary are employees of the Association, without any interest in any cement company, performing ministerially work assigned to them by the Association.

The allegation that defendant corporations manufacture between 25,000,000 and 30,000,000 barrels of Portland cement annually, which is upwards of 90 per cent of the quantity annually produced in the northeastern section of the United States, is admitted, but large quantities of Portland cement not produced in said section are shipped into and sold there by companies producing near the borders thereof.

The defendants deny the allegation that the "defendant Eastern Association has held frequent meetings, monthly, semi-monthly and special." That Association, since its organization in January, 1916, has held regular monthly meetings, except in twelve months when the meeting was omitted, and a few special meetings, one a few weeks after the organization meeting to start the work; one to deal with the matter of contract investigation, hereinafter (p. 112) explained; and another upon the filing of the Petition herein to arrange for the presentation of the facts.

The meetings have been short and concerned with the business of the Association, usually lasting about half an hour. As to the allegation that the meetings have been "largely attended," the fact is that about a third of the member companies are not represented on the average, the attendances being much better during the winter [fol. 54] months of comparative inactivity than in the cement season when it has often been difficult or impossible to get together a quorum of half the members. They have been attended by those who have to do with credits and contracts and not by those having power to control the prices or conduct of the defendant corporations except in so far as, in the case of some of the companies, different functions may be performed by the same individual.

Everything said by any one at the meetings has been taken down verbatim by uninterested skilled stenographers called in for the purpose, promptly printed and forwarded to the Federal Trade Commission. During the first year 1916, when there was considerable talk about offices, employees and other incidents of starting and the work of the Association was new to those in attendance, the remarks for the year covered 580 pages; in 1917 all the remarks during the year covered 159 pages; in 1918, 180 pages; in 1919, 112 pages; in 1920, 98 pages; 1921, 55 pages. Much of this consists of pages devoted to recording attendances, the Treasurer's report and remarks too trivial for recording except for the rule that every word is put in the record. The rest relates to the work of the Association with no reference to price or production or the like or the conduct of the business of any member.

Accordingly the allegations or imputations that the meetings have been of frequent occurrence or much importance, are denied. The business transacted at the meetings is explained hereunder (p. 126) in connection with the allegations of the Petition, "2. Activities of the Eastern Association."

[fol. 54½] The defendants deny that the activities of defendant, Eastern Association, or any of such activities, have facilitated the accomplishment of any unlawful restraint of interstate trade or commerce in Portland cement.

Conditions During the War Period

The defendants admit that Portland cement ranked next in importance to lumber as a war building material; that its prominence in the war program was realized as early as April, 1917, when the

congestion of Government orders at certain points along the Atlantic Seaboard threatened to cause local shortages and sharp rises in price; that the production of cement was ample for the increased requirements of the war, even without drawing on the excess production capacity of the cement mills; that the declining consumption of cement resulting from the curtailment of normal construction operations was sufficient to offset the new orders for the Government; and that the Government deemed it necessary and did allocate the supply and fix prices to be paid by the Government.

The allegation that "the price to the general public was never fixed" is not the whole truth and, accordingly, denied. Even the fixing of prices to be paid by the Government was matter of "negotiation and agreement between the Government and the industry" as distinguished from direct legal decree. (See American Industry in the War. Gov. Print. Off. 1921, pp. 72, 74.) From April, 1917, the cement industry was represented by the officially-constituted War Service Committee on Portland Cement, and through that Committee the cement industry fully and loyally played its part in accomplishing the common object. The process consisted in the [fol. 55] War Service Committee agreeing with the representatives of the Government, the Price Fixing Committee of the War Industries Board, as to prices for cement, bags, etc., to the public as well as the Government, and sending bulletins of the results to all cement companies, which observed them as a war-time duty. As between the Committee and the Government it was understood, and expressed, that the prices to the general public might be fixed by Government action, unless kept down by voluntary co-operation; and the Government representatives were at all times fully advised concerning, and agreed to the prices thus made to the general public. Commercial prices were thus as effectively fixed as they would have been by formal Government action.

The allegation of the Petition as to the representatives of the Government finding "the Portland cement industry already well organized, which facilitated the immediate appointment on April 21, 1917, of a "Co-operative Committee on cement' " is less accurate than the statement in "Government Control Over Prices," published by the War Trade Board, from which it is apparently borrowed; the original and accurate statement reading:

"The Portland cement industry had a large degree of cohesion before the War *for the purpose of pushing the sale of cement, in competition with lumber, brick and stone, although the price competition between the various cement mills had bordered on the cut-throat variety.* This organization, nevertheless, facilitated the quick appointment of a 'co-operative committee on cement' under the Council of National Defense on April 21, 1917 (Government Control Over [fol. 55½] Prices, pp. 334-5).*

The allegation of the Petition that the prices so fixed "were higher than the prices which had been obtained at any time during a

* Italics ours.

period of 15 years preceding the war," is admitted, but it is respectfully pointed out that the comparison is misleading since its omits all the facts concerning costs and conditions which control all prices. The price of cement was in fact made low for the expressed purpose of discouraging production, and the price to the Government was made extremely low, because, as stated in the review of the industry by the United States Geological Survey, "Cement in 1918":—

"It was deemed possible to make these prices to the Government because of the fact that the burden, admittedly small [each manufacturer supplying 5% of his production], would also be evenly distributed, so that when the quota of the mills in a locality had been supplied any additional cement would have to be shipped from the nearest locality whose quota had not been exhausted, and the price would then be the base price of the shipping locality plus the freight to the point of delivery." (p. 580-1.)

The principles applied in fixing prices for cement are thus expressed in "Government Control Over Prices," published by the War Trade Board in 1920:—

"The prices of building materials were not fixed at a level that would stimulate production but rather at a level that would actually curtail the output of materials for construction. * * * Private building was regarded as non-essential during the war, and every [fol. 56] effort was made by fuel curtailments, refusals to grant priorities for cars, etc., to discourage normal building. The result * * * was to reduce the demand for new building faster than the manufacturers of building materials could curtail production. The Government consequently had no difficulty in securing sufficient supplies * * *. In fixing prices the policy was accordingly adopted of allowing the producers of building materials such a price as would yield them only a normal return on their investment. Where the normal return on the investment was low on account of keen competition—as it usually was in the building materials industries—only a low return on the investment was allowed. Thus the prices fixed on common brick * * * and the cement prices yielded 6% on the investment. * * * The Government thus held down the prices of building materials because the production was in excess of all essential war needs, and it was desirable in the interest of war conservation to enforce a price so low that it would actually close down the marginal plants. The effect of this low-price policy is shown by the fact that the average price of lumber and the average price of cement increased only 73% between 1913 and the end of 1918 as contrasted with 102% for all commodities" (p. 331-2).

Further on, the price is explained thus:—

"The general supply of cement was so ample, as compared with needs, that the Fuel Administration on April 13, 1918, reduced the fuel allotment of the cement mills to 75% of normal on the theory

that part of the fuel used in the cement industry could be better employed in other war industries. There was consequently no occasion [fol. 56½] for stimulating cement production by high prices, and the lowering of the margin of profit for the purpose of curtailing production was entirely justified" (p. 336).

Movement of Prices Since Relinquishment of Government War Control Thereof

The allegation that "the war prices were lower than the prices which have prevailed at any time since the Government relinquished control of prices," and the allegation that "shortly after the termination of Governmental supervision * * * the price of Portland cement advanced by leaps and bounds" are denied. In order to answer the charges of the Petitioner, the prices of each defendant corporation have been for the first time collected. The fact is that, in the territory served by these defendants, after the relinquishment of Government control the prices remained unchanged for an unimportant short period, then declined $.15 per barrel ($.10 in a small portion of the territory) and remained $.15 per barrel below the prices of Government control, notwithstanding materially advancing costs, for approximately a year and until April, 1920. The allegations of the Petition aforesaid are accordingly the opposite of the facts and denied.

An examination of the details of the price movements which have occurred since the relinquishment of the Government control, contradicts all allegations of the Petition as to "combination and conspiracy" and tends to explain the economic causes of some of the "results"; and the facts are accordingly here recited and explained in some detail:

[fol. 57] (1) The great number of different prices at the different points in the territory, agreed upon with the Government, were expressed in a form long practiced by a manufacturer within his organization (hereinafter fully explained in connection with "freight basing points," infra, p. 142) by naming a price at each of the points whence is shipped enough cement to affect the market, so that anyone taking those prices and adding the respective freight rates to any delivery point could, by comparison of the totals, find the lowest price at which a purchaser at any delivery point could buy cement, which price (by reason of the homogeneity of the article and the competition) is inevitably the market price of cement at that delivery point, except under unusual conditions of shortage of the usual supply such as resulted, a year or so ago, from the inability of the railroads to supply cars or make deliveries of freight.

The prices to the public so arranged with the Government to control to 1919, were, so far as here relevant:

Hudson, N. Y.	$2.00
Lehigh Valley, Pa.	1.90
Universal, Pa.	1.85
Fordwick, Va.	1.90

That meant that the price at which a purchaser could buy cement at any point throughout the northeastern section of the United States was the lowest figure resulting from adding any of the foregoing prices to the freight from the point named to the delivery point at which the purchaser was located. For instance the freight rates to Altoona, Pa., being from Universal $.41 and from Lehigh Valley $.49, the lowest price at which cement would sell at Altoona (exclusive of package) was [fol. 57½] $2.26 ($1.85 at Universal plus $.41 freight), and the manufacturer shipping from the Lehigh Valley was forced by the competition to sell his cement at Altoona at $2.26, thus receiving at his mill $1.77, ($2.26 minus $.49 freight). At Harrisburg, Pa., the freight rate being $.49 from Universal, and $.43 from Lehigh Valley, cement would sell at $2.33 ($1.90 Lehigh Valley plus $.43 freight, making a lower price than $1.85 Universal plus $.49 freight, or $2.34, and the lowest price always controlling), the manufacturer shipping from the Lehigh Valley realizing $1.90, and the manufacturer shipping from Universal realizing $1.84. So at Boston, Mass., the freight rates being from Hudson $.47 and from Lehigh $.59, cement would sell at $2.47; the manufacturer shipping from Hudson realizing $2.00, and the manufacturer shipping from Lehigh Valley realizing $1.88. To Binghamton, N. Y., or Elmira, N. Y., the freight being $.67 from Hudson and $.61 from Lehigh Valley, cement would sell at $2.51, and the manufacturer shipping from Lehigh Valley would realize $1.90; whereas the manufacturer shipping from Hudson would realize $1.84. In every case the competition compels the manufacturer to absorb or pay whatever is necessary to bring the price at which the purchaser can get his cement down to the lowest price at which that purchaser can buy enough cement at that point.

(2) The prices thus fixed remained substantially as they were for the first three months of 1919, which was a period of inactivity in this portion of the industry, because the seasonal inactivity in construction work was intensified by general conditions.

In March, 1919, the so-called Governmental Peake Committee called together cement manufacturers, including defendant corporations and urged them to make temporary individual sacrifices by [fol. 58] disregarding the usual factors of costs and the like and arbitrarily reducing the prices of cement, as a contribution towards starting a general recovery from the war. Thereupon each of a number of defendant corporations arbitrarily reduced the prices at which they offered cement $.15 a barrel.

This price movement was extraordinary and not typical, except in so far as the fact that about half the manufacturers made the arbitrary reductions on April 1st, 1919, and the rest made them on April 2nd and 3rd illustrates the general rule that cement cannot be sold to any material extent anywhere at a price above the price at which abundant supplies of it can be there bought; and when a manufacturer or manufacturers with large supplies offer cement at a reduced price, all other manufacturers must meet the reduction,

practically as quickly as reports of the new offering can reach their offices from the markets and their instructions to salesmen and new quotations can be sent out, so that a movement of prices downward is commonly completed in the territory affected within two or three days after the cement of any manufacturer or manufacturers in quantities sufficient to affect the market, is offered at a reduced price.

The subsequent movement of prices and explanations thereof, sufficiently illustrate and demonstrate certain general facts concerning prices in this portion of the industry, although the period, economically, has been extraordinary; and these generalities are here stated to make plainer the recital of facts:

(i) Disregarding exceptional conditions temporarily affecting the immediate supply or demand at any or all points, such as the failure of transportation facilities and like disturbances, according to the operation of the usual economic factors, the price level at [fol. 58½] which cement of any manufacturer sells at any point is the lowest price at which enough of the article can there be bought, which price represents an existing balance between the upward pressure of his costs, desire for profits, etc., and the downward pressure of supplies of the same thing offered the same purchaser by his competitors.

(ii) The individual costs of one manufacturer may control his acts and whether he will continue to sell, but they do not alone change the market prices, which move only under the influence of general costs or conditions affecting a large enough supply to change the figure at which purchasers can in fact obtain their actual cement requirements.

Thus a manufacturer producing a comparatively small quantity of cement may sell his entire available output at a price below the market without affecting the market prices, or a particular manufacturer may fix a price above the market (or shut down) without advancing the market prices.

(iii) By reason of the intensity of the competition a movement of prices downward occurs easily and promptly upon a sufficient quantity of cement being offered at reduced prices and is commonly complete as to all the competitors affected within two or three days of the first offering at the reduced prices.

(iv) For the same reason an advance in prices occurs irregularly and slowly and is generally not completed as to all the competitors for approximately a month.

An advance on account of increased costs occurs after general costs and conditions have changed so that enough pressure has extended [fol. 59] to manufacturers without whose cement a shortage in the market would result. When general costs have come so close to the amount realized from the market prices that a sufficient number of manufacturers are, variously, making little, making nothing, and selling below cost, some one of them inevitably, sooner or later, concludes that he would rather let the business go to his competitors

than continue to sell at his then prices, and accordingly names higher prices. Each of several other manufacturers, under such conditions, is inevitably in about the same frame of mind, having reached the same conclusion or being rapidly driven to it.

If, under such conditions, a particular manufacturer advances his prices, each of the others may or may not advance his. If the manufacturer advancing his prices controls only a comparatively small available supply, that will not in itself materially diminish the competition at the former prices and his advance may represent in substance simply an individual cry of distress and not affect the market. If, on the other hand, the manufacturer advancing his prices controls a large supply, the competition at the former prices will be diminished pro tanto and each of several other manufacturers suffering most from the changed conditions, practically as soon as reports of that advance reach them from the market may (or may not) quote advanced prices. Whether or not any manufacturer does so and the number who do so depends upon the pressure of advancing costs on each. If there is acute pressure of costs against the knowledge that the advance means loss of business to competitors unless and until their prices are similarly advanced, each of a large number of manufacturers may promptly try this avenue of relief, at the expense of a lot of immediate business going to others at the lower [fol. 59½] prices. At this stage of the movement there may be perhaps a half of the production out of the market at the old prices, and the other companies still selling at the old prices get the business. With some companies quoting at advanced prices, orders to those still selling at the lower prices come with unusual rapidity so that in a short time a manufacturer may take substantially all the business he cares to take at the time in view of his production capacity. When he has done this he is likely to change his prices to the advanced prices; and as others accomplish it in differing degrees according to their own differing judgments, each is likely to advance his prices with the result that in the course of some weeks or a month the market prices of cement will have found a new level.

Whether the price movement is down or up it illustrates the independence of each manufacturer and the intensity of the competition, particularly in view of the fact that on a single day with cement of different manufacturers selling at different prices, the manufacturer selling at the lower prices may and commonly does secure orders for many thousands of barrels at the expense of his rivals selling at the higher prices.

(4) This explanation of price movements of cement from advancing costs is illustrated in the price movements since 1919. During the year from April 1st, 1919, when prices were down $.15 and $.10 a barrel from the Government prices, costs had not declined but advanced over the costs at the time the higher Government prices were fixed. The prices having been reduced as explained at the request of the Government and while war conditions still prevented the normal action of economic conditions, the usual competition kept them down for about a year with a very instructive exception:

[fol. 60] In December, 1919, one of the defendant companies (Edison) whose costs had advanced approximately $.30 a barrel over its costs at the time the Government fixed the price, and whose balance between costs and receipts was accordingly from $.40 to $.45 per barrel below that which the Government thought reasonably discouraging, advancing its prices $.25 a barrel above the then market price, or, in other words, $.10 a barrel above the price formerly fixed by the Government.

The production capacity of this company is a little short of three million barrels a year. Its advance in prices, however, turned out to be significant only as an individual cry of distress. The prices of each of the other defendants remained the same, and after endeavoring to sell cement at its advanced prices for a few months, the defendant referred to was forced by the competition to come back to the market prices, $.10 to $.15 a barrel below the price fixed by the Government.

As interpreting this advance of its prices, and also as bearing on the accuracy of the allegations in the Petition of the "enormous profits" of these defendants, it may be noted that the operations of this defendant for the year showed a loss of upward of a half a million dollars.

(5) By the first of March, 1920, costs had largely advanced—on the average of about thirty cents a barrel over 1918.

On March 6th, 1920, another of the defendant corporations (Bath), whose costs had advanced from $1.29, average per barrel for March, 1918, to $2.09, average cost per barrel for March, 1920, and who was realizing at the market prices an average of about $1.70 per barrel in March, 1920, advanced its prices $.20 above the then [fol. 60½] market prices. This particular defendant has a production capacity somewhat in excess of one million barrels per year. It continued these prices for four months, during which sundry changes were made in the prices of each of the other defendants as hereinafter explained.

Two days later a third defendant (Allentown) changed its prices so as to make them all f. o. b. its mill, which meant higher prices or discontinuing competition at all delivery points freightwise nearer other producing points. The annual capacity of this defendant is just short of one million barrels.

On April 3rd, 1920, a fourth defendant (Dexter) having about the same capacity, adopted the course of the defendant last mentioned.

On April 6th, 1920, a fifth defendant (Alpha) having an annual production capacity of upwards of five million barrels (who in January and February, 1920, had advanced its prices in certain parts of the territory on four separate occasions) advanced its prices so that they became in a large part of the territory $.05 above the former Government price and the same as the prices which the second defendant mentioned had put into effect for its cement on March 6th, a month before.

On April 6th, 1920, a sixth defendant (Pennsylvania), having a

capacity of two million barrels, advanced its prices $.25 above the previous market or $.05 more than the fifth defendant last mentioned. On the same day a seventh defendant (Phœnix), having a production capacity of about three-quarters of a million barrels, advanced its prices $.20 per barrel.

As a result of these individual changes, by April 6th, 1920, upwards of twelve million barrels of production capacity had gone out [fol. 61] of the market at the old prices and nearly three million more had by higher quotations given unmistakable evidence of the pressure of advancing costs. Moreover the inability of the railroads to supply cars kept most of the supply from the markets. As reports of the developments on April 6th, 1920, reached other manufacturers from the market that day each independently acted in the way hereinafter defined:—

On April 7th, 1920, the next day, each of five additional defendants (Giant, Lehigh, Nazareth, Penn-Allen, Vulcanite) advanced its prices $.20 and one of those which had previously made a limited advance by making all its prices f. o. b. its mill plus freight to the delivery point (Dexter), continuing that, advanced its prices $.20. The situation was on that day accordingly this:—Nine of the defendant companies were offering cement $.20 above the market prices of the past year, one was offering cement at $.25 above those prices, and the remaining nine were selling their cement at the old market prices.

On April 8th, 1920, each of three other defendants (Atlas, Edison, Security) advanced its prices $.20, and another (Allentown) which had previously made advanced prices by selling only f. o. b. its mill plus freight, discontinued that and made the $.20 advance in its prices.

On April 9th, 1920, another defendant (Coplay) made an advance in its prices but of only $.10, so that it was selling $.10 below some and $.10 above others. On that day there were accordingly something more than four different levels of prices among the different defendants, some still selling at the old market price, others offering their cement at respectively $.10, $.20 and $.25 per barrel above that, with additional differences resulting from the different treatment of the freight and different parts of the territory.

[fol. 61½] On April 10th, 1920, a defendant (Lawrence) which had continued to sell at the old price, advanced its prices $.20.

Op April 13th, 1920, another defendant (Knickerbocker) advanced its prices $.20.

On April 26th, 1920, the defendant (Coplay), which had previously advanced its prices $.10, advanced them $.10 more.

On May 3rd, 1920, another defendant (Hercules) advanced its prices $.20, and the defendant which had previously advanced its prices $.25 reduced them $.05. Accordingly on that date the price movement (which had been commenced two months before and gained real momentum a month before) was finally completed.

The foregoing ilustrates how when the pressure of general costs becomes great enough (and other conditions permit), the prices of cement advance and how the advance, in fact, takes place in a way

which is inconsistent with, and contradicts any conceivable "scheme" or "combination or conspiracy" and in accordance with the normal workings of economic laws under intensely competitive conditions.

(5) When by May 3rd, 1920, prices had found this level, no further movement occurred for about a month. The average cost per barrel of cement manufactured by the defendant corporations in April, 1918, was $1.287. In April, 1920, the average cost per barrel of the defendants was $1.612. Costs had thus advanced $.327 in the two years while the advance of $.20 a barrel in market prices during the month of April, 1920, brought market prices only $.05 above the Government price of 1918. That presumably would have resulted in an advance but the operation of the usual economic laws [fol. 62] were, at this stage, interfered with by an additional economic condition wholly beyond the control of any or all of these defendants:—

A number of factors operated to create an unusual demand for cement early in the year 1920 and, coincident with that, adequate shipments by these defendant corporations and other manufacturers became impossible on account of ramifications of the failure of transportation facilities in an industry peculiarly dependent thereon. On account of the inability of the railroads to deliver freight, many cement manufacturers could not make enough cement because they could not obtain deliveries of the necessary coal, limestone and other necessary materials and supplies; many could not pack it because they could not get deliveries of their bags awaiting return or new bags; no one could get enough cars to make the proper deliveries of the cement he had on hand, ready and anxious to ship.

Many of the defendant corporations were thousands of cars behind in their shipments. In May, as one cement manufacturer, not a party to this suit, testified before the Calder Committee of the United States Senate on Reconstruction, one company was about 6,100 cars (over 1,000,000 barrels) behind, the oldest order dating from January, as a result of the acute car shortage. These defendant corporations and other manufacturers of cement made every effort to meet this condition, even resorting to such expedients as taking the risks of shipments in open cars, employing trucks where available, and the like.

On account of this extraordinary condition, which largely controlled the situation, the details of the movement of the prices of these defendants, which were numerous and various (in some in- [fol. 62½] stances differing from each other as much as $1 a barrel on the same day) between May and December are not recited. By the close of 1920, costs had mounted and were still mounting but the conditions of transportation had developed so as to permit fuller operation of the usual competitive conditions, and prices were ready to feel again more fully the force of that competition.

(6) The rapidity with which the competition brings prices down, compared with the slowness with which it permits cost pressure to force an advance, in this portion of the industry, is illustrated by the

next movement. On December 1st, 1920, one company with very large production capacity reduced its prices $.20 per barrel. When reports of that reduction reached the other defendants from the markets, and on the following day, eleven of the other defendants each met the reduction; the next day three more, and the balance in the next two days, with the exception of two who were in exceptional condition, which did not warrant any quotations.

(7) The remaining general price movement prior to the filing of the Petition, occurred at the end of January, 1921, and illustrates in the same way the intensity of the competition and the fact that no manufacturer can sell cement above the prices at which a sufficient supply is offered, and the rapidity with which prices accordingly decline. On January 25th, 1921, one of the defendants, with large production capacity, quoted prices $.30 per barrel below the then market. When news of this reached the other defendants from the market, and on the next day, each of twelve other defendants met [fol. 63] the reduction, and on the following day each of all the rest, with one exception, which got out of its new quotations the day following.

The result of the price movements during the two years and a half since the relinquishment of Government control is that the market prices of cement when the Petition was filed were $.10 a barrel above the price fixed by the Government in 1918 in a portion of the territory served by these defendants and $.10 below the price fixed by the Government at other places in the territory.

The Government, in 1918, fixed the price to it at $1.75 Lehigh and $1.85 Hudson (arranging it so that the manufacturer would realize the full amount) and the commercial prices recognized at the same time were $1.90 Lehigh and $2 Hudson. These prices were fixed after a full examination and analysis of all the facts including costs and were made low to discourage production (supra, p. 52).

The average price realized by these defendants in 1919 was $1.652 per barrel, materially less than the price fixed by the Government at a time when the average cost per barrel was $.057 less.

The average cost per barrel of these defendants in 1920 was $1.779, which is $.387 more than the average cost per barrel in 1918. The average price realized by these defendants in 1920 was $1.929. That is less than three cents more per barrel than the price recognized by the Government in 1918, notwithstanding an advance of more than thirty-eight cents a barrel in cost.

Since 1920 prices have materially declined—at the time this Answer is written a total of about fifty-five cents a barrel in 1921.

[fol. 63½] The comparison in the Petition between the price of cement fixed for the manufacturer by the Government in 1918 and a price of $8.00 a barrel "near the close of the year 1920" at which the product is alleged to have retailed "in some instances" is unfair and erroneous in the following, among other particulars:

(1) The defendant corporations could not lawfully or in fact, and have not sought to, control the resale prices. None of them ever asked or received prices even approaching $8.00 per barrel. The prices in fact received by them in 1920 averaged only $1.929 per barrel.

(2) The retail price of $8 per barrel recited in the Petition as occurring "in some instances" does not represent the retail prices prevailing, generally at the time. The retail price comprises (in addition to the manufacturer's price) freight, bags (repaid when the bags are returned), the retailer's costs for hauling the cement from the railroad, storing, hauling to the job, carrying credit risks, etc., and the retailer's profit. "Near the close of the year 1920" the freight from the nearest mill to important delivery points amounted "in some instances" to upwards of $1 per barrel; bags were costing upward of 25 cents each and selling for 25 cents, or $1 per barrel; and retailers' costs had presumably advanced as all other costs for causes wholly beyond the control of these defendants. There had been, moreover, a failure of transportation facilities and car shortage so acute that the defendants with cement on hand which they had sold and were ready and anxious to deliver, were unable to get it to purchasers in sufficient quantities, notwithstanding the fact that they resorted to shipments in open cars, by truck and [fol. 64] all other available expedients, with the result that, in some places, there was an acute temporary shortage of cement, and any one having cement on hand there could sell it at practically any price. These facts presumably account for the exceptional retail prices alleged as occurring "in some instances."

[fol. 64½]

V

The Alleged Combination and Conspiracy

The defendants deny that they, or any of them, from the date each became affiliated with the National Association, organized in 1902, or from the date of the organization of the defendant, Eastern Association, in January, 1916, or at any time or at all, either (1) combined or conspired to adopt the ways or means in said Petition stated, or any other ways or means, with the intent of restraining or which had the effect of restraining interestate trade and commerce in Portland cement, or with the intent of accomplishing or continuing, or which had the effect of accomplishing or continuing, the results in said Petition set forth, or (2) by virtue of or through membership in or connection with said Associations, or participation in the activities of said Association, or ways or means in said Petition set forth, or otherwise, have knowingly or at all engaged in, or are now engaged in, any combination or conspiracy in restraint of interstate trade or commerce in Portland cement in violation of any section of any Act of Congress, or at all.

[fol. 65]

VI

The Alleged Means

These defendants deny that any combination or conspiracy has been brought about or accomplished, and, fully answering the allegations of the Petition as to the means, say:

1. Activities of the National Association

Defendants admit that defendant corporations are members of the so-called National Association; that through representatives certain of them participated in its organization; that each assists in its maintenance by the payment of annual dues based upon the number of barrels of Portland cement shipped by it during the preceding year; that each makes certain reports to said Association and receives certain reports from said Association; that each is privileged to and often does attend the meetings of said Association; and that in so far as membership involves responsibility for acts of an association, each of the defendant corporations is responsible for the acts of said Association.

The description of the activities of said Association in the Petition is not a correct representation thereof, and accordingly denied. In the Petition all the dominant, substantial and important activities of said Association are ignored, and remarks of individual members made in the early days and upwards of ten years ago (not representing any action of the Association or affecting the conduct of any of these defendants), a general study of the sales end of the business made some years ago, certain reports and a cost accounting system, [fol. 65½] are singled out as representing the activities of the National Association. These are, in fact, merely separate incidents of comparatively trifling importance. The substantial activity, purpose and result is thus explained:

The Portland cement industry produces a standard product, the uses of which have not yet been fully developed, sold in competition with other construction materials. Cement is practically never used alone, but always as only one ingredient in a concreted whole, the character of which depends also upon the other ingredients and the knowledge and skill with which they are selected, proportioned, manipulated and used. The demand for cement depends less upon the fixed quality of the cement itself (with the production of which the individual manufacturer is concerned) than upon the character of the concreted whole, the concrete comprising cement, sand, stone, iron, etc., and the structures made therefrom (which the individual manufacturer cannot control). For instance, in the case of roads, the use of cement has depended upon the development of knowledge as to how the concrete should be made and used and upon the intelligent practice of such knowledge, and not upon the quality of cement alone; and the competition between concrete roads and the many roads of different materials has been and is extremely vigorous.

The individual cement manufacturer cannot, as a practical matter, undertake successfully the education of the general public as to the innumerable purposes for which cement may be advantageously em-

ployed. Neither can he undertake the elaborate and expensive research work involved in developing new uses for cement, or improving the technique of handling cement in relation to each of its varied uses, or in protecting the reputation of cement as a build- [fol. 66] ing material by investigating the causes of any defects which may have developed in important structures due to faulty workmanship. The operations and activities of each cement mill or district have been and are completely separated from many of the others by the limitation imposed upon the radius of shipment by cost of transportation. The margin of profit of each manufacturer (with immaterial exceptions, resulting from peculiar freight or cost advantages of a few mills) has been and is too small for individual development of new uses or research work or the like. Existing means for introduction and popularization have been and are ill-suited to the needs of the individual manufacturer by reason of disproportionate territorial distribution and the commercial identity of the product. For example if one of these defendants with its mill in the Lehigh District should attempt to address the public through a popular magazine most of the circulation and cost could not benefit it and all would benefit other manufacturers of the product without cost to them.

For a multiplicity of such reasons, it has been increasingly apparent for twenty years or more that the continued development of the Portland cement industry in competition with its rivals (substantially all of whom are organized into some sort of associations to promote the use of their products) depends upon maintaining an organization devoted to developing and promoting the uses of cement and the concrete and structures made therefrom and representing the industry as a whole as distinguished from any individual interest. That is, and has been, the chief and almost the sole function of the Portland Cement Association.

[fol. 66½] The substantial activities of the National Association and the comparatively trifling character of the matters referred to in the Petition are perhaps best shown by the record of expenditures. The funds of the Association from January, 1918, to June 30, 1921, have been expended as follows:

Expenditure of Funds of Portland Cement Association January 1, 1918 to June 30, 1921

Laboratory research to provide accurate information relative to the strength of concrete made under varying conditions and from various aggregates, to improve the technique of mixing and placing concrete, to determine the effect of various elements upon concrete and similar investigations tending to improve the quality of concrete in general—

Jan. 1 to Dec. 31, 1918	$34,508.09	
Jan. 1 to Dec. 31, 1919	45,968.13	
Jan. 1 to Dec. 31, 1920	56,755.39	
Jan. 1 to June 30, 1921	39,511.06	
		$176,814.67

Structural Bureau—in the preparation and dissemination of literature relative to the larger class of concrete structures and affording the public a free service for securing information relative to the proper and various uses of cement—

Jan. 1 to Dec. 31, 1918	$56,325.18	
Jan. 1 to Dec. 31, 1919	35,084.65	
Jan. 1 to Dec. 31, 1920	46,638.13	
Jan. 1 to June 30, 1921	35,134.96	
		$173,182.92

[fol. 67] Farm and Cement Products Bureau—in the preparation and dissemination of literature relative to the use of concrete in the construction of various farm structures, drain tile, pipe, sewers, lighting standards, coal pockets, concrete building block, trimstone, etc., and in answering inquiries pertaining thereto; also the employment of engineers to confer with officials and others in reference to drainage, sewage and similar problems. Lectures before farmers' institutes and other bodies relative to the adaptability of concrete for various purposes, the introduction of manual training courses in concrete in schools and colleges, holding short course in concrete for instructors and in concrete block building construction for contractors, etc. Assisting cement dealers by suggesting methods of directing public attention to the uses and advantages of Portland cement, issuing pamphlets relative to the proper methods of placing and protecting concrete in cold weather—

Jan. 1 to Dec. 31, 1918	$80,496.27	
Jan. 1 to Dec. 31, 1919	77,561.22	
Jan. 1 to Dec. 31, 1920	90,793.77	
Jan. 1 to June 30, 1921	61,975.83	
		$310,827.09

Advertising and Publications Bureau—in advertising in a general way the advantages of concrete construction through national advertising media and local newspapers and in the editing and preparation of text for booklets, magazines, etc.—

[fol. 67½] Jan. 1 to Dec. 31, 1918	$132,925.44	
Jan. 1 to Dec. 31, 1919	144,725.96	
Jan. 1 to Dec. 31, 1920	86,797.97	
Jan. 1 to June 30, 1921	99,308.82	
		$463,758.19

Highways Bureau—in compiling statistics of pavements awarded and constructed and data on funds appropriated for improvement of highways by counties, states and federal aid, assisting in the preparation of highway laws, distributing information as to latest methods of concrete street and highway construction and acting in a general advisory capacity for district offices on subjects pertaining to concrete road, street and alley construction—

Jan. 1 to Dec. 31, 1918.....	$32,479.36	
Jan. 1 to Dec. 31, 1919.....	34,629.81	
Jan. 1 to Dec. 31, 1920.....	40,547.95	
Jan. 1 to June 30, 1921.....	23,582.28	
		$131,239.40

Administration—for general supervision of all work of Association, including collection and disbursement of funds, purchase of supplies, etc.—

Jan. 1 to Dec. 31, 1918.....	$29,127.39	
Jan. 1 to Dec. 31, 1919.....	54,151.03	
Jan. 1 to Dec. 31, 1920.....	51,863.86	
Jan. 1 to June 30, 1921.....	34,255.03	
		$169,397.31

[fol. 68] Meetings of Association members usually held in the Spring, Fall and in December (annual) of each year—

Jan. 1 to Dec. 31, 1918.....	$10,434.24	
Jan. 1 to Dec. 31, 1919.....	10,938.79	
Jan. 1 to Dec. 31, 1920.....	12,422.14	
Jan. 1 to June 30, 1921.....	4,687.52	
		$38,482.69

Library in maintaining complete reference files pertaining to concrete—

Jan. 1 to Dec. 31, 1918.....	$5,286.49	
Jan. 1 to Dec. 31, 1919.....	5,654.83	
Jan. 1 to Dec. 31, 1920.....	6,097.34	
Jan. 1 to June 30, 1921.....	2,609.03	
		$19,647.69

Accident Prevention work to promote the use of safety devices, educate workingmen to avoid the dangers of their occupation, etc., and to compile accurate records of accidents and their causes—

Jan. 1 to Dec. 31, 1918.....	$6,977.64	
Jan. 1 to Dec. 31, 1919.....	7,830.56	
Jan. 1 to Dec. 31, 1920.....	8,856.96	
Jan. 1 to June 30, 1921.....	5,932.07	
		$29,597.23

Conservation—to eliminate waste in the process of manufacture by utilizing waste heat, cement dust, etc., and in conducting efficiency tests on fuel consumption, relative efficiency of various types of equipment, etc.—

Jan. 1 to Dec. 31, 1918	$25.92	
Jan. 1 to Dec. 31, 1919	6,017.41	
Jan. 1 to Dec. 31, 1920	12,299.68	
Jan. 1 to June 30, 1921	7,178.55	
		$25,521.56

[fol. 68½] Uniform Cost Accounting—in devising uniform system of cost accounts and assisting members in its installation—

Jan. 1 to Dec. 31, 1918	$6,751.58	
Jan. 1 to Dec. 31, 1919	6,644.40	
Jan. 1 to Dec. 31, 1920	3,774.23	
Jan. 1 to June 30, 1921	1,579.16	
		$18,749.37

Statistics to afford accurate information relative to the production and consumption of Portland cement in the U. S. A., building statistics, export trade in cement, etc.—

Jan. 1 to Dec. 31, 1918	$4,437.77	
Jan. 1 to Dec. 31, 1919	4,738.08	
Jan. 1 to Dec. 31, 1920	5,637.75	
Jan. 1 to June 30, 1921	2,702.88	
		$17,516.48

Packages—in an endeavor to educate users of cement to return empty sacks promptly, distribution of placards and literature relating to proper care of sacks and method of baling for return—

Jan. 1 to Dec. 31, 1918	$460.50	
Jan. 1 to Dec. 31, 1919	334.92	
Jan. 1 to Dec. 31, 1920	1,425.58	
Jan. 1 to June 30, 1921	4.38	
		$2,225.38

Miscellaneous—in compiling history of the cement industry and investigation of laws of various states with reference to guarantee bonds for contractors—

Jan. 1 to Dec. 31, 1920	$2,598.60	
Jan. 1 to June 30, 1921	643.87	
		$3,242.47

[fol. 69] Field Work involving the employment of a force of engineers, who are attached to the 22 district offices of the Association, for the purpose of discussing with architects, engineers, contractors and others who may be concerned, the merits and proper methods of concerte construction, the maintenance of a staff of trained inspectors to see that concrete roads and pavements are properly constructed, the distribution of literature in connection with all the foregoing, and in general conducting educational campaigns relative to new and proper uses of cement—

Jan. 1 to Dec. 31, 1918	$628,023.52	
Jan. 1 to Dec. 31, 1919	784,917.13	
Jan. 1 to Dec. 31, 1920	898,411.28	
Jan. 1 to June 30, 1921	480,270.81	
		$2,791,622.74
Total expenditures for period		$4,371,825.19

The activities of said Association and its general program are reviewed in the representative report of its general manager for 1920, and the address of its President at the last meeting of the Association in May, 1921, reproduced herewith (Exhibits V and VI, pp. 197 et seq.). Referring to the matters mentioned in the Petition:

Proceedings at Meetings

The defendants deny that the matters mentioned in the Petition as occurring at the meetings reflect the character of the meetings or the activities of said Association. A copy of the minutes of the last, [fol. 69½] May, 1921, a typical, meeting is reproduced herewith (Exhibit VI, p. 241). The Association holds an annual meeting and two other regular meetings each year.

The six items singled out for reference from the many volumes containing the records of these meetings during twenty years are as follows:

(a) The defendants admit that an officer of one of the cement companies, members of said Association, did say at one of the meetings of the Association that he would like to "have some sort of a gentleman's agreement that would be sacred to gentlemen," but the remark was the insignificant remark of an individual long deceased at a meeting on April 11, 1905,* which did not represent an act of the Association or affect the conduct of any one and reflected only the mentality of an individual, made plain by the sentence completing the quoted remark, to-wit: "I think we all ought to leave this building with the agreement that we will all conduct our business on sound business principles, solely and truly."

*A number of the defendant corporations did not exist at that time.

(b) The allegation that "prices were frequently and freely discussed and higher prices persistently advocated" is admitted to the following extent and otherwise denied: In the early days and more than ten years ago,* different individuals at meetings of the Association from time to time complained of the low prices that have always prevailed in the industry, and expressed their personal desires and hopes for better prices, substantially as illustrated by the incident referred to in the Petition, which was, in substance, that one gentleman from the West referred to a saying that the price of cement, the demand for which is largely seasonal, "should go up and [fol. 70] down with the grass," to which a gentleman from the East said, "I think the grass is green and the men who make the prices are likewise green," and there was some laughter.

During the past ten years there has been no mention of prices except on a few occasions when some entirely abstract observations concerning general price movement have been made by individuals.

(c) (e) Similarly in the early days, and more than ten years ago, individuals at the meetings of the Association referred to curtailment of production and withholding from the market as desirable remedies for the distressing conditions under which cement manufacturers were working. The defendants deny that during the last ten years any member of said Association has advocated or discussed the curtailment of production or withholding cement from the market, and deny that at any time have they or any of them followed any course in that regard, other than to make all the cement that they could make and sell.

(d) The forms of reports made to and issued by the Association and how they could be utilized, have been discussed. The great bulk of the reports issued by the Association are the result of research work and studies of experts, giving the most advanced scientific thought and improvements concerning cement, its manufacture and uses, which have represented a vast amount of expenditure of time and money, and have exercised an incalculably great influence on the development of the Portland cement industry in the United States. Other reports relate to such subjects as accident prevention and industrial insurance, conservation, fire insurance and the other matters [fol. 70½] of general interest to the industry as a whole. For instance, every accident of any kind occurring to any employee of any member is reported to the Association and by it to all members with recommendations of safeguards to prevent such accidents in the future; and this work has resulted in materially lessening accidents and injuries to employees in the industry.

There has also been issued each month a report giving the building permit values of various cities, typifying the condition of building construction, with comparative figures for the preceding year. There has also been issued a monthly report showing the total shipments of cement into each state, with comparative figures for previous years, and there have been issued monthly statements, showing the production, shipments and stocks.

*A number of the defendant corporations did not exist at that time.

There has been, from time to time, some discussion of all these various kinds of reports, but there has been nothing in the nature of any agreement or understanding of any kind in connection with any of them or otherwise.

(f) The desirability of a cost accounting system adapted to the use of the manufacturer of Portland cement was referred to at some of the meetings of the Association many years ago, but the matter first took definite form after the Federal Trade Commission had strongly endorsed the desirability of uniform cost accounting systems in industries and advocated it through an address to the Portland Cement Association by its then Chairman, Edward N. Hurley, at its meeting in May, 1916. A committee of the Association thereafter outlined a form of accounting which it thought would most accurately reflect the actual cost. After a draft had been completed the accountants of the Federal Trade Commission examined it with representatives of the Association and made a few minor changes, which were adopted [fol. 71] by the Committee. The Federal Trade Commission then urged the adoption of the system, saying:

"It adoption and use by members of your Association would segregate and group the items of cost as required by the Government and expedite reporting of such costs to the Government by cement manufacturers."

The proposed system prepared by the Committee was endorsed and recommended by the Association for general adoption on January 1, 1918. Any manufacturer may or may not adopt it or another system of cost accounting, or none at all, as he chooses. The cost accounting system recommended by the Portland Cement Association has been adopted in substance by only 4 out of 19 defendant corporations.

A fifth defendant adopted its own system in 1913 and has continued to use it with additional forms of cost analysis borrowed from recommendations of the Association.

A sixth adopted the recommended system as basis for a system which it was developing, modified it later to meet particular requirements more closely, and then discontinued it entirely.

In correspondence with the Chamber of Commerce of the United States in July and August, 1921, the Federal Trade Commission again expressed itself as "in favor of the study and development of uniform cost accounting by trade associations, or otherwise," saying of such acts as are in fact here involved, "there is evidently nothing illegal in such a practice."

[fol. 71½] Trade Practices

Defendants admit that in September, 1915, a committee of the so-called National Association, made a study of the various methods or practices found to exist in the selling end of the business and reported to the Association, which adopted the report, not as binding

anyone but as having its approval as worthy of submission to each member for such favorable consideration as he, with his complete freedom of action, might choose to give it. The report explained more or less fully the advantages and disadvantages of certain methods prevailing more or less generally in the industry. As stated at the beginning of the report:

"Since the May meeting the Trade Conditions Committee has undertaken a careful investigation and study of conditions surrounding and affecting the sale and delivery of cement, in an effort to reach a conclusion as to what constitutes the best practice in each material and important particular, so as to be able to recommend definite practices which will most satisfactorily fit conditions, protect and serve the interest of the manufacturer, and at the same time operate in perfect fairness to cement user and dealer."

In 1916 the report, with some modifications, was reprinted, the introduction thereto stating:

"In the opinion of the committees, the practices which they recommend are based upon sound business principles. Their recommendations are offered as ideal for the industry, and ought to be followed so generally as to become customs of the business. * * * [fol. 72] Of course, no member of the Association is in any way obligated by the reports, or because of the adoption of the reports by the Association, to follow the recommendations. It is not at all a matter of mutual agreement, but solely a question as to whether the recommendations appeal to each member of the Association severally as the best thing for him and all concerned."

In 1918 the report was again printed with the introductory statements just quoted and again in January, 1919. The committee has had no meeting and the subject has not been considered by the Association since 1918.

This study or report was distributed to the members of the Association, each of which was entirely free, and understood to be entirely free, to do precisely as it might choose in any and all matters to which it referred.

Accordingly, these defendants admit the substance of the allegations of the Petition concerning the reports and the subjects to which they relate. But they deny that the practices have been generally adopted and observed throughout the industry, and especially by defendant corporations, or greatly, or at all, facilitated the accomplishment of any unlawful combination or conspiracy, and say that the facts concerning each, so fas as these defendants are concerned, are as follows:

(1) The report defined a dealer as follows: "A dealer is a person, firm or corporation regularly engaged in selling Portland cement and other merchandise, especially building materials, purchased by him for resale; who is also properly equipped with storage facilities; supplied with teams or trucks, and is recognized in his home town as a building material dealer."

The dealer is of exceptional importance in the industry. The commodity must be taken from the railroad at the delivery point, [fol. 72½] protected from the weather until used and delivered where used. That involves employees, warehouses and trucks at the delivery point. The manufacturer cannot maintain such an establishment at each of the thousands of delivery points, to take care of his occasional shipments. Much cement is used in small lots of a bag or a few bags, individually too small for the manufacturer's attention or shipment and requiring aggregating and carrying. One conducting an established business with warehouses, trucks, etc., represents better credit than the occasional, unknown purchaser; and the dealer takes the credit risks. Cement is usually purchased as incidental to the purchase of other materials from dealers; and most of the demand for cement comes through dealers. Moreover, the dealer exerts an important influence in promoting the demand for alternative materials, by his local advertising, recommendations, and otherwise. For these and other reasons, the dealer is entitled to compensation for valuable services and in a position to command it.

That compensation usually takes the form of selling dealers at a lower price than consumers, as is common in many industries. As is also common, each manufacturer is at times confronted by the question whether a particular purchaser asking the dealer's price is entitled to it. The definition is simply a suggestion of the principles by which a manufacturer may, if he wants to, justly distinguish those fairly entitled to the dealer's compensation or price from other purchasers. There is not, and has never been, any agreement to make any distinction or to follow the definition.

(2) A consumer was defined as substantially every one not a dealer.

[fol. 73] None of these defendants has fully followed this sharply drawn division. Generally each has quoted its dealers' prices only to dealers since long before the report, but practically all still make some exceptions.

(3) The report referred to the fact that to "secure the active and energetic assistance of the dealer in pushing the use of cement in competition with other materials, it is necessary that the business be so handled that the dealer will get a margin of profit which is satisfactory to him and will compensate him for his work" and said "unless this is done he will lose interest in cement and discourage its use in favor of other materials." The discussion of this subject contains the sentence, "One of the surest ways to accomplish this is to help dealers to inform themselves on the cost of doing business, a result of which will be to discourage them from selling cement for carload delivery on a smaller margin than 10 cents per barrel." There was no other suggestion that dealers be discouraged in making sales of cement in carload lots at smaller margin of profit than 10 cents per barrel.

None of these defendants has ever made any effort to discourage

dealers from making sales of cement in carload lots at a smaller margin of profit than 10 cents per barrel, except as follows: Each of two or three of the 19 defendant corporations occasionally, when dealers have complained that the margin of profit on sales of cement was so small that they felt it did not pay them to handle it, have told them that they were foolish to sell cement at a price at which they could not make a profit, and one of the defendant companies has used as a sales argument the statement that it quotes contractors at a higher figure than dealers as a means of co-operation with its [fol. 73½] dealers, and hopes to have its dealers receive the full benefit of this co-operation.

(4) The report suggested that to accomplish the object of a cash discount, that discount should not be allowed unless the remittances were mailed as shown by the postmark within the period of ten days from date of invoice. All of the 19 defendants, with perhaps one or two exceptions, make exceptions to this, which, in general, represents merely the practice always prevailing in business of allowing a cash discount when payment is made within the time specified therefor and not otherwise. The report has not changed the practice of any of the defendant corporations in this particular.

(5) The report suggested that the payment of commissions to dealers on sales made directly to consumers be discontinued, explaining that when the dealer performed no service, such payments were economically unjustifiable, and in the opinions of counsel, quoted at length, might violate the Clayton Act. Among the 19 defendants there is great diversity of practice in this particular. Some deem it good business to pay the commission for credit reasons, since the dealers with whom they make such arrangements are of known responsibility; others of the defendants have been paid such commissions; still others sometimes do and sometimes do not. The report has not changed the practice of any of the defendant companies in this particular.

(6) The report advised against making quotations to dealers for delivery at points other than their home towns, where they are not engaged in business, unless there should be no dealers in such towns, for the sensible business reason that such a practice enabled dealers [fol. 74] to sell cement f. o. b. towns in which they had no regular dealings and created dissatisfaction among the manufacturer's dealers in such towns. Of the 19 defendants, nearly all have disregarded the advice where they have no dealer in the town where the cement is to be used, some treat each case individually, making or declining to make the sale according to whether or not friction and severance of relation with their regular dealers is likely to result. The practice is not at all uniform and none of the defendant corporations has changed its practice in this respect on account of said report.

(7) Said report suggested a form of contract for use by dealers in connection with specific work contracts and urged that its use

be insisted upon. Of the 19 defendant corporations, only one requires such a contract. Most of them entirely ignore the practice; two or three recommend to their dealers that they enter into such contracts with their customers, and provide forms, because in the absence of such a contract disputes are apt to arise which eventually come back to the manufacturer. There has been no change in the practice of any of the defendants in this regard on account of said report.

(8) Said report suggested that dealers be required to make monthly reports of deliveries on specific work contracts in order that the misuse of cement by dealers may be eliminated and provided a form for that purpose. The misuse referred to is hereinafter fully explained in connection with the matter of contracts for "specific jobs" (pp. 104-8). Of 19 defendant corporations only four have required such reports, and these have not done so generally but only in particular exceptional cases, governed by exceptional cir- [fol. 74½] cumstances. There has been no change in the practice of any of the defendants in this particular on account of said report.

(9) Said report defined a blanket contract as a contract covering unknown and uncertain requirements of dealers, contractors or consumers for future delivery; explained how such contracts were unfair to the manufacturer, dealer, contractor and consumer; and said that they could not be too strongly condemned. Of the 19 defendant corporations some have refused to make such contracts from a date long prior to said report; others still make them in exceptional cases; a considerable number make them with industrial concerns. Since such contracts represent dealing in futures and are in effect gambling contracts wherein the manufacturer takes all the risk of loss and cannot win, they are, in general, avoided by each manufacturer. This subject is more fully considered hereinafter (p. 101) in connection with "specific job contracts."

(10) Said report recommended a form of salesman's order blanks, pointing out that a definite written order signed by the customer, who would retain a copy, tended to prevent disputes and claims based on alleged oral statements of salesmen. Of the 19 defendant corporations, practically all used such order blanks prior to the said report; two or three do not largely use order blanks, but provide their salesmen with full contract forms. The order blanks used by the defendant corporations are not uniform.

(11) Said report pointed out that "all quotations represent potential but indefinite and uncertain obligations of the cement company," and that "under the plan of sending broadcast, at every price change, thousands of unasked quotations, the potential obligations [fol. 75] of each company, provided they are for acceptance within five, ten or thirty days or until cancelled, or for thirty day shipments or for amounts greater than one car each, reach very high figures," and it said, "It is obvious, therefore, that in order to keep the situation more nearly in the control of the cement company,

all trade quotations should be for immediate acceptance, 15 day shipment, and for not more than one carload each." The making of quotations for immediate acceptance, fifteen day shipments, in the formal quotations sent out is practiced by most of these defendant corporations. Some of them have been making formal quotations in that form since a date long prior to the report; a few do not send out quotations in that form, but sent out quotations effective until the customer is advised to the contrary. Most of the defendant corporations disregard the limitations if and when orders are received, using the limitation only as insurance against finding themselves unwittingly obligated to deliver more than they can, which might result from having an unlimited number of offers of unlimited quantities outstanding. The limitation on amount mentioned in the formal quotation of many of the defendant corporations for that purpose has practically never been enforced by any of them.

(12) Said report pointed out that if the manufacturer permitted extensions of the time of delivery, as a general practice, it would operate in effect to turn the contracts into options, and therefore, advised against granting extensions. None of the defendant corporations have any uniform practice as to granting extensions of time of delivery. All of them have always judged each case on its merits granting extensions when the circumstances rendered that [fol. 75½] course fair, or where the request has been made for some good reason and arranging the matter with the purchaser so as to preserve his good will.

(13) Said report suggested that dealers be required to state in their bids the brand of cement they proposed to furnish. None of the defendant corporations has ever required this.

(14) Said report defined specific work as "a definable piece of construction work requiring a carload or more of cement for delivery over a specified period of time beyond fifteen days."

(15) Said report suggested that quotations for specific work should be for acceptance within not more than five days, when the prospective purchaser is in position to buy immediately and for acceptance within not more than fifteen days, when the prospective purchaser is not in a position to buy immediately, discussing the effect of indefinite periods upon manufacturer, dealer and contractor. This limitation upon quotations is used in the quotation forms of most of the defendant corporations. Some used it before the publication of said report; a few do not use it; practically all disregard it by renewing the quotations or accepting the order, the only purpose being to insure the manufacturer against unintended over-commitment.

(16) The said report suggested that specific work sales contracts should accurately describe the work as to location, correct name of the owner, contractor or other party doing the work and presented

a form. Of the 19 defendant corporations practically all require in a specific work contract, sufficient information to identify the [fol. 76] work. This practice in the cement industry goes back at least more than forty years, having been practiced in the days of natural cement before Portland cement displaced it. No change can be found in the practice of defendant corporations in this regard on account of said report.

(17.) Said report suggested desirable conditions of sales to cement products plants, industrial plants, railroads, electric lines, state, county and municipal governments, considering particularly the effect of direct sales of yearly requirements on local dealers in case of changed conditions before the termination of the year. It recommended that sales be limited to delivery within fifteen days from the date of order, or that sales be for specific work with a maximum amount limitation (see p. 104).

Of the 19 defendant corporations only one has followed the practice recommended in the report.

(18) Said report suggested that when a manufacturer's quotations issued covering a change in his price, the change in price should be made effective on the date quotations are written, in order to avoid price tipping. It considered the various arguments in favor of giving advance warning of a change in price, and pointed out that they were theoretically unsound because an advance in price can be justified only on the ground that conditions do not warrant sales at the former price, and accordingly advance notice meant sales at prices lower than conditions warranted. It further pointed out that the practice of advance notice of changes in price operated to prevent dealers and contractors from placing orders until the cement was immediately needed and fostered speculation.

[fol. 76½] Of the nineteen defendant corporations practically all have followed this practice for upward of ten years, or since they have been in operation, the usual course being to accept all orders mailed before the customer sees the new quotation.

(19) Said report considered the practice of guaranteeing customers against decline in price, "inherently unfair and unbusinesslike," and advised against it. The conduct of the nineteen defendant corporations in this respect has been exceedingly diverse: one has always guaranteed its contracts against decline in price, but not its current business; several never guaranteed against decline in price until the year 1919, when, under the extraordinary conditions and in the hope of stimulating building, some of the defendant companies commenced to do so, this particular development having been occasioned by one of the defendant companies offering to guarantee the price, and others being compelled to meet that competition. A few of the defendant corporations have never guaranteed the prices against decline; one adopted the policy in January, 1921, of making future shipment at its price prevailing on the day of shipment. The report has had no effect on the practice of any of the defendants in this regard.

(20) Said report recommended that no cement be sold or quoted on specifications other than those of the United States Government or the American Society for Testing Materials. It was explained that it is of the utmost importance to the industry to maintain the quality of Portland cement. Of the nineteen defendant corporations about half have since said report occasionally quoted and sold cement on other specifications.

[fol. 77] The facts in this regard are briefly that practically all engineers, contractors and builders require cement meeting the standard specifications and tests, but a handful of idiosyncratic purchasers have some particular idea of their own relating, for example, to the maximum amount of, say, alumina or some particular fineness for an unusual use, which standard Portland cement may meet, or meet only after some additional treatment. The standard specifications have been universally used by practically all purchasers for many years.

In view of the enormous strains to which cement is subject and the absolute necessity of having a cement which will fulfill the standard computations and formulas used by engineers with respect to strength, setting quality, weight, resistance to water, etc., it is obviously of the highest importance to the public that this standard be maintained.

(21) Said report recommended that when cement is set aside in sealed bins and tested for the exclusive use of a single customer, the extra expense of several cents a barrel thereby occasioned should be borne by the customer. The practice of the nineteen corporate defendants in this particular has been diverse. Most of them have made a charge in some instances and no charge in other instances and different charges from time to time. Early in the present year, 1921, one company announced that it would make no charge for this service, and the intense competition forced practically all the other defendants to meet this, with the result that at present there is practically no company that makes a charge for bin rental or bin tested cement.

(22) Said report recommended that under no circumstances should cement manufacturers bear commercial laboratory charges [fol. 77½] for testing cement, because every cement company guarantees its product to conform to the standard specifications and tests, and if some one wants a commercial laboratory to test the cement to satisfy him, he should bear the expense.

Of the nineteen defendant corporations none have ever in their history borne the expense of such tests with the following exceptions: Two have done so from time to time, and three have on a few rare occasions done so in order to settle a dispute concerning lots of cement.

(23) Said report suggested what was considered the best practice with respect to handling sacks, reaching the conclusion that the cloth sacks are provided solely for the cement user, and "are sold

and paid for by him on the same terms as the cement", and "it should be made the rule that only such cloth sacks as are serviceable and can be used again, be repurchased." It has always been the general practice of all the defendant corporations to take back only such sacks as can be used again after a reasonable amount of repair, and that has been the general practice in the cement industry for more than forty years. Some of the defendant corporations extend this to sacks which they can see have not been abused, but which cannot be used again because they might not stand the strain The manner of treating the sacks differs among the different corporations. Five or six of the defendants retain title to their sacks. The rest sell them and repurchase them.

(24) Said report recommended the "free interchange of credit information among cement companies". This was said to be in the interest of reducing losses. Independently of said report the dif- [fol. 78] ferent corporations have done a certain limited amount of exchanging credit information through the Cement Manufacturers Protective Association as hereinafter fully explained (p. 99).

The report also recommended that cement manufacturers do not become members of any dealers' organizations. And it recommended handling cement in bulk, where the nature of the work permits, as economical in many respects, and proving most satisfactory to the contractor.

As is emphasized by the results aforesaid, the report amounted simply to an expert, technical study of various questions confronting each manufacturer of cement, which each manufacturer has agreed with or disagreed with, according to his own unrestrained will and judgment. The allegation that said report or the practices therein mentioned have facilitated the accomplishment of any unlawful combination or conspiracy is denied. And these defendants respectfully aver, upon information and belief, that if any or all of said practices had been agreed upon, as none of them has, each and all of said agreements have been entirely reasonable and for the benefit of the manufacturer, the dealer, the contractor and the public, and not an unlawful restraint of trade or commerce.

[fol. 78½] 2. Activities of the So-Called Eastern Association

The defendants admit that the individual defendants are now officers of the defendant Cement Manufacturers Protective Association, called in the Petition the Eastern Association; that defendant corporations (with the exceptions hereinabove stated, p. 22) are now members of said Association; a majority of them participated in its organization; each assists in its maintenance by the payment of annual dues based upon the number of barrels of Portland cement shipped by it during the preceding year; each makes certain reports to said Association and receives certain reports from said Association; representatives of each sometimes attend the meetings of said Association, and the members are responsible for the acts thereof.

Defendants deny that the Petition sets forth the activities of said

Association in accordance with the facts. The facts concerning said Association, its activities, objects and results and the facts necessary to enable one unfamiliar with the Portland cement industry fully to understand the same are as follows:

As stated in the Constitution, "the objects of the Association are the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information concerning" (a) credits; (b) contracts which have been made for the future delivery of cement; (c) freight rates for cement, and (d) statistical information as to production, stocks on hand and shipments.

[fol. 79] (a) Credits

The credit information consists simply of a list of accounts long overdue, which the manufacturer may, if he wants to, use in connection with other information from other sources in determining what credit he shall extend to persons seeking cement. There is no influence of any kind, legal, moral or social, tending to control the conduct of the manufacturer concerning any one thus appearing as not meeting his obligations, or concerning any other information exchanged through the Association. No reference to anyone appearing in the list of accounts long overdue, or to any other part of the information, has been made at any meeting. On the contrary, it is a fundamental understanding of the Association always acted upon without exception at any meeting that any member of the Association shall at all times do exactly as he pleases with complete freedom and without comment of any kind.

This and other activities of the Association are transacted by means of printed forms, because that economizes time and labor and confines activities and even utterances strictly to the limited business of the Association. The details of the activities relating to credits are as follows:

Each member corporation, on or about the first of each month, sends in on a form having blanks for the purpose a list, giving the name of any purchaser whose account is two months or more overdue, his address, the amount of the overdue account, and the ledger balance (to aid in the interpretation of the significance of a small or large amount overdue), bills receivable, accounts in hands of attorney, and any explanation, as that the account is treated by the [fol. 79½] customer as offset by balance due for bags, or bankruptcy, or the like (Exhibit VII, p. 334).

From these forms an alphabetical list is compiled, (Form 15) of which a representative specimen page actually used is produced herewith (Exhibit VIII, p. 335). This Form 15 contains all the credit information received or sent out by the Association. From it summaries of totals are made and compared with previous periods indicating general collection conditions.

The whole purpose and effect of the activities of the Association with respect to credits, is to enable each manufacturer, if he wants to, better to judge credits and to protect himself against bad debts.

(b) Contracts

The objects and activities of the Association with respect to contracts, arise from facts and conditions more or less peculiar to the Portland cement industry. Most of the business of the manufacturer of Portland cement is what is known as "current business," that is, sales of the product to be delivered at or near the time of the contract, so that unforeseeable changes in costs and conditions are not involved. As alleged in the Petition, approximately two-thirds of the business of the defendant corporations consists of such current business. The contract activities of the Association have nothing whatever to do with such current business, but are confined entirely to the remaining fraction, constituting approximately one-third of the business:—

[fol. 80] Contracts for Future Delivery of Cement

Portland cement is largely used in the construction of works which are undertaken long prior to the time for the delivery of cement used therein. For instance, the construction of a building or reservoir or dam or subway or road or other work involving enough cement to call for a special contract, commonly begins sometime after the contract is made and extends over a considerable period, usually many months and often some years, and deliveries of cement for the work are required as the construction progresses and until it is completed.

It is and always has been common practice in the cement industry to enter into contracts, usually with dealers, to supply and deliver in instalments the cement needed in the construction of such works and to fix the price at which the cement is to be delivered at the time the contract is made, payment to be made after delivery.

The Element of Risk in Contracts for the Future Delivery of Cement

By reason of the nature of the commodity, the difficulties and risks of storage, the fact that the difference between cost and price realized affords slight interest on the amount required to manufacture and numerous other economic considerations, immediate manufacture, carrying and storage of the cement called for in contracts for future delivery is impracticable.

Since the immediate manufacture, carrying and storage of the cement is impracticable, such contracts are contracts for cement to be manufactured sometime in the future, at or near the time of [fol. 80½] delivery, and to be paid for after delivery at a price fixed long before the cost or conditions of manufacturing can be known; and accordingly all such contracts involve an important element of speculation and represent dealing in futures.

To illustrate the risk assumed in such contracts, concretely:—A contract made some time ago might call for the delivery of the cement required to construct a section of a subway which would not be completed for two or three years, say about 100,000 barrels. That contract would name a price, commonly the then prevailing market price, at the point of delivery, resulting from the complex of general costs, conditions, supply, demand, etc., at the time it was made. To simplify, one representative item of cost may be used, labor:—

The average barrel of cement throughout the United States represents almost one man-hour of labor (.938). When the contract in question was made a man-hour of such labor cost about 20 cents, but when the time for the manufacture and delivery of the cement arrived, say the spring of 1921, a man-hour of such labor had advanced to about 45 cents. Accordingly, the risk in that item alone in that contract would be upwards of $25,000.

Similar risks are involved in all the other items of cost and conditions, fuel, supplies, repairs, salaries, taxes, etc., with the result that when the time for payment arrived, in the example, the manufacturer received a fraction of what it had actually cost him to make and deliver the cement. This extreme illustration applies in different degrees to every contract for the future delivery of cement.

[fol. 81] The Fact that Contracts for the Future Delivery of Cement are Obligations Binding on the Manufacturer, but Merely Options of the Other Party Thereto

In legal theory the cement manufacturer might, perhaps, enforce a contract for future delivery against the dealer. But in actual practice any enforcement of such a contract against the dealer has always been effectually prevented by the competition, which means that the valuable custom of that dealer would be transferred to a competitor if suit were attempted or even demand made, by the fact that in many instances to force on the dealer the cement which he could not use would be unfair and probably throw him into banbruptcy, and by the fact that the dealer could seldom respond to such judgment if obtained. Accordingly, in actual practice such contracts have for many years amounted to options, binding the manufacturer but not the dealer, and this has been so well understood that contracts have been generally and freely made on that assumption and basis and generally treated accordingly.

[fol. 81½] Those Contracts for the Future Delivery of Cement Known as "Specific Job Contracts"

Contracts for the future delivery of cement are thus, in substance and practical effect, one-sided obligations whereby the manufacturer, without receiving any actual consideration, is obligated to make and deliver a commodity at a particular price a long time

in the future, regardless of the then existing costs and conditions, and will be paid for it (after delivery) if the purchaser deems it to his advantage then to take the commodity, but not otherwise. Accordingly such contracts have never existed generally in the industry.

But contracts for future delivery of cement have always existed in the industry within certain long-recognized limitations, to wit, when the contract is not for cement to be resold or for a certain number of barrels of cement as such, but to supply the cement (or a particular portion thereof) which is to enter into the construction of a specific structure or work, commonly termed a "specific job." Such contracts to supply the cement to be used in a particular structure or "specific job contracts" are differentiated from contracts for the future delivery of cement generally by numerous considerations:—

(i) Since the contract is limited to supplying the cement actually entering into the specific work, that cement cannot be ordered out for resale and the contract cannot (except dishonestly) be made an instrumentality or means whereby the prospective purchaser speculates on the future price of cement at the manufacturer's risk.*

[fol. 82] (ii) Since the cement enters into a particular identified structure, different credit considerations apply because liens on the work, and often contractor's bonds, are available to protect the manufacturer.

(iii) The risk of change of costs and conditions inherent in such contracts must be assumed by either the manufacturer or the user who holds the contract for constructing the work; and accordingly they are not like contracts for the future delivery of cement generally for resale which have no economic justification. In other words, "specific job contracts" serve a useful economic purpose and are not, like other contracts for the future delivery of cement, purely gambling contracts.

For these and other reasons, "specific job contracts" have always existed in the industry, and other contracts for future delivery have not existed, or existed to an extent always inconsiderable, and for many years, negligible.

All of this was true prior to the organization of Cement Manufacturers Protective Association, which has not in any way sought to control, or controlled, by understanding, suggestion, comment or otherwise, what any manufacturer should do with respect to making or performing any "specific job contract," or any other contract or act whatsoever.

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*The courts have had occasion to hold that "specific job contracts" do not call for any cement except that required for use in the specific work, in the following, among other, cases: Fergerson Const. Co. v. Helderberg Cement Co., 135 App. Div. (N. Y.) 494, and Maryland Dredging, etc., Co. v. Coplay Cement Mfg. Co., 265 Fed. 842.

The Ignorance of Each Cement Manufacturer Concerning the Extent of His Own "Specific Job Contract" Obligations

By reason of the practice of entering into such contracts at the time the bids for the contracts to construct the work are tendered, and otherwise, no cement manufacturer alone can possibly determine [fol. 82½] the extent of his own obligations for the future delivery of cement. Such contracts often come into existence as thus illustrated: A specific piece of construction work requiring 7,000 barrels of cement is to be awarded to the lowest bidder and each of five contractors intending to bid, gets a price for the cement from a dealer, who, to cover himself, makes a contract with the cement manufacturer (and often with more than one to make sure) for the cement required in that work, usually overestimating it at say 10,000 barrels, to make sure that he has covered himself. The construction contract is awarded to one bidder. Each of several cement manufacturers is then in the position of thinking that he has sold and will be called upon to deliver say 10,000 barrels of cement on that specific job (although only 7,000 barrels from one manufacturer will be required for it) and each governs his manufacturing and selling efforts accordingly, except that in actual practice the illustration is multiplied a great many times, involving great quantities of cement.

In the industry these contracts to supply the cement for a specific work when other cement will be used in it, have for many years been known as "fake contracts" and as "duplications"; and to the extent that a "specific job contract" overestimates the amount of cement which will be needed (the extra 3,000 barrels in the illustration) it is known as "padded."

In any "specific job contract" the dealer is neither qualified nor much inclined to estimate accurately, and the manufacturer generally knows no details of the projected work, so that in fact "specific job contracts" are "padded" an average of more than 1,000 barrels on each contract, amounting to several millions of barrels of "padding" each year in the territory here involved.

[fol. 83] From circumstances thus illustrated it results that in fact nearly half of the total estimated number of barrels of cement apparently called for by these contracts for future delivery is not in fact called for by the contracts and will never be ordered out (unless dishonestly); and to that extent the manufacturer did not, and could not, know the amount of his own commitments and obligations.

If any manufacturer waited until the structure was about completed and then went to the expense of sending someone to see about the cement to be used therein, he might ascertain whether he would be called upon to deliver any of the cement for that structure. But without such delay and expense he could not alone obtain the necessary information as to his own obligations under the circumstances which exist in the industry. On the other hand, by the simple method of exchanging information as to what "specific job contracts" have been closed, the "duplications" reveal themselves and each

manufacturer is put in a position where he can measure the extent of his own obligations to a degree at least sufficient to enable him to direct his manufacturing and selling efforts far more efficiently, and, *to a considerable degree, avoid the losses*, shut-downs, unemployments and general misery necessarily following efforts of anyone to do business without knowing the extent of his obligations.

The Misrepresentation Prevalent in the Industry in Connection with "Specific Job Contracts"

The "specific job contracts" developed in the Portland cement industry a species of fraud more or less peculiar to that industry, for many years commonly referred to therein in its different forms as [fol. 83½] ordering under "fake contracts", "duplications" and "padded contracts".

In practical operation dealers would use such "fake contracts" to speculate in cement futures at the expense of the manufacturer by means of misrepresentation. If before the expiration of the delivery date named therein the market price advanced, they would order the cement delivered, representing it to be for use in a specific job under an old contract held by them (although, in fact, the cement for that job was being supplied by another, and the job may have been completed) and then resell such cement to the public at the then market, thus reaping a large unearned profit and inflicting serious loss on the manufacturer.

For instance, in the illustration last given, some of the dealers having "duplications," if the market price advanced say 10 cents a barrel before the expiration of the delivery date in those contracts, would order out 10,000 barrels of cement under the "duplications", thus falsely representing to the manufacturer (and, concretely, its office employees located perhaps hundreds of miles from the point of delivery) that the cement was required for that specific job under the contract, and then sell the cement to the public at the advanced price or a trifle below it, thus making for themselves unearned profits of $1,000 each and inflicting corresponding loss upon the manufacturers, which loss must ultimately be borne by the public in subsequent prices.

Reporting "Specific Job Contracts"

The activities of the Protective Association, concerning contracts, in purpose and result, enable each manufacturer to know the extent [fol. 84] of his own obligations and and to protect himself against such frauds, if he wants to, by putting before him the actual facts concerning such "specific job contracts." To make the facts available each member of the Protective Association (with the exceptions noted, p. 22) sends to the office a statement of each "specific job contract" after it has been made and closed, sufficiently complete to enable it to be matched with others in all identifying details. These are sent to the other members (with the exceptions noted) who are thereby enabled to discover "duplications". There the ac-

tivity of the Association with respect to "duplications" ends. It supplies the information (obtainable in no other way) and the manufacturer does just as he chooses without suggestion or comment.

The papers used in this are printed forms referred to in the Petition. After each "specific job contract" has been closed and reached the manufacturer's office, he fills in a form (Form 20, p. 336) giving the contract number, the date, the name and address of the purchaser, the description of the job so complete that it can be identified, the name of the contractor, the number of barrels mentioned, the price, the delivery point and the date when the contract expires—in other words, details which enable that "specific job contract" to be fully identified and compared with others. The manufacturer also sends in (on Form 21, p. 337) any changes in "specific job contracts", as, for instance, that a particular contract has been completed, reduced in amount, extended or cancelled.

The Association office then compiles the information thus received, and sends the compilation (Form 7, p. 338) to the members, together with a summary giving the totals from the first of the month to date (Form 8, p. 339). These compilations are made and sent to the [fol. 84½] members, each day, from the reports on Forms 20 and 21 received that day. An examination of the Association's files shows that the average time from the closing of the contract by the manufacturer to sending the report of it (Form 20) to the Association's office, occupied by the process of the contract going to and through the manufacturer's office, is eight days.

At intervals of three months the Association office tabulates the "specific job contracts" in a printed report (Form 10), which is a repetition of the matter previously sent in Form 7 corrected to date* and in more convenient form for subsequent checking by the manufacturer.

The office also sends to the members a monthly summary (Form 9, p. 340) of the totals of the contracts filed since the first of the year. Thus, Forms 7, 8, 9 and 10 sent out by the Association's office are compilations of the information sent in by each manufacturer on Forms 20, 21 and 22 giving the facts concerning the "specific job contracts" in existence, separately and in totals. Representative specimens, actually used, are reproduced herewith, except Form 10 which, on account of its bulk, is not filed but will be produced in Court (Exhibits XI to XIV inclusive).

For some time after the Association commenced operations, contracts were reported only monthly, which meant, in practical operation a period of upward of six weeks before the contract information with respect to many contracts would reach the members. To shorten the period while the manufacturer's information concerning his obligations remained doubtful, and increase the value of the work, the practice of making so-called daily reports (operating an average of more than eight days after the contract was closed) was adopted.

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*The corrections are verified by a monthly report (Form 22, p. 356) sent in by the manufacturer.

[fol. 85] The lists of "specific job contracts" thus compiled and sent to each member discloses the "duplications" and the manufacturer can, accordingly, know whether a contract which he has signed is a reliable contract which will call for the delivery of cement or a piece of paper upon which, as a practical matter, he cannot act and which will not require the delivery of any cement unless the dealer attempts, by misrepresentation, to take advantage of change in conditions resulting in increased costs and prices to order out the cement for resale.

The number of "duplications" and other "fake" contracts in the cement industry is remarkably large. For instance, the specimen of the monthly contract reports of the Association to be produced shows "duplications" amounting to a million and a half barrels in the one month. This condition arises partly from the fact that it is and always has been common practice in the industry to make such contracts for cement in advance of the awarding of the contract for the work in which the cement is to be used.

In most instances and unless conditions change so that there is an advance in the market price of cement at the delivery point, no cement is ordered out under such contracts and the information supplied the manufacturer simply enables him to know, in the only possible way, the extent of his own obligations and what part of his capacity is free for sale. In other instances where there is an advance in market price at the delivery point and the unscrupulous dealer orders out cement upon the representation that it is cement called for by the contract, the information enables the manufacturer to protect himself against being thus cheated.*

[fol. 85½] In no case is there any agreement, understanding or obligation, legal, moral or social, affecting the course of the manufacturer, who in fact deals with his contracts exactly as *his* pleases. There has never been at any meeting of the Association a word of comment on the act of any manufacturer concerning any of his contracts. Under its Constitution and in fact "membership in the Association shall be recognized as implying that the member is absolutely free to conduct his business exactly as he pleases in every respect and particular."

Investigating "Specific Job Contracts"

For about two years the activities of the Association with respect to contracts were limited to this reporting which revealed "duplications" of "specific job contracts." The reporting alone did not reach the similar abuse known as "padded contracts" where the dealer, entering into a "specific job contract," estimated the amount at a much larger number of barrels than the job would require and thus, in many instances, speculated on the surplus at the manufacturer's expense, ordering out that surplus on the representation that it was needed for the job under the contract and reselling to the public, in

*See cases cited, supra, p. 104.

the event that the price of cement advanced before the final date of delivery, and not ordering out any of the surplus if the market price had not advanced or had declined by the final date of delivery.

To deal with "padded contracts" since the close of 1917 the Association has employed a staff of engineers (numbering at different times from one to five or six) to visit works on which cement is to be supplied under "specific job contracts," to ascertain the amount of [fol. 86] cement which will be required. These engineers are sometimes called "checkers," their function being to check the estimate in the contract with the actual requirements.

Since the investigation of every piece of construction in the northeastern portion of the United States would involve too much expense, only some jobs are visited, the selection being made by any member of the Association (who, through his salesman, dealers or otherwise finds reason for questioning the good faith or accuracy of a particular "specific job contract" as for instance, by finding that the job has been completed although the contract still calls for the delivery of more cement) sending in to the Association's office a request that the work be visited and checked. The details of this operation are as follows:

The manufacturer sends to the Association office a card (Form 1, p. 341), the allegation concerning which in the petition is inaccurate and denied, calling attention to a "specific job contract" with the reason for suggesting the investigation indicated by a check mark, as that the contract appears to be a duplication, or the amount contracted for seems more than required, or no such work appears to be under construction or contemplated, or the work has been completed, or the contract for the construction work has not been awarded the contractor, etc. The Association then delivers to one of its engineers a blank form asking certain questions concerning the work, as whether it has been started and how much cement it will require. The engineer visits the work, ascertains the facts and answers the questions (Form 2, p. 343). The Association office then presents the facts thus developed to the members whose brands appear in the report, upon Form 5, p. 345. The member receiving the informa- [fol. 86½] tion may, or may not, acknowledge it by checking on a form (Form 6, p. 350, the allegations concerning which in the petition are inaccurate and denied) whether the report accords with such information as he may have from other sources and is found correct or further investigation is desired, and if the manufacturer has additional information useful in further investigation, submitting such information. As a matter of fact the use of this Form 6 is infrequent, several of the defendant corporations never having used it. Representative specimens of all the forms mentioned, actually used, are reproduced herewith (Exhibits XV-XVIII).

In connection with these investigations and otherwise, the Association has had nothing whatever to do with the conduct of any manufacturer or member except to assist in the development of the facts as hereinabove set forth. The manufacturer does exactly as he pleases with the information before him, the activity of the Association completely ends with supplying it.

This activity of the Association has for its purpose and result only protection against blundering inefficiency, resulting from lack of knowledge of the individual manufacturer concerning what contracts he has, and what amounts to fraud. It has operated and operates to protect the manufacturer and the honest dealer. It sharpens, and does not in anyway interfere with, competition; and by increasing the efficiency of each manufacturer's operations tends to reduce the price of cement.

Its value and importance are indicated by the concrete figures of 1920. During that year the engineers of the Association investigated 46% of the "specific job contracts" reported. The total amount of cement which would enter into the works or jobs was [fol. 87] estimated in the contracts as 9,233,160 barrels. The amount in fact required to complete the works and so the amount called for by the contracts, was found to be 5,703,130 barrels—a total difference of 3,530,030 barrels, or an average difference of 1,539 barrels per contract. This knowledge freeing such an amount for the market, was of obvious value to the manufacturer, dealer, contractor and public.

The explanation of the fact that the price at which these "specific job contracts" have been closed is included in the report is thus set forth in the outline of the plan pursuant to which the Association was formed:

"The second form of misrepresentation is illustrated by the common experience of every manufacturer of Portland Cement with statements made to him not only by dealers but often by his own salesmen concerning competitors' practices, with the result that the manufacturer is deceived and imposed upon. In the following plan it is not proposed to provide the fullest relief against such misrepresentations, because reports of outstanding or active offers or quotations may be objectionable, but it is proposed to give the manufacturer an opportunity of checking the representations of dealers and salesmen by including with the information as to specific contracts, the price at which these past transactions have been closed, so that false statements may become less frequent."

This item is distinct and separable from the rest and of comparatively trifling practical importance. The reporting of it has no effect upon the price of cement or competition. The only price men- [fol. 87½] tioned is the price at which the "specific job contract" has been previously closed. The price of the current business of the manufacturer, representing the bulk of the business, has not been reported in any way. Seldom less than five days, and usually more, elapses between the manufacturer's quotation and the closing of such contracts. The price of these closed transactions reaches the members on an average of upwards of eight days after the contract has been closed, which is a week or so after each member has in fact learned the price at which his competitors were selling cement on that date.

As a matter of fact, for many years, each manufacturer has at all times been promptly advised concerning the price at which cement is offered in the market by means illustrated as follows: When the price at which cement is selling at any delivery point is changed by any individual manufacturer, the new price is necessarily quoted by that manufacturer to dealers and others at that point. Within a few hours, those located at that point and representing other manufacturers learn of the offer and promptly inform the manufacturer whom they represent, often by telephone. The first report is followed by others from other points, and in the course of some hours, fully confirmed from the market, with the result that every manufacturer has, for many years, known the price at which cement is being offered and sold in any market, without any communication whatsoever with other manufacturers.

The fact that a week or so later the manufacturer receives information that a particular contract for a specific job was closed at a particular price has no effect whatever in fixing the price at which any sale is made, but has for its purpose and result only a limited check [fol. 88] on false statements. For instance, it enables the manufacturer to increase the efficiency of his sales force, and his competition, because it enables him to know whether the explanation often given for the loss of a contract, that a competitor quoted a lower price, is the true explanation, or the true explanation is the inefficiency of the salesman. This item of the contract reports is helpful to that extent, but of comparatively little importance.

(c) Freight Rates

The information concerning freight rates consists simply of a compilation of the official freight rates from each point where cement is produced in sufficient quantities to affect the market to all delivery points, that is, practically every place where cement can be delivered in the northeastern section of the United States.

The purpose and the result of this are only (1) to save each manufacturer time and expense and thus prevent a large amount of eeconomic waste, and, (2) to prevent mistakes and errors in freight charges.

The mechanical and mental labor involved in determining the freight rate on cement to many points is remarkably great to one not familiar with such matters. To make it plain, the task involved in determining the rates to Boston, Massachusetts, are given in some detail as follows:

Boston presents a comparatively simple illustration, because the cement rates from each and every point are published as through rates and no combinations of rates are involved. In determining the rates to Boston one first refers to the Official Railway Guide and to the list of freight stations in I. C. C. No. 1427 and ascertains that Boston is situated on the Boston & Albany, Boston & Maine, and [fol. 88½] New York, New Haven & Hartford Railroads. From the same freight guides he ascertains, or knows, that his mills at, say, Omorod and West Coplay, Pennsylvania, are located on the Ironton

Railroad, his mills at Chapman, Pennsylvania, on the Philadelphia & Reading Railway; his competitor's mills at Northampton, Pa., on the Northampton & Bath Railroad; his competitor's mills at Nazareth, Pa., on the Lehigh and New England, and Delaware, Lackawanna & Western Railroads; his competitor's mills at Hudson, New York, on the Boston & Albany and New York Central Railroads; his competitor's mills at Alsen, New York, on the West Shore, etc.

To ascertain the freight rate of cement from his mills on the Ironton Railroad he first turns to tariffs published by that railroad and finds that the carrier does not publish any through rates on cement to Boston. He then consults the Official Railway Guide and ascertains that the Ironton Railroad connects with the Central Railroad of New Jersey, the Lehigh Valley Railroad and the Philadelphia & Reading Railway, and turns to the tariffs of those carriers. He finds that the Central Railroad of New Jersey publishes a commodity cement tariff, which is I. C. C. G-5, originally effective October 15th, 1918, applicable from certain stations on the Central Railroad of New Jersey, the Ironton Railroad and the Northampton & Bath Railroad to destinations on various New England lines. He then turns to page 2 of this issue and finds that the cement rates quoted apply to his mills at Omorod and West Coplay and competitive producing points on the Ironton Railroad, and also from Vulcanite, New Jersey, on the Central Railroad of New Jersey and from Nevarro (Northampton, Pa.) on the Northampton & Bath [fol. 89] Railroad. He then turns to page 3, which is an alphabetical index of stations to which the rates apply, and finds that Boston for Boston & Albany delivery is Index No. 1609. Index 1609 is found on page 28 of the Tariff and the rate quoted from the producing points above mentioned is three dollars per ton, which is applicable via route No. 4. Turning to route No. 4, found at page 32 of the Tariff, he finds that traffic will route over a number of alternative combinations of railroads and thence via the Boston & Albany Railroad to destination. He finds, however, that the three dollar rate, as shown in that Tariff has been advanced, and on turning to Supplement 3 to this Tariff, effective February 28th, 1921, he finds on page 3 that the Boston & Albany delivery, the present rate is twenty-one cents per 100 pounds which figures $4.20 per ton. He has now found the rate from his mill via the Central Railroad of New Jersey directly, or via connections, for Boston & Albany delivery at Boston. He then refers to the Index of Destinations on page 3 of the Tariff to ascertain the facts concerning other deliveries at Boston. He there finds that rates are also quoted to Boston for Boston & Maine delivery uder Index No. 1. Repeating the process just described, he finds that the rate to Boston for Boston & Maine delivery is now 21¢ per 100 pounds, or $4.20 per ton. Again repeating the process, he finds that the rate to Boston for New York, New Haven & Hartford delivery is the same.

The result at this stage is that he has ascertained from the Central Railroad of New Jersey Tariffs that the correct freight rate to Boston from mills on the Ironton Railroad and mills served by the Central Railroad of New Jersey is 21¢ per 100 pounds. But the Ironton

Railroad also connects with the Lehigh Valley Railroad, and it is [fol. 89½] therefore necessary to refer to the Tariffs of the Lehigh Valley Railroad for rates applying from off the Ironton Railroad to destination in New England. A search of the Lehigh Valley Tariffs shows that it is I. C. C. C-7244, effective March 15th, 1921, is a special commodity Tariff applying on cement from stations on the Delaware, Lackawanna & Western, Ironton and Lehigh Valley Railroads to stations on the railroads named on page 3 of the Tariff. The process of running this down is time consuming. On page 2 of the Tariff he finds that Omorod and West Coplay, Pa., are shown as group 2 producing points and that other producing points are shown rate groups 1 to 6 inclusive. On page 3 he finds that rates to Boston & Albany destinations are quoteed on page 22, and on page 22 he finds a rate of 21¢ per 100 pounds quoted from Group 2 to Boston for Boston & Albany delivery, applicable via Route 76. He then finds that Route 76 on page 89 of the Tariff makes the rates apply via the Lehigh Valley, West Shore and Boston & Albany to destination. It is then necessary to ascertain the rate from Boston & Maine delivery. From the Index he ascertains that to destinations on the Boston & Maine, the rates are shown on pages 23, 40, 41, 42 and 43. On turning to page 23 he finds that Boston & Maine Railroad destinations are not separately shown but he is referred to Lehigh Valley Class Rate Tariff, I. C. C. No. A-3741. Having found this Tariff he finds on page 11 that Boston is Index No. 494. He then turns back to page 23 of I. C. C. C-7244, commodity cement tariff, but finds no rate given from Group 2 points to destinations on the Boston & Maine. He then consults page 40 of the cement tariff and finds that for Boston & Maine destinations he is referred to another class rate tariff, Lehigh Valley I. C. C. A-3730. Having [fol. 90] found that Tariff, he finds on page 14 thereof that Boston on the Boston & Maine is indexed A-1, 1, 1-A, and 1-B. Then by turning to page 40 of the commodity cement Tariff he finds that the rate to Boston, from Group 2 points to points on Route 94 is 21¢ per 100 pounds. He then turns to Route 94 shown on page 90 and finds to Boston stations Index 1, 1-A and 1-B inclusive from Group 2 this rate applies.

An equally time consuming process is required to ascertain the rate for New Haven delivery via the Lehigh Valley. When that is completed the rate must be checked through the Philadelphia & Reading Railway connection for the various deliveries. When that has been completed he has asscertained the freight rate from two of the mills to Boston for any desired delivery at Boston.

But by reason of the competition that is only the beginning, because cement in Boston does not sell f. o. b. his mill and he must, to compete, know the freight from the freightwise nearer originating points, as hereinafter explained. This involves a repetition of the whole process with respect to each of the originating points, occupying at best a long time and admitting of errors in computation.

There are many thousand points to which the freight rates must be thus ascertained daily used. Boston represents a point where the simplest method of rate construction is available, because the rates

from the producing points published are through rates. Other rates involved intricate combinations. For example to Frankfort, Maine, on the Bangor & Arostook Railroad no through Tariff is published by the Lehigh Valley, Philadelphia & Reading, Delaware, Lackawanna & Western or Lehigh and New England railroads from the [fol. 90½] Lehigh district, and to obtain the rate from originating points on those railroads to Frankfort, Maine, it is necessary to figure out the lowest combination of intermediate rates, then figure out combinations based on the joint rates of the five originating roads to Portland, Maine, plus the joint rates of the Maine Central and Bangor & Arostook Railroads from Portland to destination, and then figure the combination of rates on the Bangor & Stockton Springs from each and every producing point in the Hudson and Lehigh Valley Districts.

All this work is involved in ascertaining the only freight rate which can lawfully be charged or paid. The object and result of the freight rate books of the Association is simply to eliminate the tremendous waste involved in each of these manufacturers separately performing this task and present to the manufacturer a list whereon he can see at a glance the official rate from the originating points to any delivery point. This is accomplished by working out the official rates and printing booklets wherein the delivery points are arranged alphabetically by states so that the manufacturer may see instantly that the rate to Boston from the Lehigh Valley is 82¢ a barrel; from Hudson 66¢; from Alsen, 71¢, and from Universal $1.05, or the rate to Frankfort, Maine, from the Lehigh Valley $1.21; from Hudson, $1.29; from Alsen, $1.29 and from Universal, $1.64.

The rates so published are nothing but the only lawful rates. There is nothing affecting the freight rates themselves or anything of the kind. On the contrary the defendant corporations have, in the past, from time to time, been and are now engaged in extensive and expensive proceedings before the Interstate Commerce Commis- [fol. 91] sion wherein some seek and others resist changes in official rates which they believe to be to their advantage or disadvantage as against each other.

(d) Statistical Information

The activities of the Association with respect to statistical information consist of each member each month sending the amount of its production of clinker, production of ground cement, shipments during the month and stocks on hand at the end; and the office compiling these and sending them out to the members.

The mechanics of this consist of a form (Form 23, p. 351) used by the manufacturer in transmitting the information to the office monthly, and a form (Form 12, p. 352) sent out by the office, giving the figures to each member.

In addition the total shipments alone during the first fifteen days of the month are sent in on Form 24, p. 353, and the summary thereof sent out on Form 14, p. 354, mentioned in the Petition.

From these forms certain summaries and charts are prepared

which show the totals and indicate the general movement in the industry. Similar summaries and charts show totals of "specific job contracts."

The remaining statistical activity of the Association, referred to in the Petition, consists of a quarterly report by the manufacturer on Form 26, p. 355, and the compilation thereof on Form 19, p. 355, sent to the members, showing the number of bags returned, the number accepted and the number rejected. Representative specimens of these forms are reproduced herewith (Exhibits XIX to XXIV).

For the last few years the competition has forced each manufacturer to put the charge and credit (which have been equal, so that [fol. 91½] the purchaser gets when he returns the bag whatever he advanced for it) at a figure below the actual cost of the bags. Accordingly, bag losses have become a matter of much importance to the manufacturer. The activity of the Association in this connection consists solely of receiving from each member quarterly a statement of the number of bags returned and the number of them found fit for use. From these, the Association compiles a report giving the figures and the percentage. That is all the Association has done or does in that connection. These figures may assist a manufacturer towards greater efficiency, because if he finds that he is losing a higher percentage than others lose, he may seek to improve that department of his business or take the matter up with the bag companies, which in some instances clean and count the bags under contract with the manufacturer. The reports are not of any considerable importance.

The statistical information exchanged through the Association has not included any information whatever concerning costs or any information whatever concerning prices, except in so far as the mention of the price at which "specific job contracts" (representing approximately a third of the business) have been previously closed, which reaches the central office several days after everyone knows the prices its competitors are charging from the market and reaches the members thereafter, may be called literally price information, although having no effect as such and devoted to another purpose.

The scope of the Association's proposed activities was submitted to the Federal Trade Commission at the beginning of 1916, with a view to ascertaining whether from some point of view different from that of any of the defendants or counsel, there might be some objection to any part of its activities. No objection was suggested. [fol. 92] The Commission does not, as these defendants are informed, formally approve anything. But in a pamphlet issued by the Commission a few months later, entitled "Fundamentals of a Cost System for Manufacturers," dated July 1, 1916, the Commission said:

"Exchange of Statistical Information Beneficial

"In the past many manufacturers disliked to give out information concerning their business. To-day the reverse is the case. Trade associations are compiling statistics as to production, shipments,

and costs for the benefit of their members, and the manufacturer instead of trying to keep this information to himself welcomes the opportunity to supply the data, knowing that his competitors are doing the same thing and that these statistics will be of benefit to himself and to his industry. The Federal Trade Commission is keenly alive to the value of this information" (p. 7).

The statistical data enables each defendant corporation to know the production, commitments, shipments and stock on hand of each of the others. The effect of that has been to intensify the competition. For example, a manufacturer looking at the report of these figures for the past month and seeing that the stocks on hand have materially decreased and that he is not increasing his production as rapidly as the others, will conclude that business is likely to be taken away from him, and give attention to increasing his production. Or if he finds that he has sold less cement than he sold in the same month of the previous years, while his competitors have sold comparatively more, he will put vigor into his sales department. The information as to where his competitors stand has in fact operated [fol. 92½] to make the race more sharply contested.

That it does not operate to distribute the business is a fact and has been demonstrated by the record hereinabove produced (supra, p. 6), which summarizes more detailed records showing how throughout the existence of the Association the productions and shipments have been inconsistent with any possible plan of distribution and marked by one or some of the defendants (from time to time and also generally and variously) increasing sales and shipments at the expense of their rivals, so that the record of each defendant corporation differs, at any particular time and throughout the six years as a whole, from that of any other.

Proceedings at Meetings

Defendants admit that it was originally contemplated that all proceedings of defendant Cement Manufacturers Protective Association, called in the Petition the Eastern Association, would be stenographically reported and preserved. They deny that this has not been done, and say that in fact everything said or done by the Association, or at any meeting thereof, has been taken down verbatim, promptly printed and forwarded to the Federal Trade Commission.

The defendants deny that the Petition correctly indicates the nature of the proceedings of meetings. The facts concerning the meetings of said Association are substantially as follows:

By reason of the fact that the defendant corporations, members of said Association, are competing corporations representing separate and conflicting interests and each unwilling to make any of its [fol. 93] acts in any wise dependent upon the opinion of the others, in the organization of said Association any representation of one company by another, as in a Board of Directors or Trustees or the like, was avoided, and the Association was constructed to operate after

the manner of a Town-meeting, so that each member would have in all respects an equal share and voice in everything done. The organization accordingly provides no mechanism for action except at meetings of all members, one individual being elected President and given power to preside at meetings and another, Treasurer, to hold custody of the funds.

The meetings of the Association have been and are meetings at which the business of the Association is given the necessary attention. They have nothing to do with influencing or commenting on the conduct of any member. There has been and is no mention of the specific contents of any report or the like, but the meetings consider such subjects as whether additional employees are needed, the rental of offices, the desirability of making changes in the forms of the reports or to make the work of the Association operate more quickly, and similar subjects. When no business of that kind required attention meetings were not held. There have been, for example, periods of two or three months between meetings.

The meetings are short, lasting about half an hour. Those who attend are not, in general, those who control the prices or production or conduct of the corporations. On the average a third of the corporations are not represented at all.

During the only period of rising prices since the Government relinquished war control thereof, from March, 1920, to December, 1920, for instance, the remarks cover a total of 56 pages, the num-
[fol. 93½] ber of meetings in that period being 6. There was no meeting in June, July or August, 1920. Three of the meetings were attended by credit or contract men from 11 of the member companies; two by those from 14 companies; the other by those from 13 companies.

Of these 56 pages, approximately 20 pages consist of noting attendances, the Treasurer's report, and adjournment. The other subjects mentioned were as follows:

About 6 pages in all concern a suggestion that some of the credit indemnity companies be asked to submit a dummy policy for Portland cement companies for consideration;

2 or 3 pages concern a detail of figuring dues;

3 or 4 pages concern whether the contract reports should be issued quarterly or monthly;

10 or 12 pages concern the number and salaries of different employees of the Association;

3 or 4 pages concern the time of holding meetings in view of daylight saving;

A page or so concerns a photograph of a former officer;

4 or 5 pages concerns the work of the office and the forms of summaries.

These are the only subjects mentioned during the ten months covering the only advancing price movement since the Government relinquished war control of prices.

The facts concerning, and explanation of, each of the items mentioned in the Petition are as follows:

None of them is representative. None, except the investigation of contracts, had to do with any action to be taken. All are exaggerated out of relation to the facts. They are:

[fol. 94] (a) The first item in the Petition is based upon two sentences in the opening remarks of the temporary Chairman at the organization meeting, which were as follows:

"Of course, you understand that the idea of this thing (referring to the plan, constitution and by-laws of the Association, a copy of which is annexed hereto) is co-operation, and I think it is not necessary to say any more on that point. We all agree that the necessity of co-operation is acknowledged by everybody in the industry. The only question now we have to determine is how we can best make use of co-operation."

The other remark that "one or two companies staying out might destroy all the good work the rest of us might do" was also made by an individual, at an adjournment of the organization meeting in connection with suggesting that the newly-elected officers see companies not represented. It is true that the value of the work of the Association in reporting "specific job contracts," credit information and statistics of the existing supply is in proportion to the extent to which those operating in the territory co-operate in that work. But that these remarks otherwise measure any activity, purpose or result of the Association is denied.

(b) The members of the Association were at all times scrupulously careful to avoid any action that might be considered in violation of the law, and the minutes show that members from time to time inquired of counsel, present at the meetings, whether there was any impropriety in taking up a particular subject or detail, but the allegation that the members were fearful lest their activities within the scope of the Constitution and By-laws might be considered in [fol. 94½] violation of the law, is denied. The subject of the legality of activities came up only in connection with whether a particular detail was within the scope of the Constitution, and not in connection with whether the activities of the Association within the scope of the Constitution were lawful.

The explanation of such inquiries is that the Association and its members had been advised by many counsel substantially as thus set forth in the remarks of the Chairman at the organization meeting:

"I had a conference with Mr. John G. Johnson yesterday on this, and Mr. Johnson had had the plan in his hands for two or three days, and he told me that after going over the Constitution and By-laws carefully he could see no reason why we should not adopt them and use them; that the only danger he saw in an organization of this kind was in the possibility of our doing things outside of the lines laid down here; that sometimes organizations of this kind were tempted to go beyond the lines of the original plan. I then called his attention to the fact that it was proposed to have stenographic

reports of the proceedings, and that those reports would constitute a record of our transactions, and would be subject to investigation by anybody who had any right or authority to investigate us. He said he thought that was a very good idea, and then repeated what he said before: 'As long as you work within the lines laid down there, there is no danger, and you are entitled to do everything that you have provided for in your Constitution and By-laws of that plan.'"

The remarks in the minutes inquiring concerning the propriety of different matters from time to time reflect care in keeping within the Constitution and By-laws and the law, and not apprehension [fol. 95] lest the activities covered by the constitution might be considered illegal. The basis in the minutes for the suggestion of apprehension is illustrated by the following:

At a meeting in September, 1918, one of the members said:

"I want to bring up something: I think that this is a matter that we could discuss at his meeting and which it is proper to discuss at this meeting rather than at a meeting of the War Service Committee, although it does pertain to Government regulations. It seems to me it would be a good idea for the Protective Association to serve us right now in a rather new capacity. It will be probable that all of us before we get through will find that some dealer or some user of will violate the regulations or violate the pledge, and we will have to refuse to ship. Now, I think that whenever that happens that every company ought to notify the Protective Association of that action and then I think the Protective Association ought to notify every other company that that particular party has been treated in that way so that we will all be on our guard. It would certainly be very bad if there would be a system developed there of looseness which would enable any dealer to violate their duty * * *.

"Now, can't we use the Association for that purpose?

"The Chairman: Mr. ——, if counsel were here, I could get an immediate answer to that. I do not know whether that would come under the scope of the Association or not. * * *

"Mr. (another member): Mr. President, don't you feel that this is absolutely a matter which will be of assistance to the Government and therefore that there cannot be any legal question about our [fol. 95½] right to do it at all, and by postponing it for a month we might lose the effect of it. * * *"

The matter was finally referred to counsel.

Instances such as thus illustrated have occurred on five or six occasions in the six years of the Association.

(c) As to the activities of the Association being considered confidential and secret:

((i) Before adoption, the Constitution and By-laws were presented to the Federal Trade Commission, with the request that if anything contemplated thereby was regarded as objectionable the Association

might be advised, and without any objection being suggested. Every word said and act done (including monthly statistics, Form 12, p. 352) has been promptly forwarded to the Federal Trade Commission. The Constitution contains a provision which has been at all times fully observed as follows:

"Full and complete minutes of all matters discussed at any meeting of the Association shall be kept and such minutes, together with all records, files and correspondence of the Association, shall be preserved and held open at all times to any public official or other person who may have any legitimate reason for desiring to be completely informed concerning any or all the activities or transactions of the Association."

(ii) The allegation of the Petition to the effect that reports "were considered confidential and secret" is apparently based upon a misconstruction of remarks made at some of the meetings of the Association as follows:

It developed that in some instances the information furnished by the Association was being used by representatives of some mem- [fol. 96] bers as a basis for efforts to take customers away from other members, salesmen occasionally using the information as a basis for their talks with dealers. The matter, which threatened to disrupt the Association, was dealt with by a committee which reported in substance:

"We find that there has been a great deal of complaint in regard to salesmen of various companies asking people who have placed orders with other companies why that order was placed with that company instead with them, and a good many of the members have felt that their relationships with their customers were made unpleasant, even jeopardized by the use of information as to what they had done. * * * We don't want anybody to understand that it is our thought or intention to indicate at all how the information shall be used, but we do feel that there is a clear-cut purpose of that information as outlined in our constitution and by-laws, and that the information should not be used for any other purpose."

No action upon the matter was taken, the opinion of the members being that misuses of the information were due to misunderstanding or carelessness and would correct themselves. That is the nearest approach to anything suggesting that the activities of the Association "were considered confidential and secret," and the allegations to that effect are accordingly denied.

(d) The subject of the discount to be allowed in the payment of invoices has been mentioned upon occasions in the six years of the existence of the Association. The allegation that the discount was "frequently discussed" is denied. The discussions were in the [fol. 96½] nature of such inquiries as whether anyone considered that a note given within the time limited for cash payment represented cash payment and what was paid in cash when a regular

customer paid the general average of his account each month. As some of the first meetings of the Association during the year 1916, before its objects and activities were fully understood by some of the credit men delegated to attend the meetings, there were occasional requests for the experience of other credit men on the subject of what was properly cash payment, but these inquiries were simply professional inquiries of individuals, without understanding or agreement with others, leading to no action on the part of any individual or association. No reference to the subject of discounts has been found at any meeting for several years.

(e) The matter of the production capacity of mills of member companies has been referred to, but the allegation that "it was frequently and adroitly discussed in such a manner that it was not necessary to openly advocate curtailment of production" or "frequently and adroitly discussed" or "discussed" at all is denied. The capacity of mills has been referred to only on two or three occasions and in the manner illustrated by an inquiry to counsel directing attention to the fact that the Pennsylvania Highway Department was worried as to whether it would be able to secure enough cement to go on with its road program during 1920 (in view of the shortage of cement resulting from the inability of the railroads to deliver necessary freight) and inquired whether it would be proper to consider what could be done to furnish the amount desired by the State Highway Department under then existing conditions.

[fol. 97] (f) The allegation that "the employment of a force of checkers or inspectors to investigate contracts was discussed" is admitted. It was fully discussed and put into operation at the close of 1917, one of the nationally-known commercial-reporting houses having been employed to do the work on contract a few months before.

The remark about "a detective from the Cement Trust" mentioned in the Petition was frivolous. To the members of the Association constantly struggling with each other in the market, the struggle from time to time being bitter, reference to a "Cement Trust" presents grim humor. At the same time there has been for many years a good deal of uninformed and irresponsible propagation of the notion that every commodity, including cement, is controlled by a "trust." For more than twenty years certain newspapers have made it a practice, pictorially and verbally, to personify the industries of the country into repulsive beings denominated by the designation of the commodity followed by the word "Trust." In the case of cement this idea has been perhaps confirmed in uninformed minds by the mere fact that there is usually but one marked price at any particular point at any particular time. This irresponsible talk of a "Cement Trust" was noted by the Geological Survey years ago, which then pointed out that "newspaper statements to the contrary notwithstanding," no trust existed or could exist in the cement industry and that on the contrary 'the cement industry is the most individualistic of the larger branches of manufacture," which remains true today.

But the "Cement Trust" is vigorously proclaimed for competitive and demagogic purposes to the great damage of the industry so that the term is known to every manufacturer.
[fol. 97½] The reference to a "detective from the Cement Trust" was in connection with the consideration of the subject whether engineers should be employed to ascertain the actual requirements of "specific job contracts". In that connection one of the members suggested that the effect of such investigations upon contractors and dealers should be considered, and that it would be desirable to instruct the investigators carefully as to how they should make their investigations lest "there may be a feeling in the mind of the contractor that he would not give the information to what he may term a 'detective from the Cement Trust'."

(g) The defendants deny that "diversion of cement from one job to another was opposed". The only reference to the subject which can be found occurred at one meeting when there were some pages of discussion as to whether or not it was desirable to make a separate report of the accounts in attorneys' hands, or simply include them in the report containing also accounts long overdue, during the course of which one member spoke of the fact that in some cases accounts are placed in attorneys' hands by reason of a dispute, and another member said that he "had an instance of that", where a concern had diverted "specific job" cement to sell it at the advance price, and the manufacturer after demanding the difference in price, had placed the matter in the hands of an attorney for collection. The remark was simply to illustrate a discussion as to the form of the credit report and had nothing to do with regard to suggesting how any one should conduct himself. It is the only reference which can be found to which the allegation (g) concerning opposition to the diversion of cement at meetings can apply.

[fol. 98] (h) The allegation that "the importance of adopting a uniform accounting system was discussed" is denied. On one occasion a member asked whether it was a subject for consideration by this Association, and being told that it was not and that the matter was being dealt with by the National Association, observed that that Association was slow in dealing with the matter.

(i) The allegation that "the credit to be allowed for bags returned was openly discussed and the importance of uniformity in that regard was pointed out" is denied. Apparently the pleader has been confused by a discussion concerning the terms upon which cement manufacturers exchange bags with each other, which is a different subject. Purchasers of cement in returning bags often ship to a manufacturer a large bundle of bags comprising some bags of other manufacturers with the result that these have to be sent to the manufacturers to whom they belong. There is in that way a constant exchange of bags between manufacturers. For years the practice has been to allow five cents for each bag so exchanged. At the July meeting, 1918, one of the members said, "I have received from a number of the companies, letters in regard to the inter-company

sack exchange basis, 'foreign sacks.' I believe we could discuss that here as to the desirability of a change, and as I know that some of the members have been making that change, it seems to me we ought to have a uniform practice—all of us."

The discussion developed the danger that changing the price of the sacks for interchange between mills from five cents to ten cents would "encourage customers in returning all their sacks to one manufacturer." No action was taken. The discussion related to bargaining between the member companies, and did not concern the credit [fol. 98½] to be allowed for bags in the usual sense of those words.

(j) The allegation that "the subject of trade relations was discussed" is denied. There has been no discussion of trade relations. On one or two occasions a member has asked whether some subject which might relate to trade relations was within the purview of this Association's activities, and been told that it was not, and reference has been made to the fact that the matter inquired about had been considered by the Trades Committee of the Portland Cement Association.

(k) The defendants admit that "the members of the Association expressed satisfaction with the results accomplished," but none of those results were results connected with the subjects mentioned as occurring at meetings in the Petition, and none of them were the results set forth in the Petition as connected with the alleged "combination and conspiracy". The Association has been of real value in defining actual contract obligations, discouraging misrepresentation and cheating, and promoting fair dealing, without restraining freedom of action in the remotest degree.

Reports

Defendant, the so-called Eastern Association, uses between twenty-five and thirty forms of reports in connection with its various activities hereinbefore recited. The use of each of the forms mentioned in the Petition has been hereinbefore explained. Representative specimens of each as used, or exact copies thereof, are reproduced herewith (Exhibits VII to XXV inclusive).

[fol. 99] The allegation that the reports constitute a means, or that the defendants or any of them employ any means, to accomplish any unlawful combination or conspiracy, is denied.

The allegation that the defendant Eastern Association exchanges reports with the Mid-West Association, is admitted. Some of the members of each of these Associations sell cement in some of the territory covered by the service of the other Association. For instance, a manufacturer in the Lehigh Valley may sell cement in Ohio and a manufacturer in western Pennsylvania may sell cement in Maryland. The principal function and service of the Associations, the information concerning "specific job contracts", is as desirable when the contract relates to a job in Ohio or Maryland as it is when the job is elsewhere. The other company involved in the duplication of the same contract, or the location of the job, is not material. By

exchanging their reports, the two Associations enable their members to get the same kind of facts existing in a certain amount of territory not covered by the service of one association alone.

[fol. 99½] 3. Other Concerted Acts

These defendants deny that any making of sales f. o. b. point of delivery, any use of "freight basing points" or any establishment of any "mill base price," or any charge or credit for bags, is a concerted act, and aver that the imputation made by listing them under the heading "Concerted Acts" in the Petition, is not justifiable in point of fact.

Points of Delivery. Delivered Prices

Under conditions commonly and generally prevailing, cement is sold f. o. b. point of delivery at all points. Under other conditions or circumstances, when the usual competition is relaxed (as during the recent car shortages), sales are frequently made f. o. b. mill. These exceptional circumstances where the pressure of the usual competition is relaxed are disregarded in the following explanation—

The making of sales f. o. b. point of delivery or delivered prices is the result of economic causes and of many manufacturers bidding for the patronage of each purchaser, which has been for many years fixed by the intensity of the competition it evidences.

The practice probably originated from the mere fact that freight is an important part of the prices which the purchaser pays for the commodity, and the purchaser is seldom qualified to figure freight rates. The practice existed in the sales of natural cement before Portland cement was produced to any considerable extent in the United States. Its history cannot be accurately and briefly summarized by [fol. 100] reason of the fact that in the early days of the industry many of the manufacturers sold their product through large distributors, who, in turn, sold to dealers, perhaps as a consequence of the fact that Portland cement (until the development of the rotary kiln did away with the advantage of the foreign producer in cheap labor), had previously been distributed by importers. In some instances sales f. o. b. point of delivery or at a delivered price, resulted from special freight rates given particular manufacturers locating on particular lines of railroad or other exceptional causes. Approximately twenty years ago the then largest producer in the Lehigh Valley made the practice universal on all its sales, and following that, in the course of the succeeding years the practice became universal except that some manufacturers continued to sell their product through distributors, who in turn fixed the prices which dealers and consumers paid.

Whatever the early history, for the past ten years or more, the practice of selling f. o. b. point of delivery or making a delivered price, has been made unavoidable by the competition; and competition of the intensity now prevailing could not exist in the absence of the practice.

For instance, a manufacturer in the Lehigh Valley seeking to sell cement in New York City must offer it at as low a price as the purchaser can buy the thing for in New York City. It would be idle for the manufacturer to ask the purchaser to pay a higher price on some plea that the manufacturer's mill happens to be located at a point which involves the payment of more freight than his competitor has to pay, because the purchaser is interested only in what the thing costs him and places his order accordingly. Therefore, the manufacturer has to offer the thing to the purchaser at what [fol. 100½] the purchaser can get it for. That necessarily means selling the thing f. o. b. point of delivery or at a delivered price, the manufacturer absorbing or deducting from the amount which he receives whatever portion of the freight rate may be necessary to enable him to compete. Thus sale f. o. b. point of delivery or the making of a delivered price is a necessary result and inevitable incident of the competition, without which such competition could not exist. The allegation in the Petition that it represents a "concerted act," implying absence of competition, is directly opposed to the fact.

The allegation in the Petition that the purchaser pays the freight and is allowed credit therefor when making payment for the cement, is true in some instances and not in others. Generally, each manufacturer independently arranges for the actual payment of the freight to the railroad in that way, chiefly because it is advantageous in dealing with losses in transitu, diminishes somewhat the amount of capital advanced by the manufacturer and so tends to make costs and prices a little lower, and affords a constant check on freight rates. In cases of delivery to the many points where there is no freight agency and to the points like New York City, where delivery involves trans-shipment, each manufacturer usually pays the freight in advance. In all cases each manufacturer does just as he chooses, without any restraint legal, moral or social.

Freight Basing Points

These defendants deny that they, or any of them, have concerted to use any "freight basing points" or that there is in the northeast- [fol. 101] ern section of the United States any arbitrary "basing point" used by defendant corporations or any of them. There is not a word about "basing points" in any paper or proceeding of either the National Association or the Protective Association, nor is there any agreement or understanding of any nature whatsoever, among the defendants concerning them.

Each of many of the defendant corporations independently does frequently refer to the freight rates from several of the points mentioned in the petition as "basing points" to many points of delivery; but such use as is made of so-called "basing points" by any of these defendants is in effect the opposite of that associated with the term "basing points" in other industries (as, for instance, the steel industry), and the reference to so-called "basing points" in the ce-

ment industry is as a means of securing the lowest price at which cement can be obtained at any point and represents the essence of competition, the facts and explanation thereof being as follows:

There are in the northeastern section of the United States four (or five) points where Portland cement is produced in quantities sufficient to affect the market reachable therefrom, to-wit; Universal, Pa., (where is located a large plant of the Universal Portland Cement Company using in the manufacture of Portland cement slag from the blast furnaces of the Pittsburgh district); Lehigh Valley, Pa., (where are located mills of many of the defendants, all of which takes the same freight rates except on short local hauls in the district, herein disregarded); Hudson, N. Y., (on the east bank of the Hudson River where plants of the defendants Atlas Company and Knickerbocker Company are located); Alsen, N. Y., (across on the west side of the river, where plants of the defendants Alpha [fol. 101½] Company and plants of the Alsen Portland Cement Company, and Acme Portland Cement Company, not members of the Cement Manufacturers Protective Association, are located) and Fordwick, Va. (where a plant of the defendant Lehigh Company is located). The freight rates from Hudson, N. Y., and Alsen, N. Y., on opposite sides of the Hudson River, differ to points freightwise comparatively near and are generally the same to points in territory comparatively distant from the mills. The points named are the points at which all the Portland cement sold in the northeastern section of the United States in fact originates, except some made at a few scattered points, insufficient in quantity and otherwise materially to curtail the territory served by other manufacturers, or to affect the market.

Each of many of the defendant corporations has frequent occasion to refer to the freight rates from these originating points to delivery points as hereinafter explained. Other defendant corporations do not use "basing points" but simply meet the market prices at delivery points.

At substantially every one of the thousands of points throughout the northeastern portion of the United States where Portland cement is purchased and used, many manufacturers are constantly offering the same thing to anyone who will buy, and "offering" in this industry normally means constant and urgent solicitation to buy. In normal times, when the competition of each point where Portland cement is purchased and used is intense, (and disregarding exceptional times of fuel or car shortage operating to create a shortage of cement available at delivery points and to diminish the intensity of the competition there) the market price of cement at any [fol. 102] delivery point at a particular time is simply the lowest price at which any of many manufacturers is offering enough cement to purchasers there. That price may be dissected into the amount realized by some manufacturer plus the amount paid for freight from the mill to the delivery point. If, for instance, the market price at which Portland cement is being offered at Boston, Massachusetts, on a particular date (disregarding bags) is $2.76,

that means that of that sum a manufacturer at Hudson, N. Y., would realize $2.10 (the freight from Hudson to Boston being $.66) a manufacturer at Alsen would realize $2.05 (the freight from Alsen to Boston being $.71); a manufacturer in the Lehigh District would realize $1.94 (the freight being $.82), and a manufacturer at Universal, Pa., would realize $1.71 (the freight being $1.05).

For purposes of explanation, it is convenient to separate the freight factor to one particular point for illustration:

From the beginning of the industry, New York City has been an important market for cement made in the Lehigh District. The total freight from the Lehigh District to New York City (99 miles to Jersey City, plus lighterage across to the point of delivery in New York City) is about $.55 a barrel. If a manufacturer in the Lehigh District, after figuring his costs and other factors, should decide to fix the price at his mill at say $2.00 per barrel, and add the freight, $.55, his cement (exclusive of bags) would sell in New York City at $2.55. But the competition of other manufacturers completely prevents the employment of that method of determining the price at which he will offer his product and forces him to make his price at New York City instead of back at his mill, because some of the competition he must meet to sell is as follows:

[fol. 102½] Several years ago large cement mills were established on the Hudson River at Alsen and Hudson. The freight from either to New York City is approximately $.30 per barrel, or $.25 less than the freight from the Lehigh District to New York City. If the mills on the Hudson could make and sell cement at the same cost as it can be made and sold generally in the Lehigh District, say $2.00, cement would be sold in New York City for $2.30. With cement (from Alsen and Hudson) selling in New York City at $2.30, the cement from the Lehigh District could not sell there at $2.55. To compete, the mills in the Lehigh District would have to sell their cement in New York City at the price for which the same thing could be bought there, namely, $2.30, and absorb the difference in freight, so that the Lehigh District manufacturer, instead of realizing $2.00 would realize $1.75. By reason of the competition, his individual costs and freight to the delivery point would have a bearing upon whether he should sell at all in New York City, but would not control the price at which he could sell there, which is simply the lowest price at which the informed purchaser there can buy the thing.

The foregoing illustrates one aspect of the freight factor as it in fact exists at New York City and other delivery points throughout the territory, but it omits sundry qualifying factors of the situation, which do not impair its accuracy as an illustration of the matter of "basing points" referred to in the Petition, such, for instance, as the greater cost of manufacture on the Hudson (by reason of higher cost of fuel, differences in raw material, etc.) and other considerations which operate to make it necessary for the manufacturer on the Hudson River usually to realize about $.10 a barrel

[fol. 103] more than the manufacturer in the Lehigh District, so that the market price of cement in New York City (exclusive of package) when the Petition was filed, was about $2.40*

The fact that at a particular time the market price of cement in New York City leads back to Hudson or Alsen, while each manufacturer at other originating points is forced by the competition to absorb some part of his freight disadvantage to sell cement there, is sometimes expressed by saying that at that time New York City is taking the Hudson or Alsen base or that Hudson or Alsen is at that time the "basing point" for New York City.

The use of such expressions is practically confined to communications within the organization of the individual manufacturer, as, for instance, between salesmen and office, and does not extend to the trade or public, who have no occasion to dissect prices, except as some dealers in building materials, as representatives of a manufacturer or otherwise, may be concerned with the matter.

A complete understanding necessitates adding to the illustration other factors of the situation, and particularly the fact that no individual sale or particular delivery point can be in general practice treated by a large manufacturer as separate and distinct from other concurrent sales or freightwise similar delivery points. The magnitude of the manufacturer's operations, the great number of customers, considerations of treating them alike and preserving their good-will, the Clayton Law, the ever-present competition (which has made it perfectly plain to every manufacturer that a [fol. 103½] quotation below the market price at any point will be met by all manufacturers selling there, and so will mean not merely getting a particular order but changing the market price) and a multiplicity of other considerations, prevent any large manufacturer from isolating individual sales or delivery points to any considerable extent.

Accordingly, when the price at which the cement of a particular manufacturer is selling at a particular point is a particular figure, that commonly implies that the prices of his cement at sundry other points are other particular figures. If, for instance, his cement is offered at, say, Binghamton, N. Y., at $2.61, that implies that it can be bought at Elmira, N. Y., at the same figure (because the two delivery points take the same freight rate from the originating point freightwise nearest thereto) and it further implies that it can be bought at sundry other delivery points at figures differing from $2.61 by the difference in freight rates from that same originating point, unless the market price of cement at any of such delivery points is lower than the price so figured, the lowest price at any delivery point always controlling. At any particular time the

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*The Petition having been filed at a time when all prices were declining from those resulting from the economic disturbances occasioned by the war, the prices mentioned are higher than present prices. At the time this Answer is filed the market price in New York City is about $2.10, the manufacturer shipping from the Lehigh District realizing about $1.51 per barrel.

price quoted by a manufacturer at Elmira, N. Y., usually implies, for example, that that manufacturer's cement can be bought at, say, Nantucket, Mass., for $3.37, Falmouth, Me., for $2.90 and Philadelphia, Pa., for $2.53, because those are illustrations of delivery points freightwise nearest the same originating point.

Within his own organization, the members of which are entirely famliar with such matters, it is necessary for a manufacturer to tell his salesman to sell cement at Binghamton, N. Y., at $2.61, at Elmira, N. Y., at $2.61, at Nantucket, Mass., at $3.37, at Falmouth, Me., at $2.90, at Philadelphia, Pa., at $2.53, and so on through [fol. 104] thousands of different markets. He may express the facts by telling his salesmen to sell, in the illustration, $2.00 Lehigh base, whereupon they add the freight and offer and sell his cement at the various delivery points at the prices mentioned, unless the sum thus figured is higher than cement is quoted at any of those points at that time.

Similarly, if a competitor shipping from the Lehigh Valley then offers his cement at Binghamton, N. Y., at, say, $2.51, the fact, if reported by a salesman over the telephone, would in many cases be expressed by a statement that the competitor's cement is being offered at Binghamton at $1.90, Lehigh, and if his dealer at Binghamton should report the fact that he was offered the competing cement at $2.51, the manufacturer could himself dissect that quotation to $1.90 Lehigh, and know or conjecture that his competitor had reduced prices at the other delivery points freightwise nearest the Lehigh Valley $.10, which would be promptly confirmed by reports, with or without inquiries, from other markets.

But by reason of the number of originating points, the price at which manufacturer will sell his cement to purchasers cannot be expressed to his salesmen by reference to only one originating point; and instructions mentioning only one originating point would prevent him from competing in a large part of the territory he serves. If, for example, his instructions to his salesmen were limited to directions to sell at prices figured from one originating point alone, he could not sell any cement at the great number of delivery points where enough cement was selling below the figures thus expressed.

If he named any price in this way, he would name the prices at which he would sell at all points of delivery,—places freightwise nearer other originating points, as well as those freightwise nearest the Lehigh District mentioned in the last illustration, Al- [fol. 104½] toona, Pa. (nearest Universal), as well as Philadelphia, Pa. (nearest the Lehigh Valley), New York City, N. Y. (nearest Hudson or Alsen), as well as Binghamton, N. Y. (nearest Lehigh), and so on.

To name the prices at each of these thousands of points, the manufacturer uses the same shorthand form of expression that he uses in naming the prices at which he will sell at points freightwise nearest one originating point, namely, he summarizes the delivered prices at a great number of points by subtracting the freight to the originating point freightwise nearest thereto, and tells his

salesmen to sell at any delivery point by adding the freight from each originating point to a figure he names for each originating point and using the lowest total. Thus, by naming to his salesman a price at each of the originating points from which cement can be shipped into the territory, each manufacturer can express the prices at which he will sell throughout the territory infinitely more shortly, but with the same effect as if he gave his salesmen a list mentioning all the thousands of markets with the prices set opposite each.

This form of expression or reference to so-called "basing points," when used at all, is confined to each manufacturer's own organization. Some of the defendants do not use it, but simply sell at what they can get at delivery points. In so far as it relates to one originating point, it is simply a convenient method of expressing within his organization the prices at which he will sell cement in certain markets. In so far as it refers to other originating points, in addition to its function as a convenient form of expression, it is forced by, and evidences, the additional competition which compels each manufacturer to meet the lowest price at which enough cement is offered to the purchasers at any point.

[fol. 105] A delivery point taking one base at one time takes another base at another time if and when there is sufficient change in either of the two elements into which the market price there may be dissected, either the freight rates or the price realized by any manufacturer at any of the originating points. For instance:—

About March, 1920, cement was selling at, say, Chase Mills, N. Y., at $2.51, and at points freightwise nearest the Lehigh Valley at figures which, minus freight, left $1.75. The freight rates to Chase Mills at that time were from Universal $.76, from Lehigh Valley $.76, from Hudson $.68. Cement was then selling at points freightwise nearest Universal at freight plus $1.85, and at points freightwise nearest Hudson at freight plus $1.85. The market price at Chase Mills being $2.51, a manufacturer shipping from the Lehigh Valley realized $1.75, a manufacturer shipping from Universal realized $1.75, and a manufacturer shipping from Hudson realized $1.83. Thus the market price at Chase Mills at that time led back to the Lehigh Valley as the originating point which was not then forced by the competition to absorb any of the freight to meet the market price. In those circumstances the Lehigh Valley was the "basing point" for Chase Mills.

Thereafter freight rates to Chase Mills were changed to Universal $1.10, Lehigh Valley $1.07, Hudson $.96. This change in freight rates operated to make the market price at Chase Mills $2.81 because cement from Hudson was then selling at points freightwise nearest that originating point at prices which, minus freight, realized $1.85, and $1.85 plus $.96 gives the lowest price at which cement from any of the originating points would then be sold at Chase Mills, the manufacturer in the Lehigh Valley being compelled to [fol. 105½] absorb one cent of freight and the manufacturer at Universal fourteen cents of freight to compete for the business at

Chase Mills. In that condition of affairs, Chase Mills, which in March, 1920 had the Lehigh Valley as its "basing point," would have Hudson as its "basing point."

But when the Petition was filed, after nearly a year of different price changes by different manufacturers, the market price at Chase Mills, when dissected, led back to Universal, although the freight rate- were the same as those just mentioned. That was due to the fact that cement shipped from Universal was offered at Chase Mills at a price below that which, minus freight to any of the other originating points, gave the manufacturer there the amount he realized from sales at delivery points freightwise nearest his mill. Market prices at Chase Mills, as an illustration, have thus led back successively to each of three originating points or "basing points."

The practical facts expressed by the reference to "basing points" are:—(1) at any point cement sells at the lowest price at which the purchaser can there get a sufficient supply to affect the market, and (2) when any manufacturer of such supply makes a sufficient reduction he reduces market prices throughout a greater or less extent of territory according to the extent of the reduction (bounded by the line where the effect of the reduction is overcome by his freight disadvantage) because other manufacturers, wherever located, must meet the lowest prices at which enough cement is offered at any delivery point, or not sell there.

In thus explaining the use of "basing points" in the industry, the portion of the competition which exists within the small part of each manufacturer's field wherefrom freight rates exclude cement [fol. 106] from other originating points, has been disregarded, because it does not enter into the use made of "basing points" in the industry.

When the demand exceeds the supply, as last year on account of the car shortage, so that the competition is temporarily relaxed, the whole matter of "basing points" becomes unimportant and each manufacturer may, and many do, charge at every point a price which, after deducting frieght, will yield a definite figure at the mill. Under normal conditions of competition, reference to "basing points" is a way of expressing and securing the lowest price at which cement is offered at any delivery point.

The use of "basing points" in the industry, in the manner indicated, has existed in principle unchanged substantially since there have been different originating points. It is not the product of any concerted action whatsoever, or dealt with by any association, but an inevitable incident created by the competition which could not exist as intensely without it.

The so-called "basing points" are not "points adjacent to certain groups of defendants' mills," as alleged in the petition. Universal, Pa., is the freight station named after the large plant of the Universal Portland Cement Company there located, from which freight must be paid on shipments. Lehigh Valley, Pa., is a convenient term for a group of freight stations in that district where many cement mills are located, from all of which the freight rates to most

of the delivery points are identical. Hudson, N. Y., is the freight station from which the cement is shipped, and the same is true of Fordwick, Va. Although more cement is shipped from the Lehigh Valley than the other points, that fact does not measure the importance of that point as a so-called "basing point," because a large [fol. 106½] part of the cement shipped thence is sold at delivery points at prices which result from the competition of those located at the other originating points freightwise nearer such delivery points.

Accordingly, the allegation of the Petition as to "freight basing points," is denied.

Freight Rate Books

The defendants admit that defendant corporations have caused to be compiled, printed and distributed to members of Cement Manufacturers Protective Association, called in the Petition Eastern Association, books called Freight Rate Books and make profert thereof. They admit that these books show in convenient form the actual freight rates from points whence cement is in fact shipped in sufficient quantities to affect the market to practically every city and town in the northeastern section of the United States. They deny that said points are arbitrary. They aver that said freight books as hereinabove explained (p. 117), have no purpose or result other than to save an enormous amount of economic waste, otherwise involved in finding and figuring freight rates, the avoidance of many errors and consequent disputes, the more accurate fulfillment of the purposes and laws of the United States concerning uniform published freight rates and the benefit of the cement industry and the public.

Mill Base Prices

The allegation or suggestion that any price is a concerted act, is denied. The allegation that defendant corporations established from time to time so-called "mill base prices" for each basing point, is denied.

[fol. 107] As hereinabove explained in connection with "Freight Basing Points" (p. 142) some of the defendant corporations, each within its own organization and not otherwise, from time to time name a price at each originating point as a way of expressing shortly the great number of differing prices at delivery points. Other defendant corporations do not name a price at any point except delivery points.

The term "mill base prices" is not one commonly used or generally applicable in the industry. As herein above explained (p. 142), the competition forces each manufacturer to sell his cement at prices which are not based on his mill, but are governed by the price at which cement is offered at the delivery point, which when dissected may lead back to an originating point far removed from his mill. Accordingly, the price realized by any manufacturer at his mill is one thing and figure, and the "base" to which any price leads may

be a different thing and different figure, so that the expression "mill base price" is often self-contradictory in this industry.

The price established or received by each manufacturer either at his mill, or at any base, or anywhere else, has been, and is, established or received by each manufacturer independently and not as a concerted act. The prices established or received at his mill by each manufacturer at any particular time differ from each other within pretty wide limits, according to when and where each lot of cement has been sold. A manufacturer whose mill is located in the Lehigh Valley, for instance, may at the same time realize one price on a lot of cement which he contracted to deliver in New York City some time before at a particular price, a materially different price [fol. 107½] on a lot of cement which he contracted to deliver in Philadelphia, Pa., on the same date, still another price on a lot of cement which he has sold more recently in New York City, a fourth price on a lot of cement which he has sold more recently in Philadelphia, Pa., a fifth price on a lot which he has sold at any of those times in Altoona, Pa., and so on. By reason of the competition usually existing, the manufacturer usually has no definite mill price; and he is forced to conduct his business by fixing, independently, a minimum net realization, declining to sell at any point in the territory at a price which, minus freight, will yield less than that minimum and otherwise meeting the lowest price at which enough cement is being offered at any of the delivery points.

The minimum net realization of each manufacturer is determined by himself from time to time and not communicated in any way to others. It depends upon a multiplicity of considerations (including the fact that within certain limits as production increases his costs diminish, his financial position, the amount realized or to be realized from past commitments, his individual policy with regard to the future, etc., etc.) which may place that minimum below cost and which concern the manufacturer individually and no one else.

Accordingly, there is in the industry in normal times no such thing as a "mill base price." If there were in the territory covered by the competition of these defendants only one originating point for cement, the intense sales competition at the delivery points would presumably result in identity of delivered prices and so, freights being identical, identity of a mill base price. But in fact each manufacturer is compelled by the competition to sell cement at a [fol. 108] multiplicity of prices at a multiplicity of delivery points, without regard to his individual costs, freight rates or wishes. Accordingly, he does not receive any particular price at his mill, but a different price, according to where each lot of cement is sold and what is left after deducting from the price at which it has sold the freight from his mill.

Charges and Credits for Bags

The allegation or suggestion that the charge or credit for bags is a concerted act of defendant corporations, is denied. The bags are

mere containers, not intended to be retained permanently by the purchasers of cement, but to be returned to the manufacturer. The exact amount charged for them is repaid upon their return, the entire transaction resulting in no profit, but in actual loss to the defendant corporations.

The figure charged and credited for bags (which is an equal amount) exists by reason of competition so intense that in this item alone it has within the past year occasioned these defendant corporations an actual loss amounting to several million dollars.

By reason of the competitive factors hereinbefore mentioned, cement cannot be sold with a charge (and credit) for bags greater than the charge (and credit) therefor with which it can be purchased in the market. For many years prior to 1918, the charge (and credit) had reached and maintained a normal level of 10 cents per bag, or 40 cents per barrel of cement, the purchaser paying 10 cents for each bag when cement was shipped and being paid 10 cents for each bag returned in usable condition. As a result of war conditions, under which the cost of bags to the cement manufacturer ad-
[fol. 108½] vanced to upwards of 30 cents, and as a result of an agreement in August, 1918, between the War Service Committee on Portland Cement and the Price Fixing Committee of the War Industries Board, the charge for bags became 25 cents per bag and the repurchase price or allowance 25 cents. In April, 1919, it became 15 cents, in 1920 again 25 cents and about six months ago 10 cents.

The operation by which the last change was effected illustrates the controlling competition: One manufacturer offered cement with bags charged at 10 cents each. At the time, practically every manufacturer had on hand great quantities of bags for which it had paid 25 cents or more, and bags are now still being delivered to many of them, under previously made contracts, at much more than 10 cents a bag. For any of them to sell bags at 10 cents meant some loss, and for many of them it meant losses of hundreds of thousands of dollars. The inexorable fact that it is impossible for a manufacturer to sell above the price at which the informed purchasers knows he can buy the identical thing, plus the action of one manufacturer in reducing the charge (and credit) for bags to 10 cents each, caused all others promptly to meet the reduction, and within two or three days all the defendant corporations each independently and sorely against its will, made its charge (and credit) 10 cents and took its losses.

It is true that the matter of bags has been discussed at times during the history of the industry. It presents some of the most annoying difficulties with which the manufacturer has to deal, involving difficulties in getting bags returned on account of their use for other purposes by the purchaser and their unattractive character as freight to the railroad, difficulties in cleaning and counting them in separate [fol. 109] lots, variations in their cost to the manufacturer with the price of the fabric, and otherwise. Different ways of meeting some of the problems have been discussed, but no solution has been found. Some of the defendants retain title to their bags; others sell and buy

them back. It remains a problem which each manufacturer now deals with independently.

[fol. 109½] (4) Alleged Operation of the Scheme as to Manufacturers

Of the four elements alleged in the Petition to "constitute a gigantic scheme of concerted action," only one, the "dissemination of statistical data," in fact has existed or exists. Neither the "exchange of views at frequent [or any] meetings" nor the "action taken pursuant thereto," imputed in the Petition, has any foundation in fact; and there has been no "concerted", or other, "adoption and observance of the trade practices."

The allegation that there has been "an exchange of views at frequent meetings" is denied. The meetings have not been frequent, those of the Portland Cement Association occurring three times a year, and those of the Cement Manufacturers Protective Association averaging less than one a month. The times of the meetings or the subjects mentioned thereat have not in any way coincided with any change in the conduct of any part of the business of any manufacturer. The views exchanged at meetings have not concerned anything affecting competition, price or output or the like, but have been views concerning the proper conduct of the Association's activities within the limited spheres hereinabove defined (pp. 71, 98). No action affecting competition, price, output or the like, has been taken by anyone "pursuant" to any "exchange of views" at any meeting of these defendants.

The allegations that any trade practice has been adopted or observed by concerted action is denied. The practices of these defendant corporations in the particulars mentioned in the Petition are diverse and have not been brought about by any concerted action (pp. 87-97).

[fol. 110] The allegation that statistical data are disseminated is admitted within the limits hereinabove set forth (pp. 98-126), and otherwise denied. The existence of a gigantic or any scheme of concerted action is denied.

The allegation that the salaried officers and employees of Cement Manufacturers Protective Association are provided for the purposes indicated in the Petition is denied. They are provided ministerially to perform the work of the Association as hereinabove set forth (pp. 98-139), and for no other purpose.

The minutes of Cement Manufacturers Protective Association show that on one occasion a resolution that each defendant corporation send to the Association its capacity for the production of Portland Cement and that the same be compiled and furnished the members was adopted. So far as can be discovered this was never done, because, such capacities having been published by the United States Government and for many years in several directories put out by trade papers and others, its triviality caused it to escape attention.

These defendants admit that the members of the Cement Manufacturers Protective Association furnish its office monthly reports

showing the amount of clinker burned, cement ground and cement shipped during the month and the amounts of clinker in stock and cement in stock at the close of the month, and that the office compiles and distributes monthly to all members comparative tables of figures showing as to each defendant corporation the amounts of clinker burned, cement ground and cement shipped during the month, and the amounts of clinker in stock and cement in stock at the close of the month, a summary of that information for the elapsed period of the current year, for the corresponding period of [fol. 110½] the preceding year, and that such tables have been and are being regularly compiled and distributed and have been regularly compiled and distributed since early in the year 1916. A representative specimen of such tables is reproduced herewith and made a part hereof (Exhibit XX, p. 352).

Statistics of the production, shipments and stocks on hand have also been distributed by the Portland Cement Association for nearly twenty years, and the figures for, and at the close of, each year (together with price figures, new capacities, etc.) have been distributed by the United States Government since 1894.

It is admitted that defendant corporations (with the four exceptions noted, p. 22) furnished the Cement Manufacturers Protective Association's office with information as to each "specific job contract" (including date made, date of termination, name of contractor, full description and location of work, quantity sold, price, quantity delivered to date and balance to be shipped) made for the future delivery of Portland Cement, and the office compiled and tabulated such information as to all members (with the exceptions noted, p. 22) and furnished copies of such compilations and tabulations to each (with the exceptions noted, p. 22), and that such information has been furnished and such compilations and tabulations have been and are being made and distributed daily, and a summary of the daily reports is distributed monthly, but it is denied that "daily" in this connection implies that the information concerning contracts is afforded on the day the contract is made, the fact being that a period of on the average eight days elapses between the time the contract is closed and the time when the information reaches the office of the Association.

[fol. 111] It is admitted that "the checkers" of said Association, at the request of any member, investigate the construction work designated in any "specific job contract" reported, to ascertain the quantity actually needed, and that the facts ascertained are reported through the office of said Association to all the members interested therein. It is denied that the so-called "checkers" have determined or determine the priority as between two or more such contracts made by different members covering the same construction work. Neither the "checkers" nor the Association have anything to do with determining any question of priority or the like, in connection with any contract or otherwise, the activity of the Association and all its employees having been and being completely limited to ascertaining and presenting the facts without attempting the slightest suggestion or direction of acts of any member or comment thereon.

It is admitted that defendant corporations (with the exceptions noted, p. 22) report to the office of the Association, all cancellations on account of contracts for "specific jobs," and such reports are communicated to all members.

It is denied that the cancellations reported are limited to cancellations on account of contracts found to exceed the actual requirement of specific construction work or found to be duplicates of contracts held by other members. The cancellations reported are cancellations for any cause whatsoever, without any reference to the reasons for the cancellations, and are necessary to make the reports correct and accurate.

It is denied that "in consideration of the cancellations of contracts thus reported by certain members many other members made similar [fol. 111½] cancellations of their contracts". There is nothing of that kind, and it may be pointed out that if members cancelled their contracts on account of any information concerning cancellations received through the Association, they would be guided simply by the fact that other members had cancelled contracts without any explanation of the reason therefor, and the result would presumably be the cancellation of all contracts on the theory advanced in the Petition.

Every cancellation of any contract by a member of the Association has been the independent act of that member without previous suggestion or subsequent comment from the Association or any part thereof.

It is denied that "the quantities of cement under contracts for future delivery at prices specified as of the dates of the contracts" have been reduced to a minimum or diminshed by the reporting or investigation of such contracts. On the contrary the quantity under such contracts at the end of May, 1920, was the largest in four years of records and probably in history. The only effect thereof has been to enable the manufacturer to know which of the papers in the form of contracts to supply cement to be used in a "specific job" would require him to deliver any cement and how much cement he would be called on to deliver under each such contract. It is admitted that this knowledge gives each manufacturer a more complete control to the extent and only to the extent that knowledge of the truth concerning his contract obligations for future delivery enables him to conduct his business more efficiently and thus reduce costs and prices and to protect himself, if he wants to, against being cheated. It is denied that any activity of the Cement Manufacturers Protective Association gave the manufacturers collectively any control whatsoever over the situation or over anyone.

[fol. 112] It is admitted that, by the defendant corporations sending in the information and the office compiling and tabulating it and distributing copies of such compilations to each member, the Association gives each member information concerning the total shipments of cement made during each fifteen day period.

It is admitted that each defendant corporation has information as to each other defendant's production capacity. It is admitted that each defendant (with the exceptions noted, p. 22) has full and

complete information as to the quantity actually produced, the quantity which has theretofore been sold on "specific job contracts" and at what prices it was so sold, the quantity cancelled, and that approximately one-third of the total production is sold on "specific job contracts." It is admitted that the differential in prices between dealers and contractors is now generally 10 cents per barrel, except in a certain part of New Jersey, where the differential is 25 cents per barrel, and some other places. It is admitted that to the extent thus set forth each manufacturer is cognizant of the business of competitors, and to that extent has "his finger constantly on the pulse of supply and demand."

It is denied that the course to be followed by any of these defendants under any contingency was thoroughly or at all understood, or that the defendants have taken or would take any action whatsoever pursuant to any understanding. The only understanding which has existed or exists in this regard is the understanding that each manufacturer shall at all times be completely free to act in every respect and particular exactly as it pleases without suggestion or comment from others, as each has done and does.

[fol. 112½] It is denied that the defendant corporations, or any of them, would or have shut down any mill or operated it at less than full capacity in consequence of any understanding. Each defendant corporation has at all times operated its mills so as to make as much cement as by its utmost efforts it could make and sell.

It is further denied that if any defendant corporation should reduce its production "when the supply showed a tendency to materially exceed the demand," that would represent "nullifying the operation of the law of supply and demand," and averred, on information and belief, that it would represent obedience to that law, which would tend to prevent the distresses of shutdowns, unemployment, financial failures and other evils, frequently following attempts to do business without regard to that law or—what is the same thing—without knowledge of the demand and supply upon which obedience to that law necessarily depends.

When every particle of "concerted action" through the Cement Manufacturers Protective Association has functioned to its utmost limit, the defendant corporation merely knows more, or more easily, about (*i*) its contract obligations for future delivery, (*ii*) the financial obligations of delinquent debtors seeking credit, (*iii*) the official freight rates and (*iv*) the existing supply of the commodity. Every manufacturer since manufacturing began, has had some knowledge of those things. To say that these defendants must act in ignorance or imperfect knowledge of them, or any part of them, would injure the defendants and the public, and benefit only the dishonest.

[fol. 113] 5. Alleged Operation of Scheme as to Dealers and the Public

The allegations and suggestions that there is any "scheme" in operation, or any concerted action of the defendants against which the trade or public need a "defense," are denied.

The defendant corporations differ from others concerned with

cement, not in being less members of the public, but in that they occupy the position of producers and sellers, whereas others occupy the position of buyers.

The seller and buyer of cement present the same situation presented by the seller and buyer of other commodities since trading began, except that the seller of cement in the territory here involved meets sharper competition from other sellers of the same thing. The principal effect of that, aside from normally abundant supplies at low prices, has been that the buyer of cement is able to secure a privilege (which so far as known to these defendants is exceptional) of freely obligating the seller to deliver a long time in the future at a present price cement entering into any definite piece of construction and pay for the same after delivery without enforceable reciprocal obligation to take or the giving of any consideration of actual value on the part of the buyer.

So far as these defendants know, in no industry is it possible for the buyer to make contracts wherein the seller (without any valuable consideration therefor) obligates himself to deliver anything at a particular price a long time in the future, if the buyer wants to take it then and not otherwise, and the buyer assumes no real obligation [fol. 113½] whatsoever. The fact that that represents the substance of the situation as between seller and buyer of cement where the cement is to be used in a particular piece of construction or "specific job" represents the only substantial difference between the defenselessness of the buyer or the seller of cement, and that of the typical buyer or seller since trading began.

The alleged experience of the dealer at Brockton, Mass., set forth in the Petition, does not represent the experience of any one dealing with any of these defendants, and is denied. Treating it as an illustration of a typical experience of a dealer in Portland cement, and correcting some of the multiplicity of erroneous allegations of the Petition, his experience has been and is as follows:

(1) Any dealer can buy from any of the defendant corporations as much cement as is available and he will promptly take and pay for, and in the transaction his position is that of the typical dealer in anything since trading began.

(2) If he wants to buy at the price at which the manufacturer sells dealers as distinguished from consumers he would commonly have to be a dealer performing a service. In general a manufacturer will not sell one man at a lower price than another at the same place is paying at the same time, unless one is a dealer and the other a consumer; and as these defendants are advised the manufacturer might violate the Clayton Law if he acted otherwise. This is not a matter of concerted action, but the general course of each manufacturer, whether members of any association or not, acting independently. It is equally true of the distribution of most commodities, and has been since trading began.

[fol. 114] (3) Each manufacturer is the sole judge whether he will sell anyone as a dealer or as a consumer. There is no such thing in the industry as a "recognized dealer" in the sense of any kind of collective recognition by manufacturers. The definition of a dealer in the report of the Committee of the Portland Cement As-

sociation, hereinabove mentioned (p. 85), used the expression "recognized in his home town as a building material dealer." The manufacturer of cement may or may not ascertain and take into consideration the fact that a person is "recognized in his home town as a building material dealer," or any other fact, or make his dealer's price to one whom he knows is not a dealer, precisely as he chooses. There is no recognition of a dealer by these defendants collectively. It is solely a matter which each manufacturer judges himself, just as any manufacturer of anything sold through dealers has had to do since trading began.

(4) The allegation that any sale is conditioned upon whether the manufacturer "thinks the dealer can make proper use of the quantity of cement specified" is denied. The allegation may be based upon a misconception of incidents during the shortage of cement in 1920, substantially as follows:

When it was impossible by reason of car shortage to supply adequately all localities with cement, each of the defendant corporations independently sought so to use the available cars as to distribute what cement could be shipped most fairly, to hold their regular customers, and make the immediately available supply meet most pressing needs until more became available. In that connection and at that time the use to which the person seeking shipment was to put the cement, was sometimes inquired about. Except for that, the use [fol. 114½] which the dealer is to make of the cement has not been noted or cared about by any of these defendant corporations in current business.

(5) If the dealer pays cash, the manufacturer makes no inquiry whatsoever concerning his financial resources. If the dealer wants credit, each manufacturer usually first satisfies himself that the dealer's credit is good for the amount involved. If the manufacturer does not know the particular dealer in question, he refers among other sources of information to the reports of the defendant Cement Manufacturers Protective Association to see whether the purchaser has accounts with other cement manufacturers which are long overdue, or in attorney's hands. With that and other information the manufacturer makes up his mind independently concerning how much credit he will extend to that dealer. If, for instance, he finds that that particular dealer owes considerable sums to cement manufacturers, so that it seems probable that the order results from the fact that other manufacturers decline further credit, the manufacturer will presumably request the dealer to show his ability to pay for the cement or give security before extending credit. If he finds that the dealer owes considerable sums to other cement manufacturers but is entirely able and likely to pay, he will extend credit. The extension of credit is not governed by the fact as to whether or not the dealer appears in the reports of the Protective Association as indebted to another cement manufacturer. The extension of credit is a matter which each manufacturer determines for himself.

The fact that the manufacturer is provided with a little more information concerning the financial position of those seeking credit (or less than he had in early days when goods were not shipped far [fol. 115] and he knew his customers) leaves the dealer in cement in the same position as that of any dealer since trading began.

(6) Whether or not different quotations at Brockton or other delivery point will be found to be at the same price, depends upon the time and circumstances—whether quotations are made at a time when the economic factors have resulted in a market price at the point which no one then wants to disturb, or there is temporary shortage or surplus for delivery there, or some manufacturer has determined to reduce or advance his price there, etc., as has been true of the market price of any staple, homogeneous commodity since trading began.

(7) The matter of sales being made f. o. b. delivery point, the matter of the credit for bags, and the discount, have been answered (supra, pp. 88, 140, 157).

(8) The allegation as to the limitations on the quotation and that "if the dealer desires to purchase a larger quantity of cement he must show that it is to be used on a specific job," is denied. The limitation in the quotation has to do only with insuring each manufacturer against over-commitment resulting from unexpected acceptances of an aggregate greater quantity than he can deliver, under the great number of offers or quotations which he has out at all times. The limitations in his quotations do not mean or imply that anyone cannot buy from him as much cement as he has. They mean only that he reserves the right to know what he is doing and that the purchaser wishing an unusual quantity or a future delivery must acquaint him with the fact before committing him to deliver what it may be impossible for him to deliver. All manufacturers have necessarily required information as to the extent of obligations before assuming them, since trading began.
[fol. 115½] Each of the defendant corporations has always sold whatever quantity from its supply any dealer will take and pay for, without regard to whether it will be used on a "specific job." The job is immaterial except when the contract is for delivery so far in the future that unless the cement is needed for a "specific job" the contract is merely a gambling contract. As hereinbefore pointed out (p. 167) the position of the buyer of cement for future delivery is believed to be more advantageous to him at the expense of the producer and seller than that of any other buyer for future delivery since trading began.

(9) The allegation that in the case of "specific job contracts" the dealer "must furnish the manufacturer a copy of the contract for the construction of the building," is denied. Only one of the defendant corporations requires that, as hereinabove pointed out (p. 89).

(10) The allegation that when "the checkers determine whether the quantity ordered is actually needed, and if not, the excess is canceled," is denied. In the case of "specific job contracts" for future delivery, or such of them as any manufacturer suspects may not be bona fide or overestimated, the so-called "checkers" visit the job and ascertain the facts, which are placed before the manufacturer interested, who independently does exactly as he chooses. The excess is not called for by the contract (supra, p. 104) and each manufacturer delivers it or cancels it as he sees fit. No manufacturer has considered himself obligated to deliver goods not called for by contract, since trading began.

(11) The allegation that "dealers and contractors resent the activities of the checkers" is denied. Some dealers or contractors (as [fol. 116] those who desire opportunity to make an unearned profit by obtaining cement on the false representation that it is needed in a "specific job" covered by an existing contract, and then reselling it at a higher price) may resent the facts as to the requirements of the contract being developed, but most dealers and contractors are glad to have the amount of cement which a job will require expertly determined, and assist the so-called "checkers" in their work.

(12) The allegation that "if by any chance more cement has been delivered to a particular job than is required * * * the contractor is required to pay the difference between the original price and the prevailing price," is denied. None of these defendant corporations makes it a practice to require anyone to pay any difference in price after cement has been delivered. The only effect of checking the amount of cement required for a "specific job" for which a contract calls, is to enable each manufacturer to know the truth and act exactly as he pleases; and while in many instances a manufacturer has thus declined to deliver under a contract cement for which the contract does not call, in other instances manufacturers deliver the cement regardless of the fact that it is not covered by the contract; and, except in one or two flagrant instances of fraud, wherein the defrauded manufacturer has independently initiated legal action, no manufacturer has paid any attention to cement after delivery.

(13) The allegation that the contractor or other dealer finally holds a contract for "the quantity of Portland cement the manufacturer is willing to let him have for the specific job," is denied. He holds a contract for the future delivery of so much cement as will be required to complete the work or such portion thereof as he [fol. 116½] may name in the contract. The contract itself defines and expresses the limits of the manufacturer's obligations, as contracts have since trading began.

(14) The allegation that the price is, "say $3.72 per barrel, f. o. b. Brockton, representing Lehigh Valley mill base price of $2.30, 4 bags 60 cents, and freight 82 cents," exaggerates prices of cement for some months before the Petition was filed, by 30 cents per barrel, and

of bags by 20 cents per barrel. It is true that any manufacturer learning in any way the price at which any cement is sold anywhere can subtract the freight and determine the price at the originating point. That has been possible in all trading since trading began, or at least since freight rates have been made uniform and public.

(15) The allegation or suggestion that there is any established price, except as each manufacturer independently fixes the price of his product from time to time, is denied. The allegation that if the established "base price" has not been charged "explanations are in order," is denied. What has happened, and will presumably continue to happen as long as the usual present conditions of competition continue, is that when any manufacturer changes his price, other manufacturers either let him take the business until he has sold his capacity, or meet his price, each independently and without any communication or agreement with others, just as in any free trading since trading began.

(16) Generally, contractors or other users do not receive the dealer's discount or price from any manufacturer. This may (or may not) be more general in the cement industry than in some other industries. It is not the result of agreement, but of the intense [fol. 117] competition and the position of the dealer in this industry. In addition to important credit considerations, any manufacturer selling contractors or other users at the dealer's discount would find that dealers would purchase cement from his competitors; a manufacturer cannot maintain employees, trucks, warehouses, etc., at each delivery point, to unload and deliver his occasional shipments, but must rely on the dealer there; the dealer controls most of the demand for cement; and the practical consequence of any manufacturer selling contractors or users at the dealer's price would be to gain one particular order and lose all future business in that locality. Many of the defendant corporations occasionally sell large contractors at the dealer's price. There is no agreement, or even universal practice, in this particular.

(17) As to the price which the public is obliged to pay to dealers who resell the cement purchased from these defendants: (i) The allegation that the public is obliged to pay "any prices the dealers may demand," is denied. The price at which dealers resell to the public is governed by the competition between dealers as in the case of all commodities sold through dealers since trading began. (ii) The manufacturer is prohibited by law from attempting to control the resale price, and the position of the buyer from the dealer is that of every such buyer since trading began, or at least since the decision of the Supreme Court in Dr. Miles Medicine Co. v. John D. Park & Sons Co., 220 U. S. 373.

Thus, except that he has an exceptional advantage over the seller in being able freely to obtain without paying consideration "specific job contracts" for the future delivery of cement, the position of any buyer of cement is the same as that of any buyer since trading began.

[fol. 117½] VII

Results

The defendants deny that any unlawful combination or conspiracy has existed or that any uniformity has resulted therefrom. They deny that the substantial uniformities in some particulars, which exist from time to time, are attributable to the operation of any scheme. They have been evolved and exist by virtue of the operation of forces which the defendants, separately or collectively, do not control. Referring to the alleged uniformities:

(1) Uniform Quality of Product. As hereinabove pointed out (pp. 27, 94), the product is commercially uniform because the purchaser requires an article which will meet the standard specifications and tests, and nothing else. Those specifications and tests are the result of work done in the past by committees, representing the United States Government, the Institute of Architects, the American Society of Civil Engineers, the Railway Engineers and the American Society for Testing Materials. They have been based upon the necessity of thus insuring the stability of great works and the safety of many people, and directed towards requiring the most perfect and reliable cement that it is practicable at any time to manufacture in sufficient quantities, changes and revisions being made from time to time with the advance of knowledge and the art. They assumed substantially their present form when President Taft on April 30th, 1912, issued an Executive order that all Portland Cement thereafter purchased by any department, bureaus, or establishment of the Government, or used in connection with such [fol. 118] branches of the Government, should conform to the specifications for Portland cement adopted by the Departmental Conference at the meeting held at the Bureau of Standards on February 13, 1912, which specification was substantially the same as that previously established by the societies mentioned. These defendants aver, on information and belief, that an agreement to produce only that product would be entirely reasonable and beneficial to the public and not restraint of trade, but the matter is not the subject of any agreement and, as hereinabove pointed out (pp. 94-5), many of these defendants make and sell cement under other specifications and tests in the few exceptional instances when occasion arises.

(2) Uniform Practice of Making Sales F. O. B. Point of Delivery. As hereinabove pointed out this practice, to the extent that it exists, is not the result of any combinaion or conspiracy but of the intensity of competition which the practice evidences (supra, pp. 140, 145-6).

(3) Uniform Freight Basing Points. "Uniform freight basing points" is an expression which these defendants find difficulty in understanding. The facts as to so-called "basing points" are that they are the originating points where cement is produced in suf-

ficient quantities to affect the market. They are not the results of any combination or conspiracy, but the results of the facts that individual manufacturers located plants where nature afforded opportunity and ship large quantities of cement therefrom in competition with each of the defendant corporations. The facts have been explained (supra, pp. 142-154).

[fol. 118½] (4) Uniform Mill Base Prices, Notwithstanding Differences in Cost of Production by Each. So-called mill prices, as hereinabove pointed out (p. 154), are simply the balance resulting from deducting from the price the purchaser pays for cement at any delivery point, the freight from the mill. They are not uniform.

(5) Uniform Freight Rates, Regardless of Location of Mills from Which Shipments are Actually Made. This allegation is denied. The freight rates are fixed by the railroads, the Inter-State Commerce Commission and other bodies over whom none of these defendants has control. Each and all of the defendants pay, and are compelled by law to pay, whatever rates are thus fixed. None of the defendants has any other connection with freight rates except as from time to time some of them have been engaged in controversies with each other and with the railroads before the Inter-State Commerce Commission concerning them.

(6) Uniform Prices to All Dealers at the Same Points of Delivery, Notwithstanding Differences in Cost of Production and Freight Rates. No price has been made by these defendants or any of them, as a result of any combination, conspiracy, understanding, agreement, or concerted action, or otherwise than in competition with the others.

When there is a temporary shortage of cement at any point by reason of failure of transportation facilities or the like, prices at that point are not uniform. Similarly, when there is a surplus of cement available at any point, prices are not uniform, although in such instances those selling at a reduced price often resort to different ways [fol. 119] of concealing reductions in order not to bring on the inevitable general reduction which the competition forces whenever enough cement is offered at a lower price. Similarly, when circumstances produce a price movement, and while it is in progress, prices at any point are not uniform but varying. When the market price of any point has reached a particular level, the competition forces uniformity until a change occurs.

In brief, the market price of cement at any delivery point results from a complex, comprising the pressure of the competition (resulting from commercial homogeneity and surplus production capacity) pressing down from above, with costs and a desire for profits pressing up from below, giving a balance from time to time disturbed and changed by the immediate demand and supply. The individual cost of production of a particular manufacturer, or his individual freight rates, cannot control the market price, but only the question whether he individually can afford to sell at a particular point or must let the business there go to his competitors.

To the extent thus indicated, the market price of cement at any delivery point is uniform at any particular time, but it is uniform in accordance with the operation of economic laws and not otherwise

(7) Uniform Discounts Allowed to Dealers. What is true of prices is substantially true of discounts. To the extent that they are uniform at all, they are uniform because of the competition which the uniformity evidences. The discount allowed dealers depends very largely upon what discount any dealer is able to get at any particular point. A manufacturer's cement must generally be unloaded and delivered by a dealer. A dealer's custom is particularly [fol. 119½] valuable to the cement manufacturer by reason of the demand he controls and the competition. A dealer will not buy from a manufacturer allowing him only two cents, when he can get the same thing from a manufacturer allowing him five cents. Accordingly, a uniformity is worked out by the competition.

(8) Uniform Prices to Contractors at the Same Point of Delivery Notwithstanding Differences in Cost of Production and Freight Rates. Such uniformity of price as exists has already been explained (pp. 27-8, 54-69). It applies to prices to contractors, to dealers and to others.

(9 & 10) Uniform Charges for Bags—Uniform Credit Allowances for Bags Returned. All manufacturers in one form or another, allow for bags returned whatever they have charged for them. This is not a result of any combination or conspiracy, but the result of the operation of economic laws, including particularly the competition as hereinabove explained (p. 157); and these defendants, upon information and belief, respectfully aver that if there were agreements concerning the amount to be charged and allowed for bags, it would serve merely to make more pointed the competition in the commodity and be entirely reasonable and not in restraint of trade.

(11) Uniform Differential Allowed between Prices Quoted Dealers and Prices Quoted Contractors. This is covered by the answer to the alleged uniformity, No. 7, the difference being in the thing for which allowance is made.

(12) Uniform Cost-Accounting Systems. The cost-accounting systems employed by these defendant corporationss are not uniform, [fol. 120] but diverse. A uniform accounting system was developed and placed before these defendant corporations to accept or reject as each desired. Only four of the nineteen have used it. There is no uniform accounting system and if there were one used by all defendants as a matter of agreement, it would represent a reasonable and helpful industrial improvement and not restraint of trade (supra, pp. 82-3).

The allegation that "another result of said unlawful combination and conspiracy is the control and regulation of production" is denied. There is no combination or conspiracy and no control or regulation of production. The figures and chart hereinbefore produced show-

ing the actual production of each of the defendant corporations, demonstrate the contrary (supra, pp. 6-8).

The allegation that the defendants met frequently and discussed the probable demands for cement is denied. At meetings of the Cement Manufacturers' Protective Association, held less than one a month and attended by representatives of only some (averaging two-thirds) of the members, the probable demand for cement has never been mentioned in any way. The Portland Cement Association meets only three times a year, and at its meetings there has been no mention of the probable demand for cement for many years, except in some entirely abstract way, as representatively illustrated in the address of the President of the last meeting attached hereto (Exhibit VI, p. 247).

As to whether "it is a simple matter to produce only what it is believed the market will absorb without breaking prices," these defendants cannot answer except by opinion, because the allegation is too far removed from the experience of any of them. Each of the [fol. 120½] defendant corporations has produced all the cement it believed it could sell by its utmost efforts, so far as circumstances beyond its control have not interfered to prevent manufacture. Each of the defendant corporations has found its beliefs concerning the market from time to time mistaken, resulting in producing more cement than it has been able to sell. The introduction of an additional factor "without breaking prices," does not seem to make it any more "simple," but none of these defendants has ever reckoned with that factor. In fact the conspicuous characteristic of cement prices during more than twenty-five years has been repeated "breaking," as illustrated by the "breaking" of the prices of these defendant corporations about 50 cents a barrel in the last few months.

The defendants deny that the defendant corporations or any of them have materially or at all restricted production, and aver that on the contrary they, and each of them, have produced all the cement they could make and sell, except during the period of Governmental restrictions or when limited by other causes wholly beyond their control. The production and shipments of the defendant corporations in 1920 were materially greater than ever before.

The allegation that "another result is the unconscionable prices which have been charged for Portland cement" is denied. Prices have never resulted from any combination or conspiracy. The facts have been explained (pp. 9-15; 54-69).

The allegation of "enormous profits" is denied. The facts have been explained (pp. 16-21).

The allegation that the housing shortage results from an unlawful combination and conspiracy in Portland cement is denied. There [fol. 121] is no combination or conspiracy. The total difference in the cost of building occasioned by a change of ten cents per barrel in the price of cement would be about $5 to each $10,000; and the prices of any cement manufacturer in this section for some months prior to the filing of the Petition were 10 cents below or above the price fixed by the Government as discouraging in 1918 (supra, pp. 30-1; p. 67).

The Alleged Menace of Continuing the Combination and Conspiracy

The defendants admit that they are engaged in carrying on, and each defendant corporation is engaged in carrying on, their and its activities substantially as during the periods since they respectively have been in operation. They, and each of them, deny that their acts or any of them constitute an unlawful or any combination and conspiracy in restraint of trade or that the continuance of them, or any of them, constitutes an immediate or any menace.

The credit information and information concerning "specific job contracts" have no purpose or result except to enable each of the defendant corporations to know, in the only possible way, the extent of its own contract obligations for future delivery of cement, and to protect itself, if it wants to, against being defrauded. The freight books have no purpose or effect other than the avoidance of economic waste, the prevention of errors, and the carrying out of the policy and the laws of the United States with respect to freight rates. The only other collective activity is the collection and distribution of statistics of production, commitments for future delivery, shipments and stock on hand.

[fol. 121½] That knowledge by a manufacturer of the extent of his obligations, or the financial position of delinquent debtors seeking more credit, or official freight rates, or the existing supply of the thing he manufactures, constitutes a menace, is denied.

But these defendants join in the prayer for the early adjudication of the matter.

These defendants deny that prevailing prices are high, or that there has been any elimination of competition, or that prevailing prices result therefrom, or that unless the Court issue an injunction, either preliminary or final, any irreparable or other injury to the public or any portion of it will be caused by any act of these defendants or any of them.

Having fully answered the Petition and all the allegations thereof, these defendants and each of them, pray that they and each of them may be hence dismissed with their and each of their reasonable costs and charges in this behalf most wrongfully sustained.

Cement Manufacturers' Protective Association, The Atlas Portland Cement Company, Alpha Portland Cement Company, Bath Portland Cement Company, Coplay Cement Manufacturing Company, Dexter Portland Cement Company, The Edison Portland Cement Company, Giant Portland Cement Company, The Glens Falls Portland Cement Company, Hercules Cement Corporation, Lawrence Cement Company, Lehigh Portland Cement Company, Nazareth Cement Company, Penn-Allen Cement Company, Pennsyl-

[fols. 122 & 123] vania Cement Company, The Phœnix Portland Cement Company, Security Cement and Lime Company, The Vulcanite Portland Cement Company, E. P. Alker, C. Raymond Hulsart, Miss M. B. Phalen, Marion S. Ackerman, Defendants, by Archibald Cox, Solicitor for

Defendants Above Named, 233 Broadway, New York, N. Y. Knickerbocker Portland Cement Company, Inc., by William Wallace, Jr., Solicitor for Defendant Knickerbocker Portland Cement Company, Inc., 14 Wall Street, New York, N. Y. Archibald Cox, George T. Buckingham, Joseph P. Cotton, Louis H. Porter, Thurlow M. Gordon, William Wallace, Jr., of Counsel for Defendants.

[fol. 123½] EXHIBIT IV TO ANSWER

Plan, Constitution, and By-laws of Cement Manufacturers Protective Association

Conspicuous among the evils from which every manufacturer of Portland Cement has long suffered have been certain notorious abuses arising from what amounts to fraudulent misrepresentation. The most common and flagrant instances are those which have to do with misrepresentation concerning contracts (known as "specific job contract"), competitors' acts, and financial responsibility.

Although these abuses are too well known to require elaboration, it may be desirable to look at an illustration of each, with a view to determining whether it is practicable in a measure to correct them:

(1) It has become common, for example, in cases of jobs in fact involving the use of, say, a thousand barrels of cement, for purchasers to contract with each of several manufacturers for, say, two thousand barrels of cement to be used on that specific job. This pernicious practice results in purchasers obtaining what, as a practical matter, amounts to an option extending over a long period; and, in the aggregate, such options induced by, and based on misrepresentation, impose on the manufacturer one-sided, uncertain obligations covering a considerable portion of his output, frequently curtailing his business and resulting in loss.

It is apparent that such abuses could not exist if the truth were known. If the manufacturer knew the facts concerning the job, the [fol. 124] amount of cement needed, whether his or some other cement was being used thereon, he would obviously be in a position to escape the disastrous consequences of such misrepresentation. The plan hereinunder outlined is designed to make the truth available and thus defeat such misrepresentations and their consequences.

(2) The second form of misrepresentation is illustrated by the common experience of every manufacturer of Portland cement with statements made to him not only by dealers but often by his own salesmen concerning competitors' practices, with the result that the manufacturer is deceived and imposed upon. In the following plan it is not proposed to provide the fullest relief against such misrepresentations, because reports of outstanding or active offers or quotations may be objectionable, but it is proposed to give the manufacturer an opportunity of checking the representations of dealers and

salesmen by including with the information as to specific contracts, the price at which these past transactions have been closed, so that false statements may become less frequent.

(3) As to that kind of misrepresentations which have to do with credits, the plan explains itself. Here, again, the correction of the evils resulting from the misrepresentation is to be sought in making the truth available.

(4) In addition to the correction of these abuses by meeting misrepresentations with the truth to the extent indicated, the plan contemplates the giving of certain statistical information concerning the past, which has heretofore been available in less convenient form and is included because it may be included without much additional inconvenience to anyone.

(5) The plan further contemplates the compilation and publication of freight rates to relieve each manufacturer of the great burden of keeping track of this necessary information.

[fol. 124½] The mechanism contemplated consists of reports by members, handled by a Secretary, with sufficient clerical help, under control of the Association.

Meetings are to be held to deal with the business of the Association as outlined herein. To prevent any possible misconception concerning the nature or activities of the Association, all its proceedings at such meetings will be stenographically reported and preserved, with its records and correspondence, so that the whole truth concerning the Association can at any time be made plain.

[fol. 125]

Constitution

Article I

Name

The name of the Association shall be Cement Manufacturers Protective Association.

Article II

Members

Section 1. Any corporation, firm or individual engaged in the manufacture of Portland cement is eligible for membership.

Section 2. Any corporation, firm or individual eligible for membership may become a member of the Association upon being proposed by two members and elected by a majority of the members.

Section 3. Any member may resign at any time upon first discharging any indebtedness to the Association.

Section 4. Application for membership and resignations from membership must be transmitted in writing to the Secretary.

Section 5. Any member may be expelled for failure to pay any assessment within thirty days after payment is due or for failure to conform to the Constitution and By-Laws of the Association by the vote, expresed by secret or open ballot, of two-thirds of the members of the Association, provided two weeks' notice of the proposed action and an opportunity to be heard shall have first been given.

[fol. 125½] Article II

Objects

The objects of the Association are the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information concerning the matters following, to wit:

(a) Information concerning credits.

(b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, stocks of cement and clinker on hand, and shipments.

Article IV

Meetings

Section 1. The regular meetings of the Association shall be held the third Monday of each month or at such dates and such places as the Association shall name. Due notice of meetings shall be sent to each member at least five days in advance.

Section 2. A majority of the members when present at any meeting shall constitute a quorum. Each membership shall have one vote.

Section 3. The meeting held in the month of January, in each year, shall be the Annual Meeting of the Association.

[fol. 126] Article V

Officers

Section 1. The officers shall be a President, Vice President, Secretary and Treasurer.

Section 2. All officers, except the Vice President and Secretary, shall be elected at the Annual Meeting by the majority of the votes of those present and shall hold office for one year, or until their successors have been duly elected.

The Vice President and Secretary shall be elected by the Association for such term as it may determine and may receive a salary, fixed by the Association.

Article VI

Expenditures and Funds

Section 1. The Association shall have power to employ such persons, incur such indebtedness, and fix such assessments, as may appear necessary to carry out the objects of the Association. All assessments shall be distributed among and paid by the members pro rata according to shipments during the preceding year from or into the territory covered by the service of the Association.

Article VII

Amendments

Section 1. This Constitution may be amended as follows: All proposed amendments must be in writing, signed by at least three [fol. 126½] members, and presented to the Secretary at least two weeks before the next meeting of the Association. In the notices of this meeting, the proposed amendment or amendments shall be presented. At the meeting, the proposed amendment or amendments may be discussed or amended. They shall then be sent out to letter ballot. If two-thirds of the total membership shall, by letter ballot, vote in favor of the amendment or amendments, it or they shall be adopted.

Article VIII

Freedom of Trade

No member of the Association shall enter into any arrangement, agreement or understanding of any nature or kind whatsoever, the object of which is to restrain trade, limit competition or accomplish any purpose contrary to the spirit or letter of the law or contrary to the objects of the Association, as set forth in this Constitution, and membership in the Association shall be recognized as implying that the member is absolutely free to conduct his business exactly as he pleases in every respect and particular.

Full and complete minutes of all matters discussed at any meeting of the Association shall be kept and such minutes, together with all records, files and correspondence of the Association, shall be preserved and held open at all times to any public official or other person who may have any legitimate reason for desiring to be completely informed concerning any or all the activities or transactions of the Association.

Section 1. President.—The President shall preside at all meetings of the Association, and, in case of the equal division of the members [fol.127] voting on any question cast the deciding vote. He shall also have power to call the Association together at such time and place as he may select and, upon the written request of five (5) members, he shall call a special meeting of the Association.

He shall see to the enforcement of the provisions of the Constitution and By-Laws and shall carry into execution all resolutions of the Association.

Section 2. Vice President.—The Vice President shall perform such duties in connection with the collection and dissemination of the information which it is the object of the Association to accomplish as may be assigned to his office by the Association.

Section 3. Treasurer.—The Treasurer shall perform the duties of the President in the absence of the latter, collect and receive all moneys of the Association and deposit the same in a depository to be designated by the Association, authorized to make payment from the funds of the Association on deposit with it as directed by resolutions of the Association. He shall keep proper books of account, which shall be open at all times to the inspection of the members of the Association, and at the close of his term of office he shall deliver to his successor all moneys, books, papers and other valuables belonging to the Association which shall be in his custody or possession.

Section 4. Secretary.—The Secretary shall keep a careful, full and complete record of all the meetings, discussions and transactions of the Association, give notice of all meetings of the Association, examine all bills, conduct the correspondence, collect, prepare and distribute the information contemplated by the Constitution as pre- [fol. 127½] scribed by these By-Laws, and perform such other duties as may be assigned to his office by the Association.

Section 5. Provision of Funds.—All assessments shall be fixed by majority vote of the Association and distributed among and paid by the members pro rata according to shipments during the preceding year from or into the territory covered by the service of the Association.

Section 6. Voting Power.—At all meetings, each membership shall have one vote. Members may be represented at any meeting by authorized delegates, who shall be entitled to full rights and privileges of the members they represent, but only one vote shall be cast on behalf of each member.

Section 7. Meetings.—The Association shall meet monthly, the time and place of each meeting to be fixed by the Association. Special Meetings may be called whenever the President shall deem it necessary or upon request of five (5) members. A majority of all the members shall constitute a quorum. The order of business shall be as follows:

1. Roll call.
2. Minutes of last meeting.
3. Election of new members.
4. Reports.
5. Unfinished business.
6. New business.
7. Election of officers.

Section 8. Collection and Distribution of Information.—On or before the fifth day of each calendar month, each member shall forward to the Secretary the following:

(1) A statement of all accounts outstanding sixty (60) days or more and unpaid, giving the name and address of the debtor, total [fol. 128] amount unpaid, and the time overdue specified by months.

A statement of all bills receivable on hand, giving name of purchaser, amount, date payable, and detail of account covered by note.

A list of accounts in attorney's hands for collection.

2. A statement of contracts which have been made and are in effect on the last day of the preceding calendar month, giving the following information with respect to each contract, namely, date of contract, the purchaser, the consumer, a full description of the work upon which the cement is to be used, the amount contracted for and amount yet to be delivered, the price, and the expiration date of contract. In addition to the foregoing monthly statement of contracts, as contracts are made during the month, the Secretary shall be notified as soon as possible.

(3) A statement of all contracts cancelled or reduced in amount during the preceding month.

(4) A statistical statement of production and shipments during the preceding calendar month and stock of cement and clinker on hand on the last day of the month.

Upon the receipt of the foregoing monthly statements, the Secretary shall forthwith put all the information contained therein in convenient form as directed by the Association and distribute the information thus prepared to the members reporting.

The Secretary shall also transmit the information thus prepared to the person performing corresponding duties in any other Association, collecting and distributing like information within the purview of the Constitution, and receive and distribute to the members of this Association such information transmitted from such other Association, as may be from time to time directed by this Association.

The Secretary shall prepare and distribute among the members a complete schedule or schedules of freight rates on cement, giving the rates for rail, water and rail and water shipments. Each mem- [fol. 128½] ber shall from time to time notify the Secretary of all changes or other facts of importance connected with such rates. The Secretary shall immediately advise all members of the changes in

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Form 25

Exhibit VII to Answer—Form 25

From VULCANITE PORTLAND CEMENT COMPANY (Date) 3/1/21

Return to
Cement Manufacturers Protective Association
19 West 44th Street, New York.

SYMBOLS
*—Bag Balance
‡—Disputed Account
End.—Endorsed Note
Gar.—Guarantee Account
Ren.—Renewal

Customer	Town	Unpaid Accounts: 4 months or more old	3 months old	2 months old	Ledger balance	Trade accept covers	Note covers	Bills Receivable: Date due	Amount	Endorsed or guaranteed mention in this column	Note covers	Renewals: Note due	Amount	I. H. A.	Explanation
Banks Wood Products Co	Plymouth, Pa	573	....	....	573										
Wm. Curry's Sons Co	Key West, Fla	....	....	....	....		Jan. '21	4/6/21	2431						
Chas. Dudley	Dayton, Ohio	....	....	330	330										
Engineering Supply Co	Jersey City, N. J	....	313	115	428										
Grannis & Schafmeister	Ossining, N. Y	....	560	....	560										
J. M. Hendricks & Co	New Brunswick, N. J	....	....	325	325										
F. W. Jackson & Sons, Inc	Good Ground, L. I	....	607	....	607										
Juniata Supply Co	Huntingdon, Pa	541	....	....	541										
Mansfield Lumber Co	Mansfield, Mass	119	....	....	119										
E. B. Pusey Co	Wilmington, Del	....	....	....	....		Apr. '16	6/1/21 to 9/1/21	186						
Riverside C. & S. Co	Lyndhurst, N. J	....	....	....	1034		....	....	....	....	Oct. '20	3/6/21	1000		
Stewart Willey Co	New York, N. Y	496	....	....	496										

Please fill in on typewriter
Report in dollars only

RECEIVED
Mar. 7, 1921
Cem't Mfg. Pro't. Ass'n

334

SYMBOLS
*—Bag Balance
$—Disputed Account
End.—Endorsed Note
Gar.—Guarantee Account
Ren.—Renewal

Exhibit VIII to Answer—Form 15

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CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
19 W. 44th Street, New York.
List of Unpaid Accounts and Bills Receivable
As of March 1st, 1921.

Customer	Town	Co	Unpaid Accounts: 4 months or more old	3 months old	2 months old	Ledger balance	Trade accept covers	Bills Receivable: Note covers	Note due	Amt.	I. H. A.	Explanation
Stapleton Lumber Co.	Stapleton, N. Y.	21	259			259						
Starrett-Fields, Inc.	Dorchester, Mass.	18	32943	5364		39158						
State Arsenal	Harrisburg, Pa.	8			61	61						
State H'way Department	Dover, Delaware	18	1060			1060						
State Penitentiary	Pittsburg, Pa.	8		1708	1808	8277						
Steele Alderfer Co.	Cuyahoga Falls, O.	20	174			174						
Sterling Store Co.	Franklinton, N. C.	20	173			173						
Stewart, N. H. & Co.	Fountain Inn, S. C.	20	606			606						
Stewart, R. T. & C. D. Cont. Company	Easton, Pa.	18	700	253		953						
Stewart Willey Co.	New York City	19	496			496						
Stoneall, Frederick R.	Wyoming, N. J.	18	103			103						
Stork, Charles T.	New York City	0									499	
Stratton & Bragg Co.	Petersburg, Va.	6						Jan.	Mar. 28	257		
								"	Apr. 12	257		
Streever Lumber Co.	Ballston Spa, N. Y.	3		199	569	1599						
Strong Hdwe. Company	Burlington, Vt.	20	2053			2053						
Surety Engineering Co.	New York City	12			606	606						
Sussex Paving Company	" " "	0	12	640		653						
Sutton & Corson	Ocean City, N. J.	25				4329		12-15-20	1-15-21	3000		
Swanger, W. E. & Son	Lebanon, Pa.	16		861		1380						
Taunton Teaming Co.	Taunton, Mass.	5		304	649	953						
" " "	" "	8		736		736						
Templeton, Charles A.	Waterbury, Conn.	20		6760		6760						
Terry & Tench	New York City	21			7281	7281		Dec.	Mar. 27	5000		
Thompson Starrett Co.	" " "	0			1132	1132						
Thompson & Sons, Inc., GA	Hurlock, Md.	18	132			132						
Three Points Prod. Co.	Albany, N. Y.	1	636			636						
Tuck, C. H.	Clyde, N. Y.	20	*6			6						
Tyler Underground Heating Company	Pittsburgh, Pa.	0									358	
Union Lumber Company	Canal Dover, Ohio	20		$29		524						
Valley Forge Magnesia Company	Phoenixville, Pa.	0						Nov.	Mar. 18	250		
								"	Apr. 17	250		
Van Ness Lumber Co.	Little Falls, N. J.	11						Sept.	Mar. 26	1550		Renewal
								"	Apr. 23	481		"
Vare, E. H.	Philadelphia, Pa.	18		436	556	1992						
Vaughan Construction Co.	Shawsville, Va.	2									2101	
Verplanck, W. S.	White Plains, N.Y.	18	1669			1669						
Viracola & Ennis	Long Branch, N. J.	11	409			409						
W. M. R'way Aectg. Dept.	Baltimore, Md.	22			548	548						
Wagner, Clara E.	Philadelphia, Pa.	12						1917	3-1-21	21		
Walsh, Charles V.	" "	2	660			660						
" " "	" "	16	378			1095						
" " "	" "	17	1617			1617						
" " "	" "	21			451	451						
Walsh & Sons Co., R.	" "	11									250	
Walton, Anton Sup. Co.	Dayton, Ky.	12	1699			1699						
Washington-Essex Bldg. Trustees, Owners—c/o G. B. H. Macomber Co., Agts.	Boston, Mass.	5			2433	2433						
Watchung Stone Co.	Plainfield, N. J.	15		176		1267						
Waters, D. F.	Philadelphia, Pa.	9			830	830						
" " "	" "	11	265			265						
West Construction Co.	Baltimore, Md.	20	1566	1309		2875						
Westerly Lumber Co.	Westerly, R. I.	6						Oct.-Nov.	Apr. 20	1371		
Westfall, Z.	Buchanon, W. Va.	20		10		10						
Whelan, Jas. S. & Co.	Philadelphia, Pa.	16		604		1684						
Whitman, W. S.	Easton, Pa.	18			44	44						
Willey, R. E.	Greenwood, Del.	18	169			169						
Williamson, C. P.	Media, Pa.	11			621	621						
Williamson Lbr. Co.	Bellwood, Pa.	8			23	23						
Wilson Lumber Company	Wilson, Pa.	20	49			49						
Winner Brothers	Williamsport, Pa.	12						Nov. '20	5-7-21	1594		
Winternitz, Albert	Brooklyn, N. Y.	0									1857	Bankruptcy
Wise & Son, Frank E.	New York City	3			113	113						
Wombacker & Webster Constr. Co.	Scranton, Pa.	18	364			364						
Wood, Theo. C.	New York City	8						12-15-20	4-15-21	1200		Renewal
" " "	" " "	11						1911	Apr. 15	714		"
" " "	" " "	15						Old a/c	Apr. 15	3600		
" " "	" " "	20						June '13	4-15-21	400		"
" " "	" " "	21						Old a/c	Apr. 15	1800		"
Wood Lbr. Co., P. W.	Worcester, Mass.	15			550	1944						
Woodbridge Lbr. Co.	Woodbridge, N. J.	15		352	476	828						
Woodruff Brothers	Old Forge, N. Y.	8	139			139						
Wright, Chas. W. Co.	Lynn, Mass.	5	180			180						
Wyalusing Hay Company	Wyalusing, Pa.	15	33			33						
" " "	" "	18	416		1	417						
Zackaryaz, W.	Berea, Ohio	9	222			222						
Zellner, LeRoy	Coplay, Pa.	11	72	63	18	153						

freight rates by issuing supplements, revisions or otherwise, as may be most convenient.

Section 9. Amendment of By-Laws.—Amendment to these By-Laws may be proposed at any regular or special meeting of the Association, provided that it has been presented to the Secretary, signed by three (3) members, and a copy sent to each member in the notice of the meeting, and such proposed amendment may be discussed at such meeting and adopted by a two-thirds vote of those present, if it is in accord with the Constitution of the Association.

[fols. 129 & 130] Exhibit V, the report of the General Manager of the Portland Cement Association for the year ending October 30, 1920, a book of 43 pages of fine type, and Exhibit VI, the minutes of the spring meeting of the Portland Cement Association held at Chicago May 16, 17 and 18, 1921, a book of 93 printed pages, not printed by consent.

(Here follow Exhibits VII and VIII to Answer, marked side folio pages 130½ and 131)

[fol. 131½] EXHIBIT IX TO ANSWER, FORM 20

Form 20.
From Bath Portland Cement Co. June 12, 1919.
Contract No. 423. Dated June 5, 1919.
Purchaser, John P. Callaghan, Inc.
Address, Harrison, N. J.
Work, as described on the back hereof. Over.
Location, Newark, N. J.
Contract, William Bal Company, Newark, N. J.
No. bbls., 1,500. Price, 2.66. Del. pt. Newark, N. J.
Date of Exp'n, 12-31-19.

(Back)

Give full and complete description below of the work, viz.—If a building give dimensions, character of constructions, etc. If paving state what kind, giving yardage, thickness, mix, etc. Give exact locations and make description specific.

For use on Factory Bldg., John Street and Railroad Ave., Newark, N. J.

Received Jun. 14, 1919. Cem't Mfg. Pro't Ass'n.

[fol. 132] EXHIBIT X TO ANSWER, FORM 21

Form 21.
Company, Pennsylvania Cement Company.
Contract Number 700. Date 3/10/21.
Delivery Point, Hoboken, N. J.
1. Completed √.
2. Cancelled ..... Bbls.
3. Decreased ..... Bbls.
4. Increased ..... Bbls.
5. Leaving balance due..... Bbls.
6. Date of expiration extended to..... ....

(Back)

Received Mar. 11, 1921. Cem't Mfg. Pro't Ass'n.

Instructions

First. Whenever entire amount of contract has been shipped, check only (√) in space opposite "completed" (Line 1).

Second. If entire amount due on contract is cancelled enter number of barrels cancelled on Line 2.

Third. If portion of contract is cancelled, state number of barrels cancelled on Line 3 and balance still due on Line 5.

Fourth. If amount of contract is increased state number of barrels of increase on Line 4, and balance still due on Line 5.

(Here follow Exhibits XI, XII, and XIII to Answer, marked side folio pages 132½, 133, and 133½.)

[fol. 134] EXHIBIT XIV—FORM 10

(Not reproduced on account of its bulk. See p. 110.)

132 1/2

Exhibit XI to Answer—Form 7

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
CONTRACTS RECEIVED AUGUST 1ST, 1921.

Form 7

Sheet #2577

New York								
D-554	Walter Bradley & Co., Fulton, N. Y.	Springfield, N. Y.	Concrete Dam on Cattaraugus Creek for power purposes for the Village of Springville, N. Y. (Walter Bradley & Company)	Alpha	7-29-21	12- 1-21	8000*	2.91 D
Pennsylvania								
CTR-12078	Robt. McCreath & Co., Harrisburg, Pa.	Harrisburg, Pa.	Constr. of Bone High School, Harrisburg, Pa. (C. W. Strayer)	Atlas	7-25-21	12-31-21	3000*	2.88 A
AS-576-70	Donora Constr. Co., Inc., Donora, Pa.	New Salem, Pa.	Penna. State Highway Work at New Salem, Fayette County, Pa. (Purchaser)	Edison	7-25-21	7-31-22	11000*	2.60 C
763	R. F. Moyer, Schuylkill Haven, Pa.	Schuylkill Haven, Pa.	Penna. State Highway Route #140-141, Schuylkill Haven, Pa. (W. C. Evans)	Bath	7-15-21	12-31-21	3000*	2.93 C
Philadelphia								
328-1388	South & Caven, Philadelphia, Pa.	Philadelphia, Pa.	Improvements to the House of Correction, Holmesburg, Pa. (F. A. Havens & Company)	Allentown	7-27-21	12-31-21	500*	2.93 A
New Hampshire								
B-11210	Knowlton & Stone Co., Keene, N. H.	Keene, N. H.	Paving Court & South Main Sts., Keene, N. H. Owner—City of Keene, N. H. (Portland Construction Company, Inc.)	Atlas	7-27-21	11- 1-21	5000*	3.21 K
Virginia								
CTR-12073	Parkersburg Bldrs. Matl. Co., Parkersburg, W. Va.	Parkersburg, W. Va.	Paving South Side, Parkersburg, W. Va., from East Street Bridge to Fort McNeil for County Commissioners. (Kennedy Constr. Co.)	Atlas	7-28-21	12-31-21	1500*	2.75 K

CANCELLATIONS AND OTHER CHANGES TO BE NOTED ON CONTRACT REPORT

New York			
SB-10258	Atlas	Downing Brothers, Locust Valley, N. Y.	Cancel 1000 bbls. M
7445	Lehigh	Frank E. Wise & Son, New York City.	Cancel 2000 bbls. F
Pennsylvania			
CD-753	Alpha	East Stroudsburg Lbr. Co., Analomink, Pa.	Completed, Cancel 956 bbls. D
1661	Nazareth	Warren Brothers Co., Blue Ball, Pa.	Cancel 12236 bbls. C
1660	Nazareth	Warren Brothers Co., Brandy Camp, Pa.	Cancel 8765 bbls. C
1500-1619	Dexter	Central Clay & Prod. Co., Wilkes Barre, Pa.	Completed, Cancel 7750 bbls. A
New Jersey			
5388	Vulcanite	Engineering Supply Co., Jersey City, N. J.	Completed, Cancel 1782 bbls. K
CD-781	Alpha	Daniel Jnue, South River, N. J.	Completed. K
Maine			
B-11177	Atlas	I. M. Furbush, Princeton, Maine.	Cancel 369 bbls. D
Rhode Island			
B-11149	Atlas	Henry C. McDuff, Est., Pawtucket, R. I.	Cancel 556 bbls. E
District of Columbia			
P-11120	Atlas	Rosslyn Steel & Cement Co., Washington, D. C.	Cancel 30575 bbls. H
West Virginia			
W-657	Alpha	Brownsville Constr. Co., Lowville, W. Va.	Completed, Cancel 733 bbls. J

Exhibit XII to Answer—Form 8

Form 8

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS AUGUST 1ST, 1921.

Company	Contracts Closed Since July 30th Report: Number of Contracts Today	To date	Total Contracts in Bbls. Today	To date	Contracts Cancelled Since July 30th Report: Number of Contracts Today	To date	Total Contracts in Bbls. Today	To date	Reinstatements and Increases Today	To date	Decreases Today	To date
Allentown	1	1	500	500	....	....	....	....	....	....	....	....
Alpha	1	1	8000	8000	2	2	1689	1689	....	....	....	....
Atlas	3	3	9500	9500	4	4	32500	32500	....	....	....	....
Bath	1	1	3000	3000	....	....	....	....	....	....	....	....
Coplay	....	....	....	....	....	....	....	....	....	....	....	....
Dexter	....	....	....	....	1	1	7750	7750	....	....	....	....
Edison	1	1	11000	11000	....	....	....	....	....	....	....	....
Giant	....	....	....	....	....	....	....	....	....	....	....	....
Hercules	....	....	....	....	....	....	....	....	....	....	....	....
Knickerbocker.	....	....	....	....	....	....	....	....	....	....	....	....
Lawrence	....	....	....	....	....	....	....	....	....	....	....	....
Lehigh	....	....	....	....	1	1	2000	2000	....	....	....	....
Nazareth	....	....	....	....	2	2	21001	21001	....	....	....	....
Penn Allen....	....	....	....	....	....	....	....	....	....	....	....	....
Pennsylvania..	....	....	....	....	....	....	....	....	....	....	....	....
Phoenix	....	....	....	....	....	....	....	....	....	....	....	....
Vulcanite	....	....	....	....	1	1	1782	1782	....	....	....	....
Total	7	7	32000	32000	11	11	66722	66722	....	....	....	....

83½

Exhibit XIII to Answer—Form 9

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST FOUR MONTHS

Company	New Contracts No. to Date	New Contracts Bbls. to Date	Cancelled Contracts No. to Date	Cancelled Contracts Bbls. to Date	Reinstatements and Increases to Date	Dec t
Allentown	17	76400	3	2100	21519	..
Alpha	104	306227	89	475889	74150	..
Atlas	209	614740	107	238522	19596	
Bath	37	191400	20	133296	.....	..
Coplay	31	158536	90	114041	.....	..
Dexter	13	85100	34	90802	8977	
Edison	19	82586	26	133746	3000	..
Giant	42	230325	36	163617	.....	..
Hercules	12	13600	21	59260	17000	3
Knickerbocker ..	20	125781	4	4693	13852	2
Lawrence	28	113597	40	77018	.....	..
Lehigh	176	421175	158	556766	73791	2
Nazareth	22	166600	66	156606	.....	
Penn-Allen	29	51450	14	16646	5061	
Pennsylvania ...	50	265735	142	434069	27284	3
Phoenix	8	12400	17	50349	2000	..
Vulcanite	46	189441	40	92428	14099	..
Total	863	3105093	907	2799848	280329	13
		280329		134782		
		3385422		2934630		

COPY BOUND C

EXHIBIT XV TO ANSWER—FORM 1

Form 1

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: June 13th, 1921.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

GENTLEMEN: We desire to call attention to specific contract No. 5437 for Vulcanite Brand of Cement for 2,500 barrels sold to Engineering Supply Co. for delivery at Weehawken, N. J. with remarks as indicated by check marks herein.

Check

..... 1. This contract appears to be a duplication of — Company's No. —.

V

..... 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or contemplated.

..... 4. The construction work covered by this contract was completed — months ago.

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

[fol. 134½]

..... 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

Received Jun. 14, 1921. Cem't Mfg. Prot. Ass'n.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

OSE IN CENTER

[fol. 135] EXHIBIT XVI TO ANSWER—FORM 2

Form 2

Cement Manufacturers' Protective Association,

19 West 44th Street, New York

Buildings

Sep. 23, 1920.

No. 1345-1399. Brand, Dexter. Delivery Point, New York City.
Description of Work, Apartment house, 188th St. & St. Nicholas Ave.
Location, New York City. (St. and No.) ——.
Contractor, La Sala Constr. Co. Architect, —— ——.
Purchaser, Theo. C. Wood, New York City.
Total Am't of Contract, 600 bbls. Nothing shipped.
Date of contract, January 2nd, 1920.
" " expiration, 12-31-20.
Has above contractor been awarded this work? —.
Has work started? —. If so, when? —.
Is foundation in? —. Is superstructure started? —.
How many floors to be finished. —.
How much cement did each floor take? —.
Give dimensions of building —.
What kind of construction—steel, reinforced concrete, etc.? —.
[fol. 135½] How much cement does contractor say he has used? —.
How much more cement does contractor say he will use? —.
What other brands are being furnished for this work? —.
If work has not started state date it will go ahead? —— —. ——.
Estimate date of completion —— —. ——.
Is any of the cement under this contract to be furnished to subcontractors? —.
How much cement dealer's books show has been used? —.
Source of information, Mr. Elliott of the Theo. C. Wood Co. states the above job was completed April 1, 1920. Mr. Elliott showed auditor his records showing that 1,527 bags of cement were delivered & used on this work.
Remarks: ——.

Date Nov. 14, 1920.

(Signed) Irving Oberman

This Form is to be used by the Auditor on the Work.

(Back:) Received Nov. 16, 1920. Cem't Mfg. Pro't Ass'n, Per —— ——.

[fol. 136] EXHIBIT XVII (a) TO ANSWER—FORM 5

Form 5

Cement Manufacturers' Protective Association,

19 West 44th Street, New York

Audit No. 5276.
Contract Vulcanite-5137.

Date June 29th, 1921.

Purchaser: The Engineering Supply Company, Jersey City, N. J.
Work: Paterson Plank Road, Weehawken, N. J.
Contractor: Edward J. Flaherty.
Contract: June 6th, 1921—2,500 barrels. Nothing shipped.

GENTLEMEN: The work covered by the above contract has been investigated and the facts as reported by the auditor are given below:

Edward J. Flaherty has been awarded a contract to pave above road.

The contractor stated that he has contracted for 2,500 barrels of cement with the Engineering Supply Company of Jersey City, N. J.

The job has not been started to date.

Auditor's Estimate

2,720 lin. ft. of bluestone curb	55	barrels.
3,500 sq. yds. of base 8" thick mix. 1:1½:3	1,500	"
7,500 sq. yds. of grouting	685	"
Approximate Total Requirements	2,240	barrels.

[fol. 136½] Date of Audit, June 25th, 1921.

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by — this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, Per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufacturers having the contract for comparison with information in possession of the manufacturer.)

[fol. 137] EXHIBIT XVII (b) TO ANSWER—FORM 5

Form 5

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Audit No. 4614

Contract Pennsylvania 1167

Date November 24, 1920.

Purchaser: Drescoll Brothers & Company, Ithaca, New York—Work: Paving, curbing, crossings, etc. for city of Ithaca, New York—Contractor: Jos. Campbell & P. D. Conley—Contract: April 16th, 1920, 4,000 barrels—Balance due November 1, 1920, 2,843 barrels.

GENTLEMEN:

The work covered by the above contract has been investigated and the facts as reported by the auditor are given below.

Source of information: H. L. Stewart, City Engineer: Joseph Campbell.

H. L. Stewart states that no such work as stated above is at present being done nor is such work contemplated.

Mr. Campbell states that he is not doing any work for the city of Ithica, nor is P. D. Conley. They know of no contract for cement with Drescoll Brothers & Company.

Dated of Audit—November 23, 1920.

FK.

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, Per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufacturers having the contract for comparison with information in possession of the manufacturer.)

[fol. 137½] EXHIBIT XVII (c) TO ANSWER—FORM 5

Form 5

Cement Manufacturers' Protective Association

19 West 44th Street

New York

File Knickerbocker—792.
Date June 9th, 1920.

#3260

DEAR SIR:

The work covered by the following contract has been investigated and the facts as reported by the auditor are given below for your information:

Knickerbocker—792.

Purchaser: Massachusetts Lime & Cement Company, East Cambridge, Mass.—Work: Service Station 950 Commonwealth Ave., Boston, Mass. Owner: J. Shapiro—Contractor: J. Shapiro—Contract: February 4th, 1920.—4,500 bbls. Balance due June 1st, 1920 3,634 bbls.

Auditor visited location, dealer and contractor.

Mr. Snider says nothing delivered on this contract.

Mr. Dunn manager of Olds Company who leased the vacant lot at 950 Commonwealth Ave. says it cannot be used for commercial building as lot is restricted.

At Brookline Town Hall, clerk stated that several of the lots were restricted but as the vicinity has changed from a residential to a business district, the restrictions are about to be raised.

J. Shapiro states that number should have been 840 Commonmonwealth Ave. and he does not know whether the building will be erected this year.

[fol. 138] Mr. Shapiro Jr. on job stated that he does not expect the proposed garage at 840 Commonwealth Ave. to go ahead this season.

Date of Audit—May 28th, 1920.

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association. Per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufactur- having the contract for comparison with information in possession of the manufacturer.)

[fol. 138½] EXHIBIT XVIII TO ANSWER FORM 6

Form 6

Use this form when sending reply duly signed.

6/30/21

Cement Manufacturers' Protective Association, 19 West 44th Street, New York, N. Y.

GENTLEMEN:

Referring to your report File Vulcanite—5437
Date June 29th 1921

	Check Here
1. We find your report is correct	V
2. We are making further investigation	
3. We desire you to make further investigation for the reasons noted below	
4. Your report has been compared with our information and we submit below additional facts	

Vulcanite Portland Cement Company.

Manufacturers to use this form in reply to Form No. 5.

[fol. 139] EXHIBIT XIX TO ANSWER, FORM 23

Form 23

Cement Manufacturers Protective Association

Following are the Statistics of the Edison Portland Cement Company for the Month of June, 1921

Clinker Produced

1st 6 months of 1920	703,067	Bbls.
1st 6 months of 1921	562,057	Bbls.
June 1920	148,633	Bbls.
June, 1921	156,353	Bbls.

Cement Ground

1st 6 months of 1920	698,350	Bbls.
1st 6 months of 1921	550,257	Bbls.
June, 1920	147,133	Bbls.
June, 1921	156,353	Bbls.

140

Exhibit XX to Answer—Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF MARCH, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND									
																			CLINKER				CEMENT					
	First 3 Mos. 1918	First 3 Mos. 1919	% Change	March 1918	March 1919	% Change	First 3 Mos. 1918	First 3 Mos. 1919	% Change	March 1918	March 1919	% Change	First 3 Mos. 1918	First 3 Mos. 1919	% Change	March 1918	March 1919	% Change	Feb. 28 1919	March 31 1918	March 31 1919	% Change	Feb. 28 1919	March 31 1918	March 31 1919	% Change		
Allentown	8	95	+1088	8	40	+400	7	95	+1257	7	40	+471	66	60	—9	42	31	—26	17	6	17	+183	86	16	93	+494		
Alpha	215	169	—21	109	4	—96	238	110	—54	101	3	—97	373	240	—36	207	127	—39	337	239	338	+41	476	279	332	+26		
Alsen																												
Atlas	1064	1151	+8	475	485	+2	1066	1151	+8	476	485	+2	921	727	—21	469	279	—41	0	0	0		999	564	1205	+114		
Bath	47	75	+60	43	43	0	46	86	+43	39	53	+36	57	84	+47	40	50	+25	100	33	91	+176	71	33	73	+121		
Cayuga																												
Coplay	216	93	—57	91	27	—70	216	164	—24	92	73	—21	178	117	—34	96	50	—48	86	96	19	—80	91	99	115	+16		
Dexter	95	182	+92	24	67	+179	109	154	+41	41	41	0	107	*119	+11	66	**55	—17	34	25	60	+140	76	30	62	+107		
Edison	21	325	+1448	21	111	+429	32	324	+913	32	115	+259	178	99	—44	97	53	—45	40	20	36	+80	346	37	408	+1003		
Giant L. V.	117	111	—5	56	48	—14	117	111	—5	56	48	—14	130	110	—15	72	47	—36	1	0	1		40	39	41	+5		
Giant Norfolk																												
Glens Falls	81	135	+67	35	50	+52	61	128	+110	20	45	+50	49	34	—31	23	13	—43	11	70	16	—77	205	215	236	+10		
Helderberg																												
Hercules	0	109		0	44		20	101	+405	20	36	+80	56	60	+23	29	26	—10	28	1	36	+3500	34	11	44	+300		
Knickerbocker	111	162	+46	36	0		115	167	+45	38	0		71	75	+6	41	41	0	66	109	66	—39	277	184	235	+28		
Lawrence	189	198	+5	80	61	—24	115	151	+31	46	48	+4	147	84	—43	77	40	—48	86	138	101	—26	146	121	154	+27		
Lehigh	448	538	+20	119	210	+76	495	626	+26	150	222	+48	509	417	—18	277	177	—36	2	4	5	+25	824	308	870	+182		
Nazareth	114	273	+139	104	112	+8	116	232	+117	106	75	—29	103	103	0	54	55	+2	22	31	60	+94	241	148	260	+76		
Penn-Allen	10	108	+980	10	60	+500	10	108	+980	10	60	+500	84	58	—31	48	26	—46	0	0	0		81	38	114	+200		
Pennsylvania $	204	296	+45	56	75	+34	271	143	—47	71	45	—37	165	124	—25	97	58	—40	149	67	179	+167	112	170	99	—42		
Phoenix	0	0		0	0		4	0		0	0		35	xx		20	†		23	23	23	0	x	46	x			
Security	105	109	+4	65	75	+15	98	93	—5	52	65	+25	119	86	—28	60	53	—12	34	31	47	+52	50	52	62	+19		
Virginia																												
Vulcanite	182	81	—56	75	49	—35	185	79	—57	73	48	—34	139	97	—30	68	47	—31	3	5	4	—20	55	101	56	—45		
Total	3227	4210	+30	1405	1561	+11	3321	4023	+21	1440	1502	+4	3487	2703	—22	1884	1228	—35	1019	898	1099	+22	4210	2491	4481	+80		

* Includes 48,272 bbls. shipped for account of another mill.
** Includes 20,442 bbls. shipped for account of another mill.
xx 48,990 bbls. shipped for their account by other mills.
† 21,136 bbls. shipped for their account by other mills.
x Stock overruns, will advise amount when same is all sold.
$ Includes figures for Cayuga plant.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Total Shipment

1st 6 months of 1920	583,394 Bbls.
1st 6 months of 1921	542,829½ Bbls.
June, 1920	163,246 Bbls.
June, 1921	165,136¾ Bbls.

Stock on Hand

Clinker May 31st, 1921	27,000 Bbls.
Clinker June 30th, 1920	36,000 Bbls.
Clinker June 30th, 1921	27,000 Bbls.
Cement May 31st, 1921	183,161½ Bbls.
Cement June 30th, 1920	175,987 Bbls.
Cement June 30th, 1921*	174,126¾ Bbls.

NOTE.—Please fill out and return to this office by July 4th, 1921.

19 West 44th Street, New York City.

(Here follows Exhibit XX to Answer, marked side folio page 140.)

[fol. 141] EXHIBIT XXI TO ANSWER—FORM 24

Form 24

Cement Manufacturers Protective Association

19 West 44th Street,

New York City.

Nazareth Cement Co.

Total Shipments

May 1st to May 15th, 1920	36,433 Bbls.
May 1st to May 15th, 1921	43,776 Bbls.

*250 barrels used at our mill have been deducted.

[fol. 141½] EXHIBIT XXII TO ANSWER—FORM 14

Form 14

Cement Manufacturers Protective Association

Shipments, May 1st, 1921, to May 15th, 1921

Company	1920	1921	Change, per cent
Allentown	30,894	20,413	—34
Alpha	192,732	103,535	—46
Atlas	267,426	224,311	—16
Bath	36,407	35,175	— 3
Cayuga	19,234	21,906	+14
Coplay	27,838	39,161	+41
Dexter	27,890	42,537	+53
Edison	80,323	55,716	—31
Giant	26,427	35,753	+35
Glens Falls	22,287	21,190	— 5
Hercules	20,851	17,786	—15
Knickerbocker	66,509	26,632	—60
Lawrence	40,818	71,856	+76
Lehigh	111,500	181,801	+64
Nazareth	36,433	43,776	+20
Penn Allen	26,300	24,179	— 8
Pennsylvania	40,883	62,652	+53
Phoenix	30,553	24,792	—19
Security	39,007	28,207	—28
Vulcanite	50,961	44,865	—12
Total	1,215,273	1,126,243	— 7

5-17-21

[fol. 142] EXHIBIT XXIII TO ANSWER—FORM 26

Form 26

Cement Manufacturers Protective Association

19 West 44th Street,

New York City

Coplay Cement Manufacturing Co.

Bag Returns for Six Months Ending June 30th, 1921

Total bags returned	Total bags rejected
1,474,521	21,025

1.43

EXHIBIT XXIV TO ANSWER—FORM 19

Form 19

Cement Manufacturers Protective Association

Bag Returns for Six Months Ending June 30th, 1921

Company	Total bags returned	Total bags rejected	% rejected	% rejected same period 1920
Allentown	727,530	21,096	2.90%	3.77%
Alpha	5,128,155	55,044	1.07%	1.21%
Atlas	13,953,241	243,676	1.75%	1.52%
Bath	1,274,847	15,291	1.20%	1.33%
Coplay	1,474,521	21,025	1.43%	2.71%
Dexter	1,289,247	10,405	.81%	1.03%
Edison	1,726,622	65,758	3.81%	3.03%
Giant	1,641,755	63,891	3.89%	1.71%
Glens Falls	486,472	16,987	3.49%	4.49%
Hercules	578,033	16,954	2.93%	1.83%
Knickerbocker ..	1,278,755	2,859	.22%	.53%
Lawrence	2,144,423	66,394	3.10%	2.24%
Lehigh	2,168,249	37,881	1.75%	1.28%
Nazareth	1,527,409	26,054	1.71%	2.04%
Penn Allen	939,877	28,895	3.07%	2.21%
Pennsylvania ...	2,440,035	26,587	1.09%	1.78%
Phœnix	916,649	20,589	2.25%	1.30%
Security	1,001,419	14,422	1.44%	.85%
Vulcanite	1,652,654	22,896	1.39%	1.91%
Total....	42,349,893	776,704	1.83%	1.73%

7-26-21.

[fols. 142½ & 143] EXHIBIT XXV TO ANSWER—FORM 22

Form 22

Monthly Report

Hercules Cement Corp.

7/7/21

Date July 1st, 1921.

No.	Bal. due previous month	Balance now due	No.	Bal. due previous month	Balance now due
	(L. 7-11-21)	(L. 7-11-21)			
938	8,011	6,394			
989	369	369			
1009	15,182.6	15,182.6			
1010	23,000	13,689			
1011	691	691			
1013	439	439			
1014	1,000	1,000			
1015	1,300	1,300			
1017	769	365			
1018	1,269	576			
1020	1,000	1,000			
		(L. 7-11-21)			
1021	569	338			
1023	1,000	1,000			
1027	2,500	2,500			
1028	4,292	3,079			
1029	500	500			
1032	500	500			
1033	1,200	160			
1034	1,500	1,038			
1036		1,800			
1037		461			
1038		1,000			
1039		69			

Hercules Cement Corporation. E. B. Goode, Jr., Sales Manager.

[fol. 144] IN UNITED STATES DISTRICT COURT

[Title omitted]

MOTION AND ORDER MAKING ALLENTOWN PORTLAND CEMENT CO. AND LAWRENCE PORTLAND CEMENT CO. PARTIES DEFENDANT—Filed Oct. 6, 1921

Upon the Motion of the United States of America by William Hayward its attorney for the Southern District of New York, it is hereby ordered

1. That Allentown Portland Cement Company, a Pennsylvania [fol. 145] corporation be made a party defendant to this suit.

2. That The Lawrence Portland Cement Company a Pennsylvania corporation be made a party defendant to this suit.

And that subpœnas be issued and served forthwith upon said Allentown Portland Cement Company and said The Lawrence Portland Cement Company.

(Signed) Jno. C. Knox, United States District Judge.

[fol. 146] [Title omitted]

The United States of America by William Hayward its attorney for the Southern District of New York, pursuant to the provisions of Section 5 of the Act of July 2, 1890 entitled "An Act to protect trade and commerce against unlawful restraints and monopolies" (26 Stat. 209) known as the Sherman Anti-Trust Act, moves:

1. That Allentown Portland Cement Company, a Pennsylvania corporation, be made a party defendant to this suit, said company having taken over and continued the business of the defendant The Allentown Portland Cement Company, a New Jersey corporation, which was dissolved on June 27, 1919.

[fol. 147] 2. That The Lawrence Portland Cement Company, a Pennsylvania corporation, be made a party defendant to this suit, said company being a manufacturing concern which sells its product through defendant Lawrence Cement Company, a New York corporation.

New York City, October 6, 1921.

Wm. Hayward, United States Attorney. Roger Shale, Special Assistant to the Attorney General.

[fol. 148] [File endorsement omitted.]

[fol. 149] In United States District Court

[Title omitted]

Order That Answer Stand as Answer for Added Defendants—Filed Oct. 13, 1921

The defendants herein having on the 3rd day of October, 1921, filed their joint and several Answer to the Petition herein and an Order having been entered herein on the 6th day of October, 1921, [fol. 150] making and adding Allentown Portland Cement Company and The Lawrence Portland Cement Company, both Pennsylvania corporations, parties defendant to this suit, it is

Ordered, that the said Answer filed on the 3rd day of October, 1921, so far as applicable, be taken and stand also as the Answer of the said added defendants, Allentown Portland Cement Company and The Lawrence Portland Cement Company.

L. Hand, U. S. District Judge.

We hereby consent that the foregoing may be entered as an Order herein.

Wm. Hayward, U. S. Attorney, By Roger Shale, Attorney for Plaintiff, Oct. 11, 1921. Archibald Cox, Attorney for Defendants.

[fol. 151] [File endorsement omitted.]

[fol. 152] IN UNITED STATES DISTRICT COURT

[Title omitted]

STIPULATION RE HEARING OF CAUSE ON RECORD IN CASE OF U. S. v ATLAS PORTLAND CEMENT CO. ET AL.—Filed Dec. 27, 1922

To expedite the hearing and determination, it is hereby stipulated and agreed that this cause be heard and determined upon the record made at the trial of the case of the United States of America vs. The Atlas Portland Cement Company, et al., in the United States District Court for the Southern District of New York, before the Honorable John C. Knox, J., and a jury, April 4 to May 26, 1922, without other evidence, that is to say all the testimony, exhibits and stipulations presented at said trial shall be used herein with the same force and effect as if duly offered and introduced herein subject to rulings of the Court herein on the objections interposed to any of the evidence when offered or recived at said trial.

A. T. Seymour, Asst. to the Attorney General. J. A. Fowler, Roger Shale, Special Asst. to the Attorney General. Archibald Cox, Sol. for Defendants. December 15, 1922.

[fol. 153] [File endorsement omitted.]

[fol. 154] IN UNITED STATES DISTRICT COURT

Record in United States of America v. The Atlas Portland Cement Company et al., in the United States District Court for the Southern District of New York, Before the Honorable John C. Knox, J., and a Jury, April 4 to May 26, 1922.

Appearances: For the Government: William Hayward, Esq., United States Attorney; James A. Fowler, Esq., Roger Shale, Esq.,

Special Assistants to the Attorney General; John E. Joyce, Esq., Assistant U. S. Attorney; for the defendants: Henry L. Stimson, Esq., Archibald Cox, Esq., George T. Buckingham, Esq., Joseph Cotton, Esq., Louis H. Porter, Esq., Goldthwaite H. Dorr, Esq., Kenneth M. Spence, Esq., Thurlow M. Gordon, Esq., and Leland B. Garretson, Esq.

[fol. 155] GEORGE HOWARD ELLIOT, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I reside in Philadelphia. I am vice president in charge of sales of the Whitehall Cement Manufacturing Company, which is not one of the defendants in this suit. I have been vice president since January 1st, 1921. Prior to that time I was manager of sales. I have always been engaged in the cement business, never as an operating man, always in the sales department.

After the stone has been pulverized it passes through a rotary kiln in which it is exposed to a heat of approximately 2,800 to 3,000° F. and comes out in the form of clinker. Clinker is not subject to deterioration when exposed to the weather. We have had clinker exposed to the elements for as long as 22 months without being damaged. All cement sold must meet the so-called standard specifications. There is no reason why cement should not be made better than required by the so-called standard specifications.

I was with the Alpha Portland Cement Company, one of the defendants, from the beginning of March, 1912, until the end of March, 1916, then with the Edison Portland Cement Company, one of the defendants, until September 30, 1918 (see p. 159). Before I went to work for the Alpha Company in 1912, I was selling cement in the employ of Lesley & Trinkle Company, of Philadelphia, selling agents for the American Cement Company, who then manufactured Giant cement. Lesley & Trinkle Company also sold foreign cements and natural cements (p-. 160-1).

The general method employed by various companies in selling cement, according to my experience and knowledge, is that they [fol. 156] have a sales force and those salesmen cover a certain territory and solicit business either through the dealer or the contractor, or practically anywhere where they can sell cement. The dealer always carries his stock of cement, he has teams and usually tracks running into his warehouse, so that he is in a position to receive shipments of cement and deliver it either in small lots or large. He is between the manufacturer and the consumer. The contractor purchases cement both ways, they sometimes buy direct and sometimes buy through the dealer.

I was salesman for the defendant Edison Company from April 1, 1916 to May, 1917, and then I was District Manager from May 1, 1917 until the end of September, 1918. As District Manager my office was in Philadelphia, and I had the southern part of the State of New Jersey, Delaware, Maryland, and I think about twenty coun-

ties in the eastern part of Pennsylvania. The method of making sales of the Edison Company at that time was: I was given a price, I had a force of salesmen, and I was given a price to solicit business, and we took business on the price given to us by the home office. I had no discretion whatever with reference to that price. That price applied to any point in my territory. What I mean is the price was figured at so much at the mill, and then there was a charge additional for sacks, and to which we added the freight rate to any given point. The company had a mill base price, but we sold on a delivered price. They told me the price at the mill, but required me to sell f. o. b. [fol. 157] at the point of delivery. That was the custom. That was the way we were told to do it. I reached the price at the point of delivery by taking the price at the mill and adding the sacks and adding the freight. I knew what to add to the mill base price because I had a freight rate book.

The three pamphlets or books handed me are freight rate books—the same as I used when I was with the Edison Company. The home office furnished those books to me. They have three columns showing Universal, Union Bridge and Lehigh Valley. During the time I was connected with the Edison Company, I was only interested in the Lehigh Valley freight rate, because the points in my territory were governed by that freight rate. I didn't go into any other section. My territory was all nearest the Lehigh Valley and all the cement that I distributed came from there. The Edison mill is in the Lehigh Valley district. The Lehigh Valley point was called the Lehigh Valley base. The book shows the freight rates from that point to every station or delivery point in my territory, unless it was some very small station that possibly had no agent, or something like that. In my experience, I did not find any point that was not designated in that book.

The Universal base mentioned in the Pennsylvania book is located at Universal, Pa., near Pittsburgh. Our mill is in the Lehigh Valley district, seven miles above Allentown. The Lehigh Valley is a valley between two mountains and the mills in that valley are in the Lehigh [fol. 158] Valley district. I don't know how large a district the Lehigh Valley is. There is not more than twenty miles between any of those mills. It is in the eastern part of Pennsylvania. Universal is in the extreme western part of Pennsylvania. Union Bridge, mentioned as a basing point in the freight rate book, was down in Virginia or Maryland, but I have never used that. Fordwick is in Virginia. I have never used that.

During my connection with the Edison Company, if I was going to sell cement at Altoona, Pa., which was not in my territory, the only way I could make a price would be to call the New York office and have them give me a price at Altoona. I had as far as Lancaster. To compute the price of cement at Lancaster, I would take my price at the mill plus my sacks and plus my freight rate to Lancaster, which in this book is mentioned as 39 cents as the Lehigh Valley rate. The Universal rate in the book to Lancaster is 53 cents. I would take the lowest one in my district. The Lehigh Valley rate

was the lowest to all the points. If I had an opportunity to sell cement out at Pittsburgh or Altoona, I would have to shrink some freight to get into that town, because a shorter haul would have a lower rate. Strictly, I could not consider Altoona. I would call up the New York office and ask them for a price at Altoona. Anyone in the sales department would give it. I wouldn't know exactly how they computed it, because it was not in my territory and I did not have all the details concerning the sale of cement in that section. I might not be asked for a price at Altoona once in a year. I never [fol. 159] deviated from that method of fixing prices in my district while I was with the Edison Company, from April 1, 1916 until September 30, 1918.

I was with the Alpha Company, one of the defendants, from the beginning of March, 1912 until March 31, 1916. The method of quoting prices of cement while I was with Alpha was practically the same as when I was with Edison. We were given a price at which to solicit business and took orders at that price. They used a freight rate book similar to that which I am shown during the whole period while I was with Alpha. They were furnished to me by the Alpha Company. The books marked Government's Exhibit No. 3, 4 and 5 for identification, are the same style of book that I used. My district when I was with the Alpha Company consisted of Delaware, the southern section of New Jersey, the eastern shore of Maryland and four or five counties of Pennsylvania around Philadelphia. I computed the price of cement the same way, by having a mill price and then adding the cost of sacks plus the freight rate to any given point. I was not permitted to deviate from the price given me by the Alpha Company.

When I was working for the Edison Company, we would be asked for prices and make prices on the same job that other companies were bidding on, that possibly various contractors were figuring on. We wouldn't know what price the competitors bid, but it was very easy to find out what price they had paid. If you knew the contractor very well or if you knew the dealer, he would tell you what [fol. 160] prices he had. I found out the prices offered by other concerns from time to time. We would invariably find out any man who received a price and if you named a higher price, he would always tell you he had something better, that you would have to do a little bit better to get the business.

While I was representing the Edison, I had no way of knowing how the other defendants computed their prices. I would find out the different prices that were made, but I would have no way of knowing how they were arrived at. The same conditions prevailed when I was working for the Alpha Company. The Alpha Company were using their freight rate books when I first went with them in March, 1912.

The books referred to by the witness as similar to those used while with the Edison Company are marked for identification as follows:—Government's Exhibit 6 for Identification, freight rates for the State of New York; No. 7 for identification, freight rates in

the New England States; No. 8 for identification, freight rates in Maryland, Delaware and the District of Columbia.

Cross-examination by Mr. Stimson:

The manufacture of cement is a pretty complicated business. It takes a good deal of skill and a good deal of care to get the mixture right. It is followed all long with laboratory tests. It can be spoiled and sometimes is, and in that case you lose the whole batch [fol. 161] in which the mistake has taken place. The chief elements of cost are coal and labor. During the year 1920 we had trouble with coal. We couldn't get coal delivered and had to pay a very high price for it from about April or May forward. I was then with the Whitehall Company, which is not in the Cement Manufacturers Protective Association. We paid during that year around $10.50 at the mines for some coal. In ordinary years we paid $1.75, $2.25, $2.50. It went up to over $10 from $1.75. That made a great difference in the cost of cement. I do not think that the cost of labor was abnormally high during the year 1920.

We couldn't get any cars to make shipments of our cement. That was quite an aggravated condition with us. All the companies in the Lehigh Valley were having great trouble in getting cars to deliver their cement and in getting cars to get coal. That was a general condition in the Valley that year. We did everything we possibly could. We used gondola cars. We bought canvas to cover the cement. We also used some old hopper cars that were out of use. We bought the lumber to floor them and put the floors in the cars, and bought tarpaulins to ship them into New York. The other companies were doing the same thing. They were making every effort to deliver, even in cars which required extra care and expense for protection. I heard of some companies delivering by truck, even, motor truck.

The book shown me contains an executive order signed by the President of the United States, directing that all cement used by the [fol. 162] Government shall conform to the test there given. This test was gotten up through the American Society for Testing Materials, and different engineers, and the Bureau of Standards, all organizations outside of the cement manufacturers. That virtually eliminated all difference between the different brands of cement on the market. In the sales department, I found that after that time practically all brands of cement were treated alike by builders and architects. All anybody wanted to know was whether it would pass this set of tests.

Offered in evidence, Defendants' Exhibit D-1. Printed in part in Exhibit Book, p.—.

Since that time I have found that this uniform standard tended to make a very uniform cement throughout the market, in its treatment by everybody. For instance, if a man could get cement manufactured by one company at 5 cents less than it was offered by another company, he would take the cheaper one, no matter what the

brand was. That was true universally, so far as the general market was concerned.

I have been in the cement business since 1901. During that period the use of Portland cement has so developed that it has driven foreign cement absolutely out of the field. The increase of Portland cement has also resulted in there being no natural cement on the market, so far as I know. There has been a constantly expanding production of Portland cement and instead of being an import that we used to import from foreign countries, we have now developed an export trade.

[fol. 163] The American Company, which the Lesley & Trinkle Company represented when I was with them, went into bankruptcy between the first of January and the end of February, 1912.

Cement would not be affected very much by air, it it did not rain or if it was not left in the air too long, but even in the air without rain, it will deteriorate with time. If rain falls on it, it will spoil. It is a pretty heavy product, which requires a truck to carry it to the job. Some contractors own their own trucks or have a contract with a teaming or trucking company who does all their trucking, irrespective of cement or anything else. In other cases, they depend on the dealer. It is very common for them to depend on the dealer to give them just the little amount that they require from time to time. If they have a lot of cement lying around the job, it would absolutely have to be protected, whereas if they could have a dealer to draw on as they needed it on the job, the dealer protects it. Most of the cement that the dealer stores goes out in small lots. He buys it in carload lots, thereby getting a lower freight rate on the railroad. The freight rate in less than carload lots is much higher than for carload lots. The dealer then sells it in less than carload lots. The amount of cement that the dealer handles in that way is a big percentage of the cement on the market. I would say it was more than half.

[fol. 164] The dealer also handles local credits. He knows his local business and he knows the responsibility of the builders there. To a great extent it is a fact that the dealer controls in his locality very substantially the market for the cement that is sold there, and he can say which company's cement will be used. That gives him a good deal of power.

So far as specific job contracts were concerned, while I was with the Alpha and with the Edison, in case the price of cement on the market fell before the time for delivery, the dealers usually got the lower price. As a matter of general practice, if the price went down, the companies did not try to hold the dealer.

Under the method of calculating the delivered price, while I was with Alpha and also with Edison, all that my mill had to do in order to let me know what I could sell cement for in any place in my district, was to tell me the mill price and give me one of these freight rate books. As far as I was concerned, that was a considerable convenience. Otherwise I would have had to get the tariff of the different railroads going into that town and figure up the cost of

a barrel of cement from the tariff. That is a very serious job. If I tried to calculate the railroad rate under a modern tariff from the Lehigh Valley to a small town in Maryland off the main line, with several changes of railroads, it would take quite a good deal of time. In this book I find it all done for me. That is all this book was. It [fol. 165] was simply a list of the different towns and railroad stations in my district, with the freight rate calculated beforehand from the railroad tariff from the Lehigh Valley to that place. That is all it was. It was a good deal of a labor-saving device. I never heard of anything secret about it that anybody could not do if he tried.

Before the Cement Manufacturers Protective Association was formed in 1916, the Alpha Company, for example, by itself furnished us books in the same way. So far as I know, all that the Cement Manufacturers Protective Association has done has been to do as an association what the Alpha Company used to do by itself in regard to these freight rate books. It is just exactly what the companies did before by themselves.

Our company thought it would like to have a set of the freight rate books and wrote to the Cement Manufacturers Protective Association to ascertain the cost thereof. Upon receipt of advice that there would be no charge for the books we did not obtain any copies. We have our own freight department and proposed to use the books simply to check against our rates to see if they were correct.

While I was salesman for the Alpha Company, I would go circulating wherever I thought I could sell my cement. My principal class of customers were the dealers. When I went to a dealer I would find others offering cement. I always tried to take away a dealer from another company, if I could. Other companies tried to take away dealers from me. I occasionally succeeded and I suppose the others sometimes succeeded. I did my best to get business. I tried to increase the business in that district at the expense of the other Lehigh Valley companies, by taking away business from them. That is what I was told to do. That was evidently what they tried [fol. 166] to do to me. That lasted as long as I was with Alpha. Then I went over to Edison as a salesman, but about a year later I was made district manager. My function as a salesman there was the same thing as with Alpha. I did the same thing. I found the other companies in that district trying to do the same thing. I did just what I did with Alpha before.

While I was with Alpha the price did not remain the same all the time—not by a long sight. I remember that cement went very low about December, 1914. We had instructions about watching the price which other companies were asking. We always did that. We were always told to watch the price and report any new figure that we heard. That was part of my regular duty. Watching other companies was a matter of routine. We did it practically all the time. When I found out any change in price by any other company, I notified the office, the Alpha headquarters. We would find out that there was any such change from the dealers, or possibly the contractor, on whom we called. They would tell me that some other

company had offered it at a lower price. I remember a number of times when after I had reported that, my own company changed its price to meet it. I don't know whether it was a great many times, but whenever the occasion arose.

I remember that in 1915, the latter part of 1914 and the early part of 1915 cement went way down by a succession of drops. The prices of the different companies followed each other down as fast [fol. 167] as it went down. As fast as one company went down, the others followed suit as soon as they heard of it. They could not have sold very much cement if they didn't. You could not sell if you stayed up. I would have no way of knowing the cost in those days, but they went to a very low price. It was commonly said all around that they were selling below cost.

This method of my watching the other fellow was true at all the time I have been a salesman, all the time I was with the Alpha and all the time I was with Edison. There wasn't any difference in that respect at all between the time before 1916 when the Cement Manufacturers Protective Association was formed and after it was formed. They still kept up this watching each other, absolutely. That made no difference at all. Whitehall today does the same thing.

When I spoke about shrinking freight or absorbing freight to get into Altoona, I meant that the freight which some competitor nearer Altoona would have to pay to get to Altoona was less than our freight and we would have to absorb the difference if we wanted to go into that town. If, for instance, a competitor was offering cement f. o. b. Altoona at $1.50, and his mill price was $1.00 and our mill price was $1.00, and it cost him 50 cents to get there and it cost us 75 cents to get there, we would have to absorb the difference of 25 cents in the freight rate, if we wanted to compete with him in that town, [fol. 168] which means that our mill, instead of getting a dollar, would only get 75 cents per barrel out of that sale there. The rest would go to the freight company.

Redirect examination by Mr. Fowler:

With reference to shrinking that freight, I meant that you had to absorb that freight if you bid at the same price, to put your cement there at the same price as the other fellow. If we had shrunk it a little more and gone under, I should say we would have got the business. What we did was to shrink and get down to where the other fellow was.

The determining factor in getting that business when you both made the same price was the personal equation of the salesman and possibly the fact that the dealer or contractor in question had used the brand before and liked it, maybe a matter of service or possibly some personnel of the company that would influence it. I think the brand of cement has some bearing. There might be some influence from a man who has used it and has known it to be satisfactory over a period of time. Where the same price is put on cement at the same locality, the matter of price is eliminated so far as competition is

concerned, and the question of sale depends on the other matters that I have described.

The price went very low in 1914 and 1915. I think that was the [fol. 169] lowest price at which cement had ever been sold. I sold cement in 1914 or 1915 for 60 cents at the mill. In 1916 cement went over a dollar. I don't just remember the exact figure. In 1917 it went to $1.35. In 1918 the Government fixed the price. During the war the Government fixed the price. Cement was lowest in 1915. The Cement Manufacturers Protective Association was organized in 1916. The price of cement is higher now than it was at that time. It has gone up and down. It has fluctuated. In these years subsequent to 1916 it was higher than it was prior thereto. I think the starting of 1921 it dropped.

I spoke about trying to get business while I was working for Alpha and also while I was working for Edison. I tried to get dealers from other parties and they tried to get them from me. I did not have any discussion as to what price I would put on our cement. I had positive instructions that I had to sell every bit of it at the particular price designated to me. When I got a dealer from another fellow, I got him by talking up service and the personal element.

My present company had some old freight books that we used just as a check. We quote all our prices f. o. b. our plant and we figure our freights from the tariff. The customeer pays the freight between the mill and the point where it is delivered. We simply use this freight rate book to check the figures which we get from the tariff. Those figures contained in these books to a given point differ slightly from the tariff. Sometimes there is a fraction of a cent more or a [fol. 170] fraction of a cent less. The variations are not all in excess, but to avoid a fraction of a cent, I should say the rate could be figured either way.

Recross-examination by Mr. Stimson:

If we went down 5 cents below the other man at Altoona, instead of coming down to his price, undoubtedly if he wanted to hold the business he would possibly come down to our price, so we would both be level again.

Cement prices dropped in 1919 after the war. They dropped below what they had been during the war. The prices during the war were prices fixed by the Government. After the war the first thing prices did was to come down below that price. They came down again in the fall of 1920. I was in error in saying it was 1921. There have been several fluctuations since 1916. The first drop in 1920 was about December 1st, 1920.

With my present company, we tell the purchaser what the freight rate is and what the mill price is. We give him both elements separately. The other companies gave it together. That is the only difference.

[fol. 171] MARY BELLE PHALEN called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I reside in New York City. I was employed by the Cement Manufacturers Protective Association on May 13, 1918 (p. 303). About a month after I went with the Association I was elected secretary and have been secretary of the Association ever since. I have custody of the books and papers.

The only members of the Association are manufacturing corporations, namely: The Atlas Portland Cement Company, The Allentown Portland Cement Company, Alpha Portland Cement Company, Bath Portland Cement Company, Coplay Cement Manufacturing Company, Dexter Portland Cement Company, The Edison Portland Cement Company, Giant Portland Cement Company, The Glens Falls Portland Cement Company, Hercules Cement Company, Knickerbocker Portland Cement Company, Inc., The Lawrence Cement Company, Lehigh Portland Cement Company, Nazareth Cement Company, Penn-Allen Cement Company, Pennsylvania Cement Company, The Phœnix Portland Cement Company, Security Cement and Lime Company and The Vulcanite Portland Cement Company.

The home office of the Association has been at 19 West 44th Street, in the City of New York, ever since I have been secretary. We have a loft space divided up by partitions, not a very large one, say about 14, perhaps, by 20. That is, approximately, I am not a very good judge of that.

I am not acquainted with John R. Morron at all. He has never attended one of the meetings. I don't know what he looks like. I know the name of the president of the Atlas Portland Cement Com-[fol. 172] pany is John R. Morron. I am not personally acquainted with W. E. Miner. He has never attended one of the meetings of the Association that I can recall.

I was present at the meetings with few exceptions occasioned by my illness. I kept the records. A public stenographer was engaged to take the stenographic notes. The meetings were not called specially. They met once a month, usually the third Thursday.

The Association had printed and furnished to its members what were known as freight rate books. They were printed at the expense of the Association by T. C. Davis in Philadelphia. As a means of saving time they were forwarded directly from the printer's office to the members who were to receive them and the surplus was delivered to the Association. They contained freight rates. The book handed me is what is called the New England book, covering all the states under New England.

Offered in evidence Government's Exhibit No. 9. Printed in part in Exhibit Book, p. —.

The next one covers New York.

Offered in evidence Government's Exhibit No. 10. Printed in part in Exhibit Book, p. —.

The next one covers Virginia.

Offered in evidence Government's Exhibit No. 11. Printed in part in Exhibit Book, p. —.

[fol. 173] The last one covers West Virginia.

Offered in evidence Government's Exhibit No. 12. Printed in part in Exhibit Book, p. —.

There were eight books in the complete set, I believe. These exhibits are only four of one set. The District of Columbia, New Jersey, Pennsylvania and an Ohio book would complete the eight.

A freight rate book for Pennsylvania, marked Exhibit 3 for identification, offered in evidence as Government's Exhibit No. 3. Printed in part in Exhibit Book, p. —.

A freight rate book for New Jersey, marked No. 4 for identification, offered in evidence as Government's Exhibit No. 4. Printed in part in Exhibit Book, p. —.

A freight rate book for Maryland, Delaware and District of Columbia, marked No. 5, offered in evidence as Government's Exhibit No. 5. Printed in part in Exhibit Book, p. —.

The paper shown me entitled "Outline of Plan for a Protective Association of Cement Manufacturers." "Revised to January 1, 1921." is the plan and also contains the constitution and by-laws.

Offered in evidence Government's Exhibit No. 13. Printed in Exhibit Book, p. —.

[fol. 174] The by-laws provide that when the freight rates are changed between points by the railroads, these books shall be corrected. That was done. If there were not very many, notice of the corrections was sent out from the office to the members who possessed the books, and the member was supposed to note it right on the face of the book at that particular point.

The provision of the by-laws for certain kind of reports to be made by the manufacturers to the Association as to contracts and everything of that kind was carried into effect. These reports applied to specific job contracts. They had nothing to do with the sale of cement directly to the dealer that he took in stock and distributed by sales. If some contractor had a job to erect a large concrete building and he wanted a large quantity of concrete extending over a month's time, it would apply to that kind of a contract. Those forms of reports were printed at the instance of and paid for by the Association. They were distributed among the manufacturers by the Association.

The card shown me is one of the forms provided by the Association to member companies for the purpose of reporting to the Association all information and full data concerning specific job contracts. The information extracted from the contract itself by the member company whose brand of cement was to be furnished on

this specific job contract, was the date of the closing of the contract, the month, day and year, the contract number, the purchaser's name, the purchaser's address, and the work described as fully as possible, together with the location of the work and the contractor's name, the number of barrels to be supplied on that job, the price closed at, [fol. 175] the delivery point and the date of expiration. On the back of the card appeared instructions as to how complete in detail the information should be.

Offered in evidence Government's Exhibit No. 14. Printed in Exhibit Book, p. —.

This other card, designated Form 21, is the form provided by the Association to member companies for the purpose of reporting such changes as may occur in this contract from time to time, giving the following information: The company name, with the contract number and date, the delivery point which was originally mentioned on that other white card, and there is a space provided to check if the contract was completed, cancelled, stating the number of barrels, decreased, with the number of barrels, or increased, with the number of barrels, leaving the balance due, showing the number of barrels, and the date of expiration should it be changed, giving the date it has been extended to.

Offered in evidence Government's Exhibit No. 15. Printed in Exhibit Book, p. —.

The manufacturer made his report on the form like Government's Exhibit No. 14, sometime after he closed the contract. It would be very difficult to say how long after he closed the contract. The time varied with the companies and varied with the contracts. After the contract was entered into, according to custom it was reported to the Association within a few days, with variation, sometimes up to two weeks, possibly later. I never paid specific attention to that. [fol. 176] It was usual for them to be sent in within a very few days. It would be very difficult to say, also, when the reports of modification of contracts on the form Government's Exhibit No. 15 were sent in. If these reports came in an appreciable length of time after the contract was made, there was not any custom on the part of the Association to communicate with the company and ask that more prompt reports be made. There was not any way by which we knew whether the contract had been entered into until the report was made.

This paper, disignated Form 7, is a form which was made up by the Association's office in mimeograph form, showing the receipt of the day's contracts, with other data given on that white card, Form 20, Government's Exhibit No. 14, for this specific date. We filled out that Form 7 at the office from the information contained on the white card, Form 20, Government's Exhibit No. 14. It is made out daily. It shows the number of the contract, the purchaser's name and address, the delivery point, the description of the work, in full, the brand of cement, the date the contract was

closed, the expiration date, the number of barrels sold, the price and a letter which indicates the class of work, that is, whether it is roads, housing, miscellaneous, bridges, railroad work, and so on. Following the list of contracts received that day is also a report from the yellow slips, Form 21, Government's Exhibit No. 15, which were received the same day, notifying the members of such changes as appear, such as cancellations and so on.

Offered in evidence Government's Exhibit No. 16. Printed in Exhibit Book, p. —.

[fol. 177] Our information came in during the day and we made up this report sometime during the day and mailed it out that night everyday except Sundays and holidays. It included every sale reported to the Association's office, that is, only contracts for future delivery, not current sales. If someone did not report we would not know it. The next morning after these reports went out every manufacturer had within his knowledge every contract that had been reported to the Association, and information as to every change in every contract.

Form 8 was compiled by the Association's office and accompanied Form 7, Government's Exhibit No. 16. Form 8 is a summary, giving the number of new contracts received on the specific date, the number of barrels to-day and to date, that is to say, the number of barrels reported to-day plus the number which was previously reported, would make the number to date, the number of contracts cancelled, reinstatements and increases today and to date, decreases to-day and to date. When the manufacturer received it he would know exactly the number of barrels that every cement company had under contract for future delivery on specific jobs for a period from the first of the month to the day of the issuance of that particular report. We would begin on the first day of the month and every day send along this summary, giving the day's result, with the amount previous from the first of the month.

Offered in evidence Government's Exhibit No. 17. Printed in Exhibit Book, p. —.

Form 1 is a form printed and provided by the Association and distributed amongst the member companies to be used in calling attention to any particular contract which they may have occasion [fol. 178] to request an investigation of. The contract may be either a contract made by the company itself or by some other member of the Association. In such a case we would send an Association inspector to make an investigation with respect to the contract. For illustration, if the Alpha Company had made a contract with a man by the name of John Brown through some dealer and does not understand exactly how much cement he wants, it could ask for an investigation of its own contract. It might also include any other contract with any other manufacturer.

Form 1 is offered in evidence, Government's Exhibit No. 18. Printed in Exhibit Book, p. —.

When the association received an inquiry of that kind, the procedure was by another form, Form 2 for buildings, or Form 3 for street pavings, which are the same except for a slight difference in the language. That Form 2 or 3 is filled out by the Association from the original contract card Form 20, Government's Exhibit No. 16, and the request for investigation is indicated and the form thus made out is sent to one of the investigators who proceeds to look into the job. When this is done depends upon the particular case, whether we have an investigator in the immediate neighborhood, or the order in which they come in as we can take care of them.

Form 2 offered in evidence, Government's Exhibit No. 19. Printed in Exhibit Book, p. —.

Form 3 offered in evidence, Government's Exhibit No. 20. Printed in Exhibit Book, p. —.

[fol. 179] We employed from three investigators, which we had as an average, to a few more. They were experts along that line, or supposed to be. They were kept busy most of the time. He would return his information on the same form which was provided by the Association. This Form 5, 5-a and 5-b, was written up, giving the complete information concerning the contract, together with the full information obtained concerning it by the investigator. That report would be sent to the manufacturer who made the inquiry and to any other manufacturer whose brand was to be used on the same job.

Form 5, 5-a and 5-b offered in evidence, marked Government's Exhibit No. 21. Printed in Exhibit Book, p. —.

If the manufacturer is not quite satisfied with the investigation he will write in for a re-investigation. Form 6 is the form provided by the Association for use by the member companies upon receipt of the information obtained by the investigation. It provides spaces to check.

Form 6 offered in evidence, Government's Exhibit No. 22. Printed in Exhibit Book, p. —.

Form 22 is a form provided by the Association to member companies for the purpose of reporting at the end of each month a list of all active specific contract jobs as of that date, together with the balance due in barrels the previous month and the balance now due. A report of that character was sent to our office at the end of each month. That enabled us to check with our files so that they might [fol. 180] accord with the files in the member company offices and we posted the commitments on a little slip attached to the card showing the commitments due at the end of the month as of the date of the report.

Form 22 offered in evidence, Government's Exhibit No. 23 Printed in Exhibit Book, p. —.

[fol. 181] Form 13, Government's Exhibit 24, gives the percentage of commitments compared with shipments for the past twelve months, comparing the percentage of the year of the report with the percentage of the preceding year. That was figured up in our office and was issued quarterly.

From the forms listing active specific job contracts, Form 22, Government's Exhibit No. 23, we made a monthly summary as soon after the first of the month as we could finish the work. We would generally get it out about the middle of the next month.

Offered in evidence, Government's Exhibit No. 25, printed in Exhibit Book, p. —.

Form 9 is a monthly summary of contracts issued at the end of each month summarizing the daily contract reports, Form 8, Government's Exhibit No. 16. Form 9 shows the number of new contracts from the first of the year to the date of the report, the balance to date, the number of cancelled contracts to date and the balance to date, the reinstatement and increases to date in barrels, and the decreases to date in barrels. It was prepared in our office and sent to the member companies.

Offered in evidence Government's Exhibit No. 25, printed in Exhibit Book, p. —.

Form 10 is merely a printed list of the contracts reported to the member companies on the daily sheets for an entire period. This Form 10 shows every specific job contract which is in force at the [fol. 182] time of its publication. It was sent out quarterly.

Offered in evidence Government's Exhibit No. 26, printed in part in Exhibit Book, p. —.

This quarterly report was made up from Form 7, Government's Exhibit No. 16, originally. If any contracts had expired in the meantime and were not alive at the end of the quarter, they were not included in this report. In order to prepare a new report, we took the last report made and made such changes in it as were reported to us by the member companies on that yellow slip, Form 21, Government's Exhibit No. 15, also changing in the column there where it says "Balance now due," giving the commitments due as of the date of the publication of the report. This Form 10, Government's Exhibit No. 26, was sent to the members of the Association every quarter. The daily report showed the contracts reported for that date and this monthly report showed every contract that was in existence on that date. This report showed the exact price at which every contract was made. It varied in size with the season of the year and what amount of business was going on.

Form 11 is also made up at the Association office. It shows the total commitments in each particular State, in barrels. It is a monthly summary made up sometime during the first two weeks of the month and sent to the member companies.

Offered in evidence Government's Exhibit No. 27, printed in Exhibit Book, p. —.

[fol. 183] Form 23 is made up at the Association office. It is a production and shipment report. It compares the production and shipments of that month with the production and shipments of the corresponding month in the year before. It was a monthly report which each manufacturer made to the Association.

Offered in evidence Government's Exhibit No. 28, printed in Exhibit Book, p. —.

When we received these reports, Government's Exhibit 28, we compiled the figures obtained in a summary showing the figures of all the member companies and sent the compilation, our Form 12, to each member.

Offered in evidence Government's Exhibit No. 29, printed in Exhibit Book, p. —.

The notations in the left-hand corner of Government's Exhibit No. 29, for instance, "Includes 115,239¼ barrels shipped for account of other mills," is information which was given on Form 23, Government's Exhibit No. 28, by the member company. These reports often showed that one mill was shipping for another. Such information appeared on almost every report—not of course as to every company, but as to some of them.

A copy of the reports on Form 12, Government's Exhibit No. 29, for each month during the years 1919, 1920 and 1921 up to March, offered in evidence, Government's Exhibits No. 30 to 56, both inclusive, printed in Exhibit Book, pp.

[fol. 184] The only thing we have got on the report is just what is reported to us. If the company omitted to make a report, we had no way to ascertain the fact.

Form 24 is used by members to furnish their total shipments for the first fifteen days of the month. It shows the total shipments both to dealers and on specific contracts during the first 15 days of the month, and it is all embraced in a report at the end of the month.

Offered in evidence Government's Exhibit No. 57, printed in Exhibit Book, p. —.

Form 14 is a compilation of the figures received on form 24, Government's Exhibit 57, giving the company name, the shipments for the same period of the year before, and showing the change in percentage.

Offered in evidence Government's Exhibit No. 58, printed in Exhibit Book, p. —.

It was sent out to each member bi-monthly.

Form 25 was used by the member companies for the purpose of reporting delinquent accounts. It gives a space for the customer's name and address. The next column shows unpaid accounts four

months or more old, three months old, two months old, and the ledger balance. The next shows bills receivable, trade acceptances, with a column provided for the date that the trade acceptance covers. The next column is for notes. Another column is marked "I. H. A.," [fol. 185] which means accounts in the hands of attorneys, and another column provides for any explanation pertaining to the accounts which might be listed. In the upper right-hand corner are symbols noting back balance, disputed account, endorsed account, guaranteed ac-ount renewal. The manufacturer made this report to the Association every month.

Offered in evidence Government's Exhibit No. 59, printed in Exhibit Book, p. —.

Form 15 is a compilation of all the information received on the form Government's Exhibit No. 59. It is a reproduction of the whole sent to each member of the Association.

Offered in evidence Government's Exhibit No. 60, printed in Exhibit Book, p. —.

In the report Government's Exhibit No. 60, each company is referred to by a number instead of the name being written out, which, of course, would crowd the space very much. Each member of the Association knows the number of the others. Government's Exhibit No. 60 was sent out at the beginning of each month without any request.

Form 16 is a summary from Form 15, Government's Exhibit No. 60, which accompanies it. It gives the total amount due to each member from delinquent debtors and also, as a matter of comparison, the previous year's totals for the same period.

Offered in evidence Government's Exhibit No. 61, printed in Exhibit Book, p. —.

[fol. 186] Form 17 also accompanies Form 15, Government's Exhibit No. 60, and Form 16, Government's Exhibit No. 61. It is a comparative statement of summaries of past due accounts for the past twelve months. It is sent out every month.

Offered in evidence Government's Exhibit No. 62, printed in Exhibit Book, p. —.

Form 18 is accounts placed with attorneys, giving the name and address of the debtor, the number of the company who reported it, and the amount, together with amounts previously reported and paid during the month.

Offered in evidence Government's Exhibit No. 63, printed in Exhibit Book, p. —.

Form 27 is used when an inquiry comes in concerning a certain account or request for certain information concerning it. It shows that our records show that the name appeared on our monthly report of delinquent accounts, giving the date or dates of the report.

It was very little used, because the monthly statement contained all the information and this form was only for information that might be wanted in the meantime.

Offered in evidence Government's Exhibit No. 64, printed in Exhibit Book, p. —.

Form 26 is a mimeographed form made up at the Association's office, giving bag returns, with a space for "Total bags returned" and "Total bags rejected." This report was made quarterly.

Offered in evidence Government's Exhibit No. 65, printed in Exhibit Book, p. —.

[fol. 187] Form 19 is a compilation of the figures received on Form 26, Government's Exhibit No. 66, giving the member companies' names, the total bags returned to each, the total bags rejected, and the percentage. It gives also, for comparison, the percentage rejected during the same period of the year before. It was sent out quarterly.

Offered in evidence Government's Exhibit No. 66, printed in Exhibit Book, p. —.

Form 28 is the analysis showing commitments and shipments on various classes of construction, by States, and is compiled from the Association's report on contracts. It shows the amount of contracts, shipments to date and unshipped balance on State and municipal work, bridges, concrete roads, dams and water power, sewers, industrial operations, Government work, housing operations, railroad operations, street paving. Anything else which would not come under those specific heads, would be classified under miscellaneous. It was issued quarterly.

Offered in evidence Government's Exhibit No. 67, printed in Exhibit Book, p. —.

Since I have been with the Association, these forms have been changed to the extent of being printed so as to get all the information on one sheet instead of three sheets. Two new forms have been added since I have been connected with the Association. They are graphic charts. Form 30 shows in picture form what Form 12 shows in figures. Form 31 shows in picture form what the credit reports show in figures. These forms 30 and 31 were sent out monthly with the respective reports.

[fol. 188] Cross-examination by Mr. Cox:

The Association and its activities have been precisely the same ever since I became connected with it on May 13, 1918. The things done by the Association and the way those things have been done have been in every substantial respect the same.

The business of the Association is confined to dealing with these four subjects that have been mentioned, that is, specific job contracts, credits, freight rate books and statistics of production, ship-

ments and stocks on hand. The business of the Association is carried out by getting certain information as to those four subjects, putting that information on printed or mimeographed reports and sending those reports to the members. The Association simply repeats or tabulates this information without drawing any conclusions from the information or making any suggestions in connection with those subjects. The Association is in substance simply a mechanical multiplying and tabulating machine.

The reports that we send to the members go also to the Federal Trade Commission regularly, just as they go to the members. The Association kept minutes which contained literally every word that anyone said at a meeting, taken down verbatim, whether trivial or important, or what not, and the minutes of all the meetings were sent to the Federal Trade Commission.

The meetings were attended usually by the sales managers and/or the credit men. For instance, in the case of the first company mentioned in the indictment, I have never seen the president of the [fol. 189] company or the treasurer, but the credit man has attended in connection with credit matters and the sales manager in connection with specific job contracts.

Some of these reports or services of the Association go to those who are not members of the Association. The Helderberg Company, for instance, a cement manufacturing company that is not a member of the Association, has always been sent the credit information. The freight rate books went broadcast almost. When outsiders would request those freight rate books we would send them. For instance, the New York Highway Commission has been provided with several copies. On the last occasion we sent them nine to be distributed among their divisional engineers. Some of the others that get the freight rate books are the Clinchfield Company, the Canada Cement Company, the Tidewater, the Sandusky, the Crescent, and others.

Not all the members of the Association get all four of the services. The Glens Falls and Security Companies, two of the defendants, get the credit services, the freight rate book service and the statistics of cement in sight, but have nothing to do with the contract activities of the Association.

Taking up the four separate services separately, a specific job contract is a contract for the future delivery of cement on a specific job covering a period of time. It is a contract to supply the cement that will be required in a particular piece of construction. They always relate to delivery sometime in the future and at a price named [fol. 190] in the contract, and the obligation of the manufacturer is only to supply the cement to be used on that job and not to supply cement for any other purpose. In the year 1919 the specific job contract business was 16% of the total business of these manufacturers. In 1920 it was 25%, in the other years 30%.

The activities of the Association in connection with contracts are limited strictly to these specific job contracts, and the Association has nothing to do with other transactions of the manufacturer, nothing to do with three-quarters of his business during 1920, and more than two-thirds of his business during 1921.

The Association has nothing to do with any specific job contract business while it is in the stage of offer, quotation or anything of that kind. After a contract is closed the manufacturer who is using this service of the Association sends to the Association one of the cards which gives enough information about that closed contract to enable the job to be fully identified and the contract matched with other contracts. That is what it amounts to. We also get from the manufacturer any corrections in contracts as they occur, as, for instance, that they have been cancelled. And we get one other thing from the manufacturer in connection with contracts and that is at the end of the month the information which shows to what extent that contract is alive. That is, whether it has all been shipped, how much shipped, and the balance unshipped.

That is all we get from the manufacturer in connection with these [fol. 191] contract reports. The rest consists of our duplicating that and sending it out and making certain comparisons with what the totals show for that year and the year before.

These specific job contracts are made by the manufacturer's representative and sent to the home office of the manufacturer, and from the home office to the Protective Association, and by the Protective Association to the other members. That necessarily involves several days. The first contract shown me on my direct examination is an instance where two weeks had elapsed between the time the contract was made and the time it came to the Association.

The first contract information that we send to the manufacturers is Form 7, which goes out every day. That shows, for instance, in Exhibit No. 16, that the Lehigh Company has closed a contract for the construction of New York State Highway, known as road No. 1334, part 1, Depew, New York. If another manufacturer has a contract for the cement to be used in that same piece of construction, he knows that it is a duplicate. But if further down he finds that the contract of the Lehigh Company to supply that cement has been cancelled, he has reason to believe that his contract is all right. That is the purpose of sending out these contracts for specific jobs to the different manufacturers, so that they can match them up.

Those duplications which have not been done away with during the month appear in the book report Form 10. For instance, on page [fol. 192] 5 of Exhibit No. 26, there is a contract for the cement for the Alumni Memorial Building for the Massachusetts Agricultural College, the Atlas Company being the manufacturer, and Elder & Company the purchaser, and Calson Company the contractor, and the next contract is also for cement for the Alumni Memorial Building for Massachusetts Agricultural College, the New England Pulp & Plaster Company being the purchaser and the Calson Company being the contractor, that contract being with the Nazareth Company. The first contract is for 2,000 barrels, the second is for 1,500 barrels. There is nothing to indicate on the report whether or not the contractor will require both lots of cement or only one. Either of those manufacturers could call on the Association to send someone to find out what cement was going to be used for that job. That operates as shown by the following illustration from the records of

the Association: There were two requests to investigate a particular contract between the Alpha Cement Company and Akron Sewer Pipe Company for cement to be used in constructing certain named roads in Cleveland, Ohio. One of these requests to investigate came from the Alpha Company and the other from the Universal Portland Cement Company. The Association's investigator was then given Form 2, setting forth the facts from the contract which was for 25,000 barrels of cement. The investigator went out to Cleveland and reported that the contractor who had been awarded the contract for these streets would not use any cement under this contract but would use about 10,500 barrels of Universal cement under another contract.

File offered in evidence, Defendants' Exhibit No. D-2. Printed in Exhibit Book, p. —.

[fol. 193] That an illustration of what we referred to in the Association as duplication, where two companies in one way or another happen to turn up with contracts to supply the same cement on the same work. It is also an illustration of how one company comes to have the contract of another company investigated. That is, the manufacturer sees on the report that another company has a contract for work for which he has already contracted and he sends in to ask that that be investigated. It also illustrates what I have here spoken of as padding, in so far as the contract gave the dealer a call on 25,000 barrels of cement for that work, whereas only 10,500 barrels would be required to complete that work. 14,000 barrels out of the 25,000 would have been padding even if there had been only one contract to supply that cement.

Another illustration showing particularly how these uncertain obligations came into existence is a specific job contract from our files for 15,000 barrels of cement for delivery at Keyser, West Virginia, for use in seven and one-half miles of county road. The Association's investigator on visiting the place found that when the bids were called for it was hoped that a concrete road could be built, but that the funds did not permit it, so no cement would be required under the contract.

Offered in evidence Defendants' Exhibit No. D-3. Printed in Exhibit Book, p. —.

In connection with these investigations we send the investigators [fol. 194] printed instructions in lots of about fifty, so that they may use them in their work. These are like this specimen.

Offered in evidence Defendants' Exhibit No. D-4. Printed in Exhibit Book, p. —.

We don't investigate all specific job contracts. We investigate only those that we are requested to investigate, that some member mentions as requiring investigation for one reason or another. The investigations that we make relate only to the work and the requirements of the work, that is, the specific job. The investigator does

not investigate prices or practices, or anything of that kind. It is simply the requirements of a specific job, how much cement it will require.

This file illustrates how these contracts that are apparently contracts come into existence, although the job has not been awarded to the dealer or contractor. Investigation showed that that contract for 10,000 barrels of cement to build a high school in Pennsylvania had been made although the contract to build the school had not yet even been advertised for bids.

Offered in evidence Defendants' Exhibit No. D-5. Printed in Exhibit Book, p. —.

This file illustrates a different class. It is a case where the manufacturer requested an investigation of its contract for 15,000 barrels to be used in paving streets in the Bronx, New York, the contract being dated December 17, 1919. 2,400 barrels were shipped on the [fol. 195] contract and the balance due September 1, 1920 was 12,514 barrels. Upon investigation it turned out that those streets were not to be paved and no cement would be required for that work. It is a case where there wasn't any such specific job and yet 2,400 barrels had been ordered out on the representation that it was for that work.

Offered in evidence Defendants' Exhibit No. D-6. Printed in Exhibit Book, p. —.

The next illustration is where a specific job contract was made for 10,000 barrels of cement and upon investigation it was found that the work would require only 20 barrels.

Offered in evidence Defendants' Exhibit No. D-7. Printed in Exhibit Book, p. —.

Without referring to any more illustrations of duplication and padding of specific job contracts, I have had the contracts listed in Form 10 of September, 1920, introduced on my direct examination as Government's Exhibit No. 26, checked for duplications and find in that report alone a total amount of 2,629,482 barrels which are apparent duplications, that is, cement for the same work from different people. That report covered three months and shows only the duplications that had not disappeared from our records by the cards showing cancellations or completions before the report was published.

[fol. 196] As to padding, the extent to which that goes is shown by the fact that during 1920, according to our records, the total amount of cement mentioned in specific job contracts investigated was 9,233,160 barrels. The total actual cement requirements of those same specific jobs as found by our investigators was 5,703,130 barrels, a total difference of 3,530,030 barrels, or an average difference of 1,539 barrels per contract. The number of contracts investigated was equal to 46% of the total number of contracts filed in 1920. In other words, our experience with the contracts investi-

gated in 1920 was that three and one-half million barrels represented overestimating or padding, that is, cement that would never be called for.

This investigation has not operated to keep down or curtail the number of specific job contracts. On June 1, 1920 there were 23,606,000 barrels of cement under specific job contracts, an amount larger than ever before. Our work has not cut down the number of such contracts. It has merely served to distinguish between reliable obligations and those which are simply duplications.

All the other contract activities of the Association consisted in issuing forms which are summaries of matter in this Form 10, Government's Exhibit No. 26. One of them, Form 8, Government's Exhibit No. 16, shows the amount contracted for to date, and Form 9, Government's Exhibit No. 25, shows the same thing monthly. Another shows it divided up by states, that is, how much has been contracted for in New York, how much in New Jersey, and so on. That is No. 11, Government's Exhibit No. 27. Another shows the [fol. 197] different work, how much for sewers, roadways, and so on. That is Form 28, Government's Exhibit No. 67. And another, Form 29, compares the amount with the amount on the same date a year before. That is the substance of all the activities relating to contracts.

On credits we receive a list of those who have unpaid accounts more than 60 days overdue and send that list to the members. That is all we do on credits, except that we compare the totals with how matters stood a year ago to see how collections have progressed.

The freight rate books consisted simply of giving a list of the official freight rates in a convenient pamphlet, that is, from the mills to the delivery points.

The statistics consist of only three items, clinker and cement ground, shipments, that is, what has been shipped, and stock on hand. That is all there is to the statistics, except that we add to them a comparison with the situation the year before to show how the movement has been.

All the forms which have been mentioned with the exception of the two showing the bags returned, and the percentage in good or bad condition relate to the four services which we have mentioned, namely, specific job contracts; credits; freight rate books; and statistics of production; shipments and stocks on hand; in other words, cement in sight.

We have never in any way reported any discount figures, or any figures of bin charges, or any figures of charges or allowances for bags, or anything about dealers except as the names of dealers may appear as those who have purchased cement in these specific job contracts.

We have not had anything to do with any prices except these past prices on which these specific job contracts have been closed.

[fol. 198] The Association does not give any advice or decide anything about what any member shall do in regard to its specific job contracts. It simply sends in these reports of the facts, that is, what

contracts have been closed and the results of the investigation of the requirements of these specific jobs. That is as far as it goes.

I helped prepare the annual report of the Protective Association. The figures in it are substantially correct according to our files and record.

Put in evidence Defendant's Exhibit D-9. Printed in Exhibit Book, p. —.

Redirect examination by Mr. Fowler:

The Association's investigators or inspectors or checkers did not ascertain anything about the financial responsibility of those making contracts. The only thing they investigated was the requirements of the job and whether the contracts were duplications or padding.

I don't know whether the contract was cancelled if it was a duplicate. As to whether the general rule was to cancel one of the contracts where it was found to be duplicated, that is the duty of the member companies; not the Association. The member company does that. The Association had nothing to do with the cancellation. If the investigators' report showed that a contract called for more cement than would be required it was the member company's duty [fol. 199] to cancel the contract for the excess cement. I am not familiar with the handling of these contracts and the disposition made by the manufacturers. All I know is that the investigator is sent out to get the information which he gets as correctly as possible, and reports to the Association office. The result of his finding is submitted to the manufacturer who requested the investigation. That is the purpose of it all and that is as far as it goes. I cannot recall an instance coming to my attention where one of the contracts was not cancelled when two were made for the same job, and, as a matter of fact, I know nothing about the reduction of the quantity of cement involved in cases of padding. The interest of the Association ceased with the submission of the information to the manufacturers. We did not follow it up after that. We endeavored to obtain full information upon the subject and transmitted it to all of the members. We did not follow it any further. The members would act upon the information, but the Association would not pay any special attention to the slips sent in reporting that an order was being cancelled or the quantity called for reduced. The reports of the several members of the Association showed every contract which had been cancelled, in whole or in part, and such information was promptly sent out to every other member of the Association so that every member could tell exactly what every other member was doing with respect to every one of the specific job contracts. The first report made of a specific job contract showed the price and [fol. 200] when such reports were compiled and sent to the other members of the Association, each member had in his possession knowledge of the amount that was charged up to every other member of the Association on every specific job contract. The specific job contracts constituted about 25% of the total volume of business done by the members of the Association. The Glens Falls Com-

pany and the Security Company were not furnished information with reference to these specific job contracts because they had not furnished the Association information with respect to their specific job contracts. Those companies only received information pertaining to statistics, credits and freight rate books. The Helderberg Company received only information pertaining to credits.

We furnish thirty copies of all reports of our Association to the Midwest Cement Credit and Statistic Bureau, at Chicago. We do not send it to any other association.

In 1920 it cost to run the Association, a total of $62,744.64.

I do not know how it was determined which of two duplicate contracts should be given up. That is not a matter within the scope of the Association. It is a matter for the companies themselves and not for the Association.

[fol. 201] Recross-examination by Mr. Cox:

When the specific job contract report went to the manufacturer from the Association, the Association did not follow up in any way what the manufacturer did with respect to his contract on that job. That was exclusively for the manufacturer to do as he chose. We did not follow it up in any way. When I spoke of the manufacturer's duty, I did not mean there was any obligation on him to do one thing or another—he could do as he wished about the matter.

Pursuant to agreement between counsel subsequently reduced to writing and introduced as Government's Exhibit No. 118, printed in Exhibit Book, p. —, the Government introduced the following exhibits:

Government's Exhibit No. 68, printed in Exhibit Book, p. —;
Government's Exhibit No. 69, printed in Exhibit Book, p. —;
Government's Exhibit No. 70, printed in Exhibit Book, p. —;
Government's Exhibit No. 71, printed in Exhibit Book, p. —;
Government's Exhibit No. 72, printed in Exhibit Book, p. —;
Government's Exhibit No. 73, printed in Exhibit Book, p. —;
Government's Exhibit No. 74, printed in Exhibit Book, p. —;
Government's Exhibit No. 75, printed in Exhibit Book, p. —;
Government's Exhibit No. 76, printed in Exhibit Book, p. —;
[fol. 202] Government's Exhibit No. 77, printed in Exhibit Book, p. —;
Government's Exhibit No. 78, printed in Exhibit Book, p. —;
Government's Exhibit No. 79, printed in Exhibit Book, p. —;
Government's Exhibit No. 80, printed in Exhibit Book, p. —;
Government's Exhibit No. 81, printed in Exhibit Book, p. —;
Government's Exhibit No. 82, printed in Exhibit Book, p. —;
Government's Exhibit No. 83, printed in Exhibit Book, p. —;
Government's Exhibit No. 84, printed in Exhibit Book, p. —;
Government's Exhibit No. 85, printed in Exhibit Book, p. —;
Government's Exhibit No. 86, printed in Exhibit Book, p. —;
Government's Exhibit No. 87, printed in Exhibit Book, p. —;
Government's Exhibit No. 88, printed in Exhibit Book, p. —;
Government's Exhibit No. 89, printed in Exhibit Book, p. —;

Government's Exhibit No. 90, printed in Exhibit Book, p. —;
Government's Exhibit No. 91, printed in Exhibit Book, p. —;
Government's Exhibit No. 92, printed in Exhibit Book, p. —;
Government's Exhibit No. 93, printed in Exhibit Book, p. —;
Government's Exhibit No. 94, printed in Exhibit Book, p. —;
Government's Exhibit No. 95, printed in Exhibit Book, p. —;
[fol. 203] Government's Exhibit No. 96, printed in Exhibit Book, p. —;
Government's Exhibit No. 97, printed in Exhibit Book, p. —;
Government's Exhibit No. 98, printed in Exhibit Book, p. —;
Government's Exhibit No. 99, printed in Exhibit Book, p. —;
Government's Exhibit No. 100, printed in Exhibit Book, p. —;
Government's Exhibit No. 101, printed in Exhibit Book, p. —;
Government's Exhibit No. 102, printed in Exhibit Book, p. —;
Government's Exhibit No. 103, printed in Exhibit Book, p. —;
Government's Exhibit No. 104, printed in Exhibit Book, p. —;
Government's Exhibit No. 105, printed in Exhibit Book, p. —;
Government's Exhibit No. 106, printed in Exhibit Book, p. —;
Government's Exhibit No. 107, printed in Exhibit Book, p. —;
Government's Exhibit No. 108, printed in Exhibit Book, p. —;
Government's Exhibit No. 109, printed in Exhibit Book, p. —;
Government's Exhibit No. 110, printed in Exhibit Book, p. —;
Government's Exhibit No. 111, printed in Exhibit Book, p. —;
Government's Exhibit No. 112, printed in Exhibit Book, p. —;
Government's Exhibit No. 113, printed in Exhibit Book, p. —;
Government's Exhibit No. 114, printed in Exhibit Book, p. —;
Government's Exhibit No. 115, printed in Exhibit Book, p. —;

[fol. 204] ARTHUR J. WHIPPLE, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

My home is in Chicago, Ill. I am promoting the automobile industry. I was salesman and sales manager of the Metropolitan Division of the Atlas Portland Cement Company from the fall of 1910 to abount the first of November, 1915. My district comprised the city of New York, Long Island, the State of New Jersey, and Westchester County.

During 1911, the Atlas prices were five cents a barrel higher than the other manufacturers generally. During that period the Atlas did not at any time underbid its competitors. In late 1914 and early 1915, there was more active competition so far as underbidding was concerned than at any time during those five years. Prices fluctuated. The general trend was downward from perhaps the early fall of 1914 until the late spring of 1915. The lowest point that was quoted was 58 cents a barrel at the so-called Lehigh Valley base. It advanced considerably the latter part of the summer of 1915 and early fall of 1915, perhaps—oh, 40 cents a barrel. I think it

was above a dollar in the latter part of 1915. Fluctuations in price were frequent during that period.

We made our prices at that time at the point of delivery. That price included freight to the point of delivery from the mill. I did not have authority to change the price. It was given me by a superior.

[fol. 205] At that time the Atlas Company shipped from its mill at Hudson, on the Hudson River, and from its mill in the Lehigh Valley District to the Metropolitan District. I sold at the same price regardless of from which mill the cement came. The freight rate was different. I received my prices from the sales manager, Mr. C. A. Kimball.

Cross-examination by Mr. Stimson:

In the early days, before the executive order of President Taft, of April 30, 1912, fixing the specifications for Portland cement, each of the different companies used to claim that their brand was better than the others. That was the situation at the time I was testifying about, when the Atlas brand was quoted a little higher than others. At that time it was recognized that the Atlas brand was a rather better cement than some of the others. Later on, after the uniform standard took effect, cement became more uniform. Atlas lost their priority.

In the early part of 1914, the prevailing price at the mill of cement was around 85 or 90 cents. It began to drop late in 1914. When one company dropped from 90 to 85, the other companies came to 85 pretty quickly. Otherwise they would sell very little cement and be letf high and dry. During that period when cement was going down, as fast as one company would drop the other companies would have to meet it pretty quickly. That was uniformly true all the way down. In these successive steps the price was uniform for a time, just as quickly as the other companies had time to meet the first [fol. 206] drop; and it stayed so until somebody dropped it again. My recollection is that the drops were 5 cents each. My recollection is that Atlas stopped at 65 cents, but some of the others sold cement at 58. I think it touched its bottom at 65. When I went to Chicago late in 1915, cement was above a dollar at the mill in this territory. The Cement Manufacturers' Protective Association had not then been formed at all.

During that period when prices were going down, the Atlas prices were uniform at the different drops with the other competitors, until it got down to 65. There wasn't any five cent difference at that time at all. That had long since passed away.

It was the policy of the Atlas to treat all dealers alike. That was generally true of the other companies. If we charged one dealer a higher price than another, he would think it was unfair and we wouldn't get much more of his business.

At that time there was considerable trouble about duplications and padding of contracts for future delivery on specific jobs. The Atlas was taking great care to have the cement that it sold applied to the

job that it sold it for. The contract at that time provided that the cement should be used only on that job. It covered the cement requirements of the job. There was a good deal of trouble in regard to contractors or dealers duplicating on their contracts and a good deal of trouble about padding—making a contract for a larger [fol. 207] amount than the requirements of the job. Atlas was struggling with that situation at that time. It took some steps, but nothing that was really organized or systematically directed.

The dealers and contractors always wanted a delivered price.

At that time the Atlas Company maintained a traffic department for the purpose of computing freight rates from the mills to the different points of delivery. There were in that department at least as many as eight or ten men engaged just on that work alone. The Atlas Company also had a traffic department in Chicago.

Defendants' Exhibits D-24 to D-34, inclusive, identified, offered in evidence, printed in Exhibit Book, pp. —. The signature J. R. M. on some of these exhibits is the signature of Mr. J. R. Morron, President of the Atlas Company.

Mr. McFarland was Assistant Sales Manager of the Atlas Company up to some time in 1915, when he became Assistant to the President. Mr. Holman was Assistant to the President. Mr. McConnell was in the sales department of the Atlas Company.

Redirect examination by Mr. Fowler:

When I was with the Atlas Company there was some padding of [fol. 208] contracts and some duplication of these specific contracts. We handled that kind of a situation by going to the dealer and telling him what we thought of him for not living up to his contract with us. I don't recall specific contracts being cancelled as duplicates. I think perhaps there were. I know contracts were sealed because of being padded. Our company did it for itself. A dealer would contract for the requirements of a specific job calling for, say, to illustrate, 10,000 barrels of cement and the requirements of the job would be as a matter of fact only 5,000 barrels of cement. If cement advanced in price the dealer would call for delivery of all the 10,000 barrels; if cement went down in price, he would not call for more than 5,000 barrels, and often if he could buy the cement cheaper from another manufacturer he would do it. In my day when we found out that a dealer had made a contract for more cement than he would need, we would cut the amount of the contract to what its requirements should be. We investigated for ourselves and convinced ourselves that he had ordered too much cement. Then we would talk the matter over with the dealer. Of course if we cancelled the contract, he could not help it.

Sometimes in selling for a specific job the price was also below the price at which cement was being sold generally, because we wanted that specific job which had requirements of a considerable quantity. The general practice was to quote the contractor in the dealer's territory 10¢ per barrel higher than we quoted the dealer. This was

considered a protection to the dealer. There were some instances where the difference might have been 5¢ per barrel, but I do not recall them. The big contracts were handled on an altogether different basis.

[fol. 209] The Government offered in evidence under the stipulation Government's Exhibit No. 118, portions of the minutes of meetings of the Cement Manufacturers' Protective Association, Government's Exhibit No. 117, and Government's Exhibit No. 119 to Exhibit No. 185, inclusive, which are printed in Exhibit Book, pp. —, except Exhibits Nos. 167, 169, 175, 183, 201, 202 and 203, which are not printed by consent.

[fol. 210] LUTHER KELLER, called as a witness on behalf of the Government, being first duly sworn, testified as follows:—

Direct examination by Mr. Fowler:

I reside at Scranton, Pa. I am in the builders' supply business. I have been handling cement for forty years or more, ever since there has been Portland cement to handle. The name of my company is Luther Keller Company, Incorporated. I have sold different brands, Atlas, Saylor's, Giant, Vulcanite, Edison, Phœnix, Bath, Nazareth. I sold for substantially the same companies before 1916. We have a retail and wholesale cement business. We sell frequently in car lots, but the bulk of my business is done through my yard, our retail yard.

What I sell at wholesale I order from the manufacturer for the consumer. Sometimes it comes to me and sometimes is shipped direct to the consumer, but it does not go through the yard.

Sometimes I send the order to one manufacturer and sometimes to another one.

I handle specific job contracts. At times the cement on those contracts goes through my yard. We deliver it in truck lots instead of car lots. Some of it we ship direct to the contractor in car lots. I take orders for those *those* specific contracts. We contract [fol. 211] with the manufacturer for the cement. We charge it direct to the contractor; the manufacturer has nothing to do with the contractor. At times I have a contract with a contractor, and yet I have had very very few contracts—generally a verbal contract with the contractor.

Since 1916 prices have been practically uniform. I don't know of any variation that has occurred in recent years; prices have been the same; that is, the quotations have been the same—and the prices. The discounts are the same—ten cents a barrel if paid within ten days from date of invoice. It is the same rule by all the companies. In regard to acceptance, I think generally I am given fifteen days to accept a quotation, but that is frequently extended. Some companies have been a little more generous than others in that respect. There is no difference in the contracts that I am required to make by the

several companies as to the terms and price. I don't know how those contracts read, really, but as to terms of payment, there is no difference. In regard to the allowances for returned bags, the bags are returned freight prepaid and the count and inspection at the factory is to be accepted. The amount allowed for bags returned by the several companies is ten cents—generally the same. With reference to bin tests, there is one brand of cement that we handle that we generally pay six cents a barrel more, for what is known as the autoclave test. That brand is Nazareth.

I buy the cement f. o. b. at the place of delivery. They all quote the price of cement at the place of delivery, at Scranton, for instance; at my yard, or wherever I would sell the cement.

[fol. 212] The prices of cement in 1914 and 1915 were a good deal lower than they were in the last year. For instance, at our place there was a difference of 25 cents a barrel on freight; it cost more. In 1913 and 1914 the freight to Scranton was 23¾ cents a barrel. To-day and last year it was 52 cents.

In 1914 my records show there were two changes in price of cement, and in 1915 there were three or four changes. In 1914 the lowest price I have is $1.49 at Scranton. In 1915 the lowest price at Scranton was in April, $1.25; then in May it was $1.35; in June, $1.45; August, $1.55; October, $1.65, and December, $1.70. January, 1916, it was $1.70. It was $1.70 until July; in August, $1.90; in September it was $1.70; October, $1.80; November, $1.90 and $1.80—$1.80 and $1.90 in November, and $1.90 in December. Those prices always include bags and freight. In February, 1920, it was $2.72; in May it was $3.14, I think the early part of May; the latter part of May it was $3.32; in August $3.87; in July it was $3.62; in September it was $4.03; in October it was $4.05. This included the bags, and I think at this time the bags were higher priced bags. Formerly bags were 10 cents, but I think in 1920 they were 25 cents. I infer that this price, $4.05, included bags at 25 cents, or a dollar a barrel. In December it was $4.05, and then it dropped to $3.79.

I had very little experience with the checkers sent around by the Association. I had a man call upon me once to check up and [fol. 213] I refused to have anything to do with him. I refused to even answer his questions. I did not hear anything about my refusal later from any of the companies.

There may be several reasons which led me from time to time to buy cement from one company in preference to another. There are times when contractors call for certain cement. What we consider fair treatment of the manufacturer, has a lot to do with our dealing, so far as cement is concerned. I was visited by salesmen of these various companies from time to time.

[fol. 214] Cross-examination by Mr. Stimson:

I have seen the cement business develop very largely. My recollection goes back pretty nearly to 1880. There was only 240,000 barrels made in that year. I think Portland cement was then made

only over in the Lehigh Valley. Last year one hundred million barrels were made. There is no other building material that has advanced anything like as rapidly.

I am a dealer and I look at this business from a dealer's standpoint. I think the dealer performs a pretty important function in the distribution of cement. In the case of my retail business I get the cement in car-loads and in that way I get the advantage of the lower car-load freight rate. It is much less in car-load lots. It goes through the warehouse. The bulk of the cement that I handle goes out in smaller lots. 85 to 90% is sold through our warehouse at retail.

When a contractor is building a building they generally like to have someone else store the cement for them. I often truck cement from our warehouse to a contractor. For instance, the Hotel Casey, at Scranton, took about six thousand barrels of cement and I think we trucked it all. That is, I held it until the contractor wanted it and then I gave him just what he wanted and no more.

The standard specification test is applied entirely except in the case of this Nazareth test that I spoke of. That is an extra test. In all my experience I have had only one case. All the rest used the standard specification test since, I think, 1912. The standard [fol. 215] specification had the effect of making cement uniform in the minds of the people at least. It blotted out the difference between brands. Generally speaking, it tended to make a man just as well satisfied with one brand as with another. If I found any one of these brands was selling five cents less than the other, I would buy the cheaper brand. From my observation that has unquestionably tended very strongly to produce uniformity in price.

In January 1915 cement went to $1.44. In February it was $1.39, $1.34 and $1.25. During those different price changes the price of all the brands went down. There was just as much uniformity then as there is now. It was lower, of course, but the uniformity was the same. It was just the same—uniform price.

All the companies employed salesmen before 1916 as well as after 1916. Salesmen representing the different companies call on us and try to sell their cement. They try pretty hard. They have tried just as hard since 1916 as they did before. I have seen no difference in their activities whatever.

In January 1917 the price of cement was $1.90 and then $2.00, and then February $2.00, March $2.15, April $2.00, April $1.90, May $2.15, June $2.15, July $2.15. The war was on then. August, September, October and December, $2.15. January, February, March, April, 1918, $2.15. April, 1918, $2.59 and then $2.61. I think the War Industries Board was fixing the price for the Government in 1918. My quotations were $2.73 in September, $2.68 in October, $3.28 in November, $3.27 in December. There had been [fol. 216] an advance in freight rates that went into this. Freights were included in these prices, also bags and war tax. In 1918 when the War Industries Board was at work on cement, bags went from 10 to 25 cents, or one dollar a barrel.

During this period from 1916 on through 1917 and 1918, there was a similar change of price going on in the other materials that I handled. Everything that we handled was advancing at this time.

In January 1919 the price was $3.27, March $3.27, April $2.72. It remained $2.72 until the end of the year, until April 1920, then it began to rise. In 1920 there was a great scarcity not only of cement but of cars to ship it in. The strikes on railroads interfered. There was a shortage of coal and great difficulty in getting coal. I know factories that I was interested in had to stop on account of coal. The same conditions hit the cement companies. That lasted all summer. The real trouble was car shortage, which affected both the delivery of coal to the cement mills and the delivery of cement away from the mills. The companies couldn't get the cars in which to ship cement.

In December 1920 the price was $3.79. In January it was $3.79, in March $2.93, April, May, June, July and August $2.93, September, October and November $2.68, and December $2.53. I think bags had been reduced to ten cents at that time.

The dealer's differential is intended to compensate a dealer for the services which he renders. I have sold cement without getting a differential. I don't want to do it and I don't think I should do it from a business standpoint, but there are conditions. For in- [fol. 217] stance, I am selling a customer of mine and he is offered cement for less than I am offering him. I might cut the differential I might sell it to him for cost. I might do it. I think the amount of that differential is too small if anything. I don't think a man should handle a car of cement for 10 cents a barrel and carry the account. The cement manufacturers have suggested that I should cut the 10¢ dealer differential in order to get a particular job, but I have always refused to do that. I insist on getting my differential of 10¢ per barrel. I have known of cases where the cement companies have dealt directly with a contractor without going to me. I have simply stopped buying cement of them.

Redirect examination by Mr. Fowler:

The Bath Company is one with whom I quit dealing because it had gone straight to the contractor. I can't fix the date, but it has been since 1916. The Lawrence Company was another that I quit dealing with on account of that. That was before 1916.

Nearly all the companies have salesmen. I think all have salesmen and they all come to see me more or less.

My recollection is that prices were uniform prices back in 1914 and 1915. This record shows the different people we have been buying of and this would lead me to answer that all the prices were about the same. We generally have the quotation from the factory. There is no difference in the price quoted at the present time and has not been any difference in the last six or eight years.

[fol. 218] EURIE L. MERRIMAN called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

My home is in Scranton. My business is building supplies. My place of business is in Scranton and I also have a place at Bloomsburg. I have been handling cement for about thirty years. I have handled as much as 50,000 barrels in one year. I have been handling seven brands in the last six years, Alpha, Dexter, Allentown, Lehigh, Edison, Penn-Allen, Giant and Pennsylvania. The prices which they have quoted me have been practically uniform. When one would change usually in two or three days we would get the changes from the others.

The terms of discount are 10 cents a barrel, dealer's discount in 10 days. There is no difference as to that between the different companies.

We are allowed a credit for bags at the price they are charged. There is not usually any difference in price allowed by the several companies. There have been times when some of the cement companies did not advance their price on bags when the others did. The Whitehall Company I think did not advance the price on bags. It is not one of the defendants in this case.

I buy my cement f. o. b. destination. I usually am allowed 15 days to accept the quotation by all the manufacturers. They ex- [fol. 219] tend, however, on request, a further period where you quote on contracts. When there is a change of price I am never notified of it in advance. The terms of the contracts I make with these several companies are practically the same.

A blanket contract as I interpret it is a contract that provides for a certain amount of cement to be taken in a specified time, but to be used where you choose to place it. There was a time when I could get a blanket contract. That is several years ago. I can't get a blanket contract from any company. They have cut out that practice of giving blanket contracts in the neighborhood of fifteen years ago. They have not been allowing it since that time.

I take specific job contracts. On one occasion one of the cement companies came into our office and requested to know the exact amount of cement that we had furnished on this particular contract. We gave it to them. They went to the parties to whom we sold, I think, to check it up, although I am not positive of that. That was my only experience.

Cross-examination by Mr. Stimson:

I can't say that there has been very much difference in the uniformity of price as it existed before and since 1916.

In the summer of 1920 the Pennsylvania Company sold cement 25 cents under practically all the others for two months or so. I [fol. 220] have had some of these companies shade their prices from the quoted prices within the past three years. The Edison Com-

pany have done it. They did it on one particular contract of mine. They made a difference of 10 cents a barrel. I know of Bath doing the same thing in the past three years, only from hearsay.

A specific job contract means a contract where the buyer of the cement agrees that the same is to go on a specific job.

When the investigators came to me they told me they wanted to check up the amounts required on the job with the amounts carried in the contract. I had no objection whatever to their doing that. I thought the principle was wrong—their distrusting me carrying out my contract. I think those men were not doing anything except trying to see whether that contract was being carried out.

As a dealer, I prefer that all cement be sold f. o. b. delivery, because it simplifies the transaction of business. I do not have to calculate the freight rates myself.

Salesmen from the different companies call on me trying to sell their cement. They have always done so and do so still.

Cut prices have been frequent in the trade with certain cement companies.

Redirect examination by Mr. Fowler:

The Pennsylvania Company sold cement at one time for about two months less than the other companies. I think it was 1920. [fol. 221] Pennsylvania was 25 cents under the others for about two months. They did not cut the price—they simply did not advance their price when the others did. In the spring of 1921, the Edison Company reduced its price 10 cents, to meet the price of Whitehall on a contract for a mill in Scranton, calling for something over a thousand barrels. None of the other companies offered to reduce the price.

Two or three times a salesman has told me that the price was going to advance and allowed me to place an order.

Recross examination by Mr. Stimson:

When that has happened one company had already changed and then another company's salesman came and said I had better take an order from his company before it changed.

In 1920, the cement companies had plenty of cement but could not ship it because of inability to get cars. The same difficulty existed with respect to all building materials.

[fol. 222] BERT H. HANBY, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am secretary, treasurer and manager of the sales department of Batavia Lumber and Coal Company, of Batavia, N. Y. We have been

handling cement about ten or fifteen years, principally Alpha and Atlas. We have handled as high as 20,000 barrels in one year. We have always handled Alpha and have been handling Atlas about two years. During those two years the prices that have been quoted us by those companies have been uniform. Those two companies allowed us 10 cents a barrel discount for cash within ten days. They usually give us 15 days to accept a quotation. The contracts that we make with the two companies are about the same. We never have any advance notice with reference to the change of prices. I believe the change of price dates from the receipt of the quotation. Both companies allow 10 cents credit for return of bags. We have been quoted cement of other companies besides these two. I don't think there have been any differences in prices quoted. If the cement is bought under contract, we have to specify where it is going and what it is going to be used for. We have never tried to make what is known as a blanket contract with any of the companies.

We usually buy one car at a time. We have bought five and ten cars for a specific job and those were accepted. We have never bought under a carload at a time. I do not recall that we have ever tried to buy a large quantity of cement for our warehouse stock. We buy it as we need it. I do not remember the price of cement in 1914 and 1915 except that the price was much lower than it is now.

[fol. 223] Cross-examination by Mr. Stimson:

If one of the two brands we handled offered to me at 5 cents lower than the other, I would take the one 5 cents less. If the difference was 2 cents, the same thing would apply. There is no 2 cents a barrel difference between the two cements. That is true, I think, throughout the trade as a whole. They are practically identical. The question of which we would take would be governed entirely by the price.

These companies employ salesmen who visit our office quite often. About two years ago, Mr. Standish, representing one of the two companies whose cement we handle, came around and got us to handle the cement he represented in addition to the other. He did not offer his cement at a cheaper price. Prices have changed up and down. When they have changed, there has usually been several days—probably three or four days—between the quotations that we got from one company and another. One company would send us a quotation first and then another would follow it.

Recross-examination by Mr. Stimson:

I believe these are the forms of contract for specific jobs now used by the Atlas Company and the Alpha Company.

Offered in evidence Defendants' Exhibits D-35 and D-36, not printed by consent.

[fol. 224] When I stated that these forms of contract were alike, I had not noticed that the Alpha Company retains title to the bags on the cement that is sold, while the Atlas sells the bags with the

cement. Both contracts contain a provision that if there should be any decline in the market price of cement during the life of the contract, the buyer will get the advantage of the lower price. That has been so for a long time. In case the price of cement goes up during the life of the contract, the cement company does not get the benefit of the rise. The buyer gets the benefit of any change of price, while the cement company does not. That is generally true in the trade. That has been a condition that has existed in the trade so long as I can remember. The buyer has always gotten the benefit of any fall in the price and the company has always been held to the low price in case prices went up.

[fol. 225] EDWARD M. RODROCK, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

For sixteen years I have been a dealer in cement, coal and mason materials at Paterson, New Jersey. I have been dealing in cement for sixteen years. I have been selling Vulcanite and Giant for sixteen years. Atlas, Lehigh and Nazareth, four to eight years. I have handled Bath and Hercules and some Saylor's. We handle about thirty-five thousand barrels a year, retail and specific job contracts. We never buy in less than car-load lots.

For the last six or eight years there has not been any difference in the price of cement that has been quoted to us by the several companies at the same time. Salesmen of these various companies call to see me very often. I have not had periodical quotations from the cement companies whom we have not been representing. Salesmen from the other companies, nearly all of whom I know, come in and make quotations. There has not been any difference in the prices quoted to me by the salesmen of the companies.

The discount I am allowed is 10 cents a barrel for cash in ten days from date of invoice. There is no difference in that custom between the several companies. There is no difference so far as prices and terms of payment and discount are concerned between the specific job contracts of the several companies.

[fol. 226] The allowance for bags returned at the present time is 10 cents each. There has not been any difference between the allowance from the several companies.

So far as I am concerned it makes no difference from which one of the companies I buy cement. There has never been one of them that has offered me cement on better terms. Now and then we buy cement from the several companies because we have customers demanding that particular brand of cement. One customer will like one brand and another customer another.

I had one experience with checkers. It was a contract with Mr. Pittit, of the Pittit Construction Company, covering some buildings for the National Silk Dyeing Company. The contractor had taken

some cement with his own truck from one factory to another and this young man representing the Protective Association called upon him and told him he had no right to take the cement from one job to the other, because it was not specified in the contract. He came to me and I immediately took it up with the company and criticised their movement for checking the man's methods. I had some correspondence about the matter with the Giant Portable Cement Company.

Letter dated October 18, 1919, from E. M. Rodrock Company to the Giant Portland Cement Company offered in evidence, Government's exhibit No. 186. Printed in Exhipit Book p. —.

[fol. 227] Reply thereto, dated October 20, 1919, offered in evidence, Government's Exhibit No. 187. Printed in Exhibit Book, p. —.

Letter from E. M. Rodrock to R. E. Griffith, dated October 24, 1919, offered in evidence, Government's Exhibit No. 188. Printed in Exhibit Book, p. —.

Typewritten and printed document, signed by the Cement Manufacturers Protective Association, dated October 20, 1919, offered in evidence, Government's Exhibit No. 189. Printed in Exhibit Book, p. —.

Letter fro mR. E. Griffith to Mr. Gaines, dated October 25, 1919, Manufacturers Protective Association, dated October 20, 1919, offered in evidence, Government's Exhibit No. 190. Printed in Exhibit Book, p. —.

Letter from R. . Griffith to Mr. Gaines, dated October 25, 1919, offered in evidence, Government's Exhibit, No. 191. Printed in Exhibit Book, p. —.

Letter of R. E. Griffith to Mr. Gaines, dated October 27, 1919, offered in evidence, Government's Exhibit No. 192. Printed in Exhibit Book, p. —.

[fol. 228] Cross-examination by Mr. Stimson:

The paper shown me is the ordinary form of the Giant Company's contract for specific jobs and, I think, the form used in this case of Mr. Pittit. That case was a specific job case that was being investigated. I am familiar with the kind of clause in that contract which provides that the cement "is for use in the work described, and if the buyer shall sell or otherwise dispose of any portion of said cement or use any portion thereof in any work other than within described" the cement company may terminate the contract. In this case of Mr. Pittit the contractor had taken cement from one factory to another which was not listed in the contract—to one of the other factories of this National Silk Dyeing Company. The investigator thought he had diverted it from the job in question. Mr. Pittit thought otherwise and got very angry. Mr. Pittit was a pretty

valuable customer of mine and I did not want to lose him. The Giant Company backed me up in that pretty well. When I brought the matter to them they tried to smooth things down. I had executed this contract with the Giant Company and the investigator was trying to find out whether that contract which the company had signed with me was beeing violated.

Quotations which I receive as a dealer from the different companies at any given time are apt to be uniform. They change from time to time. There have been a great many changes, both up and down. The standard specification tests practically govern all sales [fol. 229] today. The general custom is to ask for cement which will conform to the test. Cement has become practically uniform. Whether I would pay any more for one brand than another would depend. If one company is going to give me better service than the other companies, I am willing to pay a little more for that service. Assuming that the cement was all at my door, I would not give any more for one kind than another—not a cent per barrel difference. It is all practically the same. In making my own choice I would depend on service. That would govern anybody who is buying cement, except that some insist on a particular brand as a tradition, because his father used it.

When it comes to a question not of dealers' prices but prices for a special job, I have heard of the price being cut. I remember the case of E. J. Riker, in New Jersey. I was one of the competitors for that. The Edison Company got it away from me for 10 cents a barrel. It was for about a mile and an eighth of concrete road which would take about six or seven thousand barrels. That was in June, 1921.

When prices have changed, there is an interval—two or three days possibly—between the time when one company has made its changes and the time when another company makes its changes. In 1919 Bath changed its price quite some little time before any of the other companies. The summer of 1920 was quite a strenuous time. The cement companies could not get cars with which to make their deliveries. I had trouble in that way to get my deliveries. I remember that the cement companies made unusual efforts to deliver some in unusual cars, open cars, some used trucks. They were [fol. 230] making absolutely every effort to deliver. Coal was scarce. That was another difficulty they had. The price up to $15 and $17 at the mines. It had ordinarily been around $2.00 to $2.65, $2.75 for the grades of coal they used in cement making. There were embargoes on the railroads too. The prices of some cement companies went very much higher than the prices of others. I, as a dealer, or the cement company, as a manufacturer, could get almost any price that we asked for cement if we could deliver it. In looking for cement then I didn't go outside my own source of supply. If I had, it would have done me no good. All quotations were uniform, but the actual prices were different. The Bath Cement Company's was 50 to 75 cents a barrel different from the other six companies from whom I received quotations. I want to limit my answers about prices to the seven companies from whom we received quotations.

Redirect examination by Mr. Fowler:

My experience with the Bath Company was that I needed about seventy-five hundred barrels of cement for a job and I got it from the Bath Company by paying a higher price. I did not have that kind of an experience with the other companies. I never tried it with them.

I know of the times when the different companies change their prices only by receiving quotations. I cannot state the length of time it would take the quotations from the different people to reach me. The quotations came from different places and the mail might take 24 hours in some instances or it might take a day and a half, I can't answer the question definitely—as I said before, it would be received within two or three days.

[fol. 231] If one manufacturer had offered me cement at a cent a barrel under the others, that would be so small I do not think I would consider it. I would consider 10 cents a barrel, 5 cents a barrel, and that the company was responsible and would fill their orders. When I was buying cement for my general business, if one company had allowed me 2½ or 5 cents more on a bag as a credit I wouldn't break away from my associations at all. I could not afford to. 25 cents a barrel would not be enough for me to break away from the association with the representative cement companies that I have. I consider that as an asset of my business. It would be worth more than that. But if I were a free purchaser on the market, and not the head of an established business, and was offered cement by one concern 5 cents cheaper a barrel than another, I would then take the cheaper one. All contractors do that right along, mostly every day, 2 cents a bag or 2 cents a barrel. I would take the cheapest I could get.

Giant Portland Cement Company specific job contract offered in evidence, Defendants' Exhibit No. D-37. Not printed by consent.

[fol. 232] Allen P. Lockwood, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

For almost two years I have been engaged in the retail builders' supply business in Buffalo, N. Y. From April, 1917 to July, 1920, I was salesman for the Hercules Cement Company. Since than I have been selling cement as a retailer, principally Lehigh, also Penn-Allen, Knickerbocker, Alpha and a little Atlas. I have received quotations from some of the other companies. I sold about fourteen thousand barrels last year.

The prices quoted in the quotations given me at any one time since July 1, 1920 have not been any different.

When I was salesman for the Hercules Company I did not have any authority to change the price of cement. Mr. Goode, the sales

manager, told me the Hercules price. The Hercules plant is in the Lehigh Valley. When I had an order for cement in my district around Buffalo, as a salesman, I figured the price by taking the mill base plus the freight rate to Buffalo, or wherever the point may be, adding bags. I would ascertain the freight rate by a freight rate book I had.

In most cases I knew the prices of our competitors. There was a difference in our prices and their prices during 1917 and I am not sure whether part of 1918 or not. The Hercules price at that time [fol. 233] was lower than the other prices. The Hercules was a new company. I went with them in April, 1917. They put their cement on the market in June or July, 1917. We were underselling the other fellows a little bit. I think we did that throughout all of 1917 and maybe the early part of 1918. After that I often suspected there was a difference between the prices of the Hercules cement and the other cement, but Hercules was the same price as you would consider the market price of cement after that time. I have not handled Hercules since I have been a dealer.

Since I have been a dealer the quotations have been the same with all of them. There has not been any difference with reference to trade discount or cash discount. The terms are 10 cents a barrel cash discount in 10 days, 30 days net. The prices for returned bags have been changed once or twice, and I think they all changed about the same time. The specific job contracts as to terms of sale and the discount, and so forth, are practically the same. The wording might be a little different. The substance is the same so far as I know.

I had a little experience with checkers. I think there was one sent out once last year and he was checking up at least one of my contracts. After he left I heard no more from him.

Cross-examination by Mr. Stimson:

As a dealer I get my cement in car-load lots, break it up and sell [fol. 234] it at retail. In addition to that, in some cases I get some for people who are building big jobs, contractors. Ninety to ninety-five per cent of the cement that I handle goes into my storehouse to be retailed out.

These specific job contracts are contracts that limit the use of the cement to the particular job for which it is sold. A manufacturer of cement insists that when he sells for delivery at some point in the future, that the cement shall be applied to the job designated in the contract. In case the price goes up, I hold the cement manufacturer to the lower price he gave me in the contract. In case it goes down, he does not hold me to the higher price. I get the benefit. It is a one-sided proposition. The only thing that the cement manufacturer asks in those contracts is that the cement shall go on the job it is sold for.

As to my experience with the checker, I imagine they thought the contract was for a lot of cement for sidewalks in a village of that size, and I guess they came out to get some information as to the number of feet of sidewalks that they were going to put down to see

if it would require that much cement. If it had been too much, that would be what I would call a padded contract.

When Hercules commenced to sell in 1917, all the other companies had been established for many years. Hercules had nothing at all. In order to build up a business, it generally undersold the market. In that way it gradually built up a regular dealer business. After it had gotten that dealer business it did not sell [fol. 235] under the majority of the other companies. So long as it was building up a business, it was going around, trying to get jobs wherever it could, and after it had gotten established with dealers it tried to get quite as high a price as the other companies.

The standard specification test is the regular test applied to cement. Since that test has been applied there is no difference in quality which would warrant any difference in price. If I were a consumer on the market I would not pay any more for one brand than I would for another, even in the slightest degree.

The price has fluctuated up and down. When a company has come down, it has been followed by other companies within a week or less. Judging by my experience, a company that did not come down could sell absolutely no cement, or very, very little, practically none.

It is agreed that the Hercules Company joined the Cement Manufacturers Protective Association in May, 1917.

I remember in December, 1919, just shortly after Christmas one of the companies raised its price. The only way I can remember is that I wanted to get away for Christmas. I wanted to go to Cincinnati for Christmas and I was tipped off that Edison had raised their price and I was detained a few days because I was trying to get in a lot of new business on the strength of the new price. I thought the price was going up generally. Hercules did get quite a few contracts at that old price. They took a lot of orders. [fol. 236] In fact, they took so many orders that when the real raise came later and prices began to go up all along the line they could not take any more.

There is no restriction on cement that I buy for immediate delivery. I can get just as much cement as I want for immediate delivery up to the limit of my credit. I identify the letters handed me which I wrote to the Hercules Company or received from them during the time I was a salesman.

Offered in evidence Defendants' Exhibits D-38 to D-50, both inclusive. Printed in Exhibit Book, p. —.

Mr. E. B. Goode, Jr., was the sales manager of the Hercules Company. The Universal was one of the cement mills.

It is agreed that the Peake Committee was a committee appointed by the Department of Commerce that took up the matter of reducing prices to hasten recovery after the war, not only with the cement industry but with other industries everywhere.

Ed mentioned in some of these letters is Mr. Goode. Herb. was a former salesman of the Lehigh Company. The Globe Plaster

Company was a dealer in Buffalo. When I was salesman I always kept Mr. Goode posted as to the market. Since I have been a dealer, if I get a quotation showing a change in price from one company, I call up one of the cement salesmen who represents the companies I deal with and let him know about it. Whenever a price change [fol. 237] is made by one company, it is circulated very rapidly among the salesmen of the different companies, who keep on watch for it all the time.

The Universal rate to Buffalo was lower than the Lehigh Valley rate. Four cents I think it was, but I am not sure.

Redirect examination by Mr. Fowler:

If one company reduced its price the others would have to follow or they would not get any business. If one company raised its price it would not help the others to get business if they followed the raise.

There is a Universal mill base and a Lehigh Valley mill base. They are not always exactly the same. There might be, say, $1.25 Universal mill base and $1.30 Lehigh Valley mill base. The freight rate is a little different. One is near Pittsburgh and the Lehigh Valley is near Philadelphia. They are not always the same. If the Universal mill base plus their freight rate to Buffalo was lower than the Lehigh Valley mill base plus the Lehigh Valley freight rate to Buffalo, you would have to meet that lowest competition. That is, if Universal would get into Buffalo at $2.40 and it was $2.44 from the Lehigh Valley, you would have to sell cement in Buffalo at $2.40.

Recross-examination by Mr. Stimson:

Universal is a very large mill, a very large company, which in 1919 and 1920 had the lowest freight rate to Buffalo.

[fol. 238] HARRY W. GILBERT, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been engaged in the builders' supplies business in Germantown, Pennsylvania, for twenty years, and have been handling cement during that period. I now handle Lehigh and Bath. I have handled eight or ten different brands in the last six or eight years, Nazareth, Edison, Pennsylvania, Vulcanite, Universal and Atlas. I have a wholesale and retail business and handle specific job contracts. For three years I have been handling principally Lehigh and Bath. There has not been any variation in the prices that those two companies have offered me during the three years. The price was uusally the same when I was handling the other brands of cement. There was one time when some of them offered it cheaper than the others. I think it was about 1915. I was then offered cement at different prices. Since that time the quotations have all

been the same. The discounts have been 10 cents a barrel, 10 days. There was no variance in that respect between the companies. The credit allowance for returned bags had been the same. I was allowed fifteen days to accept quotations by all of them. It does not make any difference to me or my patrons from which company I buy so far as price is concerned. I have never purchased in less quantity than carload lots. There is no difference so far as terms of payment and prices are concerned in the specific job contracts of the several companies.

[fol. 239] Cross-examination by Mr. Stimson:

I did not mean that prices did not go up and down at different times. I meant that at the same time they were uniform. I am sure about that. I have bought from Bath for several years. The paper I am shown is the instruction as to price from the Bath Company, dated December 15, 1919. On December 15, they ordered a change of price in cement of 25 cents a barrel. None of the other companies had a change at that time that I know of. Lehigh didn't, anyhow, and I was representing Lehigh. Immediately after that came out they were not uniform. I was mistaken so far as my answer about those two figures on that date were concerned.

Paper referred to offered in evidence, marked Defendants' Exhibit D-51, printed in Exhibit Book, p. —.

I am shown a letter of general instructions from the Bath Company, dated December 20, 1919, reducing its prices. With my memory refreshed, Bath advanced its price on the 15th and came down again on the 20th of December, 1919, without any other companies' prices moving.

Instructions of December 20, 1919 offered in evidence, Defendants' Exhibit D-52, printed in Exhibit Book, p. —.

[fol. 240] The paper dated March 2, 1920, on letter paper of the Bath Company, does not refresh my recollection about another change in its price about that date. I do not remember what they were quoting at that time. I was handling this cement. I can't recollect what the prices were. I did not refresh my memory with regard to prices at that particular date. I was mistaken in saying that the prices of Lehigh and Bath were uniform at that particular date, in December, 1919. I don't recall what the prices were that winter that Bath was charging.

Paper dated March 2nd, 1920, offered in evidence under stipulation. Defendants' Exhibit D-53 printed in Exhibit Book, p. —.

The Lehigh base governed my territory. I was nearest to that. I never heard of a Universal base. Mr. Dutton was second vice-president of the Bath Company in charge of sales.

The letter dated July 15, 1920 refreshes my recollection as to the price charged by Bath that summer.

Offered in evidence Defendants' Exhibit D-54, printed in Exhibit Book, p. —.

In reference to credits for bags, my recollection is that they all changed at the same time.

Letter dated April 26, 1920, from W. G. Dutton, Second Vice-President Bath Portland Cement Company, to Mr. Franks, First [fol. 241] Vice-President of that company, offered in evidence. Defendants' Exhibit D-55 printed in Exhibit Book, p. —.

I have known cases of specific job contracts where a job would require only a thousand barrels and the buyer has estimated that it might take twelve hundred and put that into the contract. That is very common, that the buyer always wants to be sure that he gets enough. He estimates liberally regularly. The situation there is that he does not have to take the balance and it would be thrown back on the company's hands.

After August 12, 1920, and during that summer, there was a dollar per barrel difference between the Lehigh price and the Bath price.

Redirect examination by Mr. Fowler:

There is not much cement used in the winter, from December 15 to the end of the year, if the weather is bad enough to stop work.

[fol. 242] JOSEPH H. CLARK, called as a witness on behalf of the government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been in the builders' supplies business in Philadelphia for about six years. I handle from ten to twelve thousand barrels of cement a year, Lehigh and Atlas principally. I handled Vulcanite for the first couple of years.

There has been uniformity of price at the same time between the companies. Quotations made by the Atlas and the Lehigh Companies at the same time were the same. The Atlas Company allowed 10 cents a barrel for cash within ten days; the Lehigh the same.

As to the allowance for bags returned, the companies at different times allowed different prices, just according to what the charge had been. There was no difference between the two companies as to credits for returned bags at any particular time. The time allowed for accepting the quotation was the same with the two companies. The specific job contract forms as to prices and terms of payment were the same. When I handled Vulcanite its prices did not vary from the others, nor its discounts, nor allowances for returned bags. I am allowed 10 cents a barrel differential on specific job contracts, and that is the same with all the companies I represented.

[fol. 243] Cross-examination by Mr. Stimson:

There is no practical difference in the quality of the cements I sold. They are regarded in the market as uniform. None of my customers would give a higher price for one than the other. I would take the cheapest I could get in every case.

As to cash discounts, I have found that the discount was similar as between the companies I mentioned, and I have found a like similarity in the cash discount in the other articles that I handle in the trade. The discounts which one seller allows is generally similar to those which another allows.

As to bags, there have been times when I would be allowed 10 cents for a returned bag and other times when I have been allowed 25 cents. I am always charged with the price of the bag in the beginning and then if I return bags, I get the same price that I am charged with.

It is agreed that it is, and always has been, the custom in the cement business that on sales on specific job contracts, the manufacturer is held to the price named in the contract if the market price advances, while the purchaser gets the benefit of any reduction in the market price.

I have known of cases where specific job contracts had been duplicated, so that there were two contracts outstanding at the same [fol. 244] time for the same job. I have also known of cases where the amount of cement which was estimated to cover the job would be more than the job required. That is very commonly done.

Letter dated August 10, 1920, from W. G. Dutton, of the Bath Portland Cement Company, to E. P. Comer, offered in evidence. Government's Exhibit No. 193, printed in Exhibit Book, p. —.

Price instructions issued by Bath Portland Cement Company August 12, 1920, dictated by W. G. Dutton, offered in evidence. Government's Exhibit No. 194, printed in Exhibit Book, p. —.

Letter September 30, 1920, from Bath Portland Cement Company to E. P. Comer, offered in evidence. Government's Exhibit No. 195, printed in Exhibit Book, p. —.

Letter October 2, 1920, from W. G. Dutton, of Bath Portland Cement Company, to C. S. Nellis, offered in evidence. Government's Exhibit No. 196, printed in Exhibit Book, p. —.

[fol. 245] Letter October 2, 1920, from W. G. Dutton, of Bath Portland Cement Company, to E. P. Comer, offered in evidence. Government's Exhibit No. 197, printed in Exhibit Book, p. —.

Circular letter of price instructions sent out by W. G. Dutton, of Bath Portland Cement Company, December 4, 1920, offered in evidence. Government's Exhibit No. 198, printed in Exhibit Book, p. —.

[fol. 246] JOHN H. KELTER, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been engaged in selling builders' supplies in Philadelphia, Pa., for twenty-five years, handling cement throughout that period.

At the present time, I am selling Penn-Allen, Bath, Lehigh and Coplay. I have been selling for those four companies for fifteen years, at least. During that time I have also sold Atlas, Alpha and some Phœnix.

We get a notice from one company or some company of a change in price, and three or four days afterwards the rest of the companies send us a notice meeting that price, whether it is a rise or a fall in the market. From that time up to another change there is no difference in their prices.

In regard to cash discounts, there is no difference, 10 cents a barrel in ten days from date of shipment. With reference to acceptance of quotations, their custom is fifteen days to accept, without we request longer.

Other companies occasionally send quotations to me. Other companies send their salesmen to me.

There is no difference in the amount that each will allow for returned bags. There is a change from time to time in the price. All bags are marked by the different companies they belong to with the returned price, 10, 15 or 25 on each bag, and the company's brand on the bag.

[fol. 247] Cross-examination by Mr. Stimson:

The standard specification test is the tests which architects ask for or contractors ask for when they ask me to buy cement for them. I have found that all these six cements I handle stand alike so far as quality is concerned. If I were able to get any one of them cheaper than the others, I certainly would take the cheapest one. It would make no difference at all what brand it was.

In the last fifteen or twenty years prices have been fluctuating every three or four months. My observation has been that one or two companies would make a cange, then in a little while, two or three days, the others would all follow. Of course, it is not always the same company that makes the change first. But one company will decide to change its price and notify the trade of it, and then in three or four days the others will all come to it.

As to cash discounts, in my business with other materials, I have also found that there are uniform cash discounts for the other materials that I handle. There is nothing unusual in finding the same cash discount used by different manufacturers. They are always the same, no matter what materials they are. That applies to brick and sand and all the other things I sell.

Salesmen come into my office about once a month and try to sell me cement. They want an order. If they can go back with an order they are happy for it. They try to sell all the cement that I

[fol. 248] will take. They try to get me to take their cement rather than the other fellow's cement. That has been going on through all the years I have been a dealer. There has been nothing different at all. These salesmen ask me to keep them posted as to the changes of price which any other salesman of another company may make; and I do it. I remember a case, for instance, where Penn-Allen was involved. I received a notice from another company of a decrease in price, and I called up Mr. Bretherton of the Penn-Allen Company and asked him if he would meet the price, and he said, "I will let you hear from me in two or three hours." Then I got a notice from him meeting the price.

As to other times, I called Mr. Ford up of the Lehigh Company, the Philadelphia sales manager, and asked him if he had heard anything about a decrease in price, after we received a notice possibly from one of the other companies. He would wait until he got word from the main office as to what they were going to do, whether they were going to meet the price or whether we would buy from the fellow that quoted the lower price. Invariably they would meet the price.

It has been my experience that whenever a change of price has been made, the news of it flies around awful fast. Just as quick as one company changes, all the dealers that get notice of it tell the other companies. You can't answer the telephone fast enough for them. Just as soon as any change occurs, the news of that change flies all over the trade just as fast as it can be telephoned.

[fol. 249] Specific job contracts provide that cement is to be delivered in the future six or eight months or a year, just as you ask them, according to the size of the job. I have known cases where those contracts have been extended after they have expired, even where the price of cenment has gone up in the meanwhile. I know of such a case in 1920, which was the year when prices all went up. I had a contract with a man by the name of Mark Haller, building on Oregon Avenue. My contract called for the Penn-Allen Company's cement for 2,500 barrels and also with the Coplay Cement Company for a thousand barrels on the same job, and the market went up and both companies shipped on the low market to that job, after he had used the quantity of cement that was really coming to him, and they gave him an extension of about 10 to 15 per cent more barrels. The market was $2.73 at the time of the contract, and my contract with him was $2.82, in carload lots. That contract had expired and the market was up to $4.05, and we gave him about four cars additional over and above his contract at the low market, after the market had gone up.

In the summer of 1920, the cement companies were doing their best to deliver cement. The Lehigh Company shipped me in about 3,000 barrels of cement by truck, when they couldn't get railroad cars. I hauled cement from the mill of the Penn-Allen Company in my own trucks. It took about fourteen hours to do it from the mills to Philadelphia.

As to bags, the bags are always redeemed at the same price I am

charged for them when they sell me the cement, whether it is 10 cents, 25 cents, or 15 cents.

[fol. 250] I remember receiving the letters shown me from the Edison Company and getting the signs mentioned in it.

Offered in evidence Defendants' Exhibit D-56, printed in Exhibit Book, p. —.

Redirect examination by Mr. Fowler:

The other companies, as well as the Edison, helped me to advertise their cement.

[fol. 251] ALFRED L. LYTH, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been engaged in the business of selling building supplies in Buffalo, New York, for eighteen to twenty years. My company, A. L. Lyth & Sons Company, has been in existence over sixty years. It was established by my grandfather. We handle on an average fifty to sixty thousand barrels of cement in a year. I have been handling Lehigh for seventeen years and Giant, Knickerbocker and Hercules for three to four years.

While I have been handling these brands, the prices quoted me by all the companies at the same time were uniform. Salesmen of other companies come to see me from time to time, trying to sell me cement. There was no difference in the price at which they offered to sell me cement and the prices at which I was buying from these other companies. That has been the condition, I should say, for ten years back. In 1913, 1914, 1915, along in there, cement was considerably lower. The prices in or about the same time were all about the same. That has been so for ten years.

There has not been any difference in the requirements of the companies as to cash discounts or in their allowances for returned bags, or with reference to the time within which an acceptance is required. The times of acceptance are usually fifteen days. They will [fol. 252] extend on request. Taken at the same time, the terms and prices offered to me at which cement has been sold to me have been the same. I have one exception in mind. During 1920, during the scarcity of cement, I had contracts amounting to about twenty thousand barrels with the Knickerbocker Cement Company which they did not fulfill on account of, as they claimed, coal shortage and the bad car situation. I fulfilled the contracts with any cement I could get hold of at any price and took the matter up with the Knickerbocker Cement Company and made an agreement with them to accept delivery on that cement at a future time if they would guarantee me the price which was about 48 cents more than the original contract price but about 50 cents less than the market price at the time they actually shipped the cement to me. In other words we split the difference.

I had an experience with checkers. The checkers often came in to look over our specific contracts and my experience with them was very short because I dismissed them without giving them any information. They would go out and call on the contractor and often check up contracts with the public works with the Department of Buildings. My refusal to give them any information was based on the fact that I considered it was nobody's business.

Cross-examination by Mr. Stimson:

In regard to the fifteen days' limitation on acceptance of quotations, the paper shown me is just the same form the Knickerbocker Com-
[fol. 253] pany used in quoting me. I do not find in it anything about it being limited to acceptance within fifteen days.

Offered in evidence Defendants' Exhibit D-57. Printed in Exhibit Book, p. —.

In regard to cash discounts being uniform, the discount which is granted by the different manufacturers or sellers is uniform in the cases of a great many other materials I handle besides cement. There is nothing exceptional about cement in that respect.

Since the standard test the quality of cement of all the different companies has been practically uniform. Purchasers regard it as substantially equal so far as the price they pay is concerned and a difference of 5 cents will make the difference between a purchase or non-purchase of any of the brands. If I could get a different price from any one of my companies, they naturally would get the heavy end of the business. My customers would practically invariably take the cheaper.

Prices of cement have been practically uniform for about ten years. At the period when cement went down very low, they all went down uniformly practically, the same way as they have acted since. According to my experience, if any one of those brands had stayed up I don't think they would have sold any cement.

All of these companies I have mentioned maintain salesmen who visit my office pretty actively, trying to get me to take their particular brand. They carry on advertising through me. As between these
[fol. 254] different salesmen, they compete against each other. Each tries to get the other's business. They try to get me to give it to them.

I remember the Pennsylvania Company carrying on a bill-board advertisement campaign in 1917, I think. They placed large bill-boards around throughout the city and approaches to the city on the main arteries, advertising their cement and advertising me as the dealer. I have seen the same thing done by other companies. That has been going on, the same activity, right straight along, all this time that I have been in the cement business. This letter from the Knickerbocker Company, dated May 3, 1921, to my firm, offers me a contract for future delivery of a thousand barrels, specifying that it is for the manufacture of concrete blocks, but not for any particular job or building, just to be used in the manufacture of concrete blocks in general.

Offered in evidence Defendants' Exhibit D-58. Printed in Exhibit Book, p. —.

I represented the Hercules Company. I can't state positively, but I believe that when they first came into the market they sold lower than the others until they got themselves established.

In 1920 there was quite an abnormal situation. The telegram shown me is one that my firm got at that time from the Giant Company, dated May 10, 1920.

Offered in evidence Defendants' Exhibit D-59. Printed in Exhibit Book, p. —.

[fol. 255] I remember that in the Spring of 1919, right after the war had stopped, there was a reduction in the price of cement.

Memorandum from Alpha Company in regard to reduction offered in evidence, Defendants' Exhibit D-60 and D-61. Printed in Exhibit Book, p. —.

I remember that during the war the United States Government asked for a pledge that manufacturers would not permit cement to be used for anything except essential industries. I remember the circular containing that pledge.

Offered in evidence Defendants' Exhibit D-62. Printed in Exhibit Book, p. —.

In regard to a visit of the checkers, I remember a contract with the Hercules Company that this gentleman came to investigate. I don't know by what number of barrels that contract was padded. I don't know whether that particular contract was padded or not. It has gone out of my memory just now. One of the Hercules contracts they came to investigate was not padded quite seriously. One of the other contracts was. What these gentlemen usually called on me to find out was whether there wasn't more being asked for—whether the contract was being kept. I thought that was none of their business.

[fol. 256] Redirect examination by Mr. Fowler:

In regard to Defendants' Exhibit D-58, I was not a manufacturer of blocks. That contract was taken for a particular manufacturer there in Buffalo. He wanted the cement to manufacture blocks.

Typewritten paper on letterhead of the Knickerbocker Portland Cement Company, dated December 31, 1919, and addressed to Manchester & Hudson Company, Providence, R. I., offered in evidence Government's Exhibit No. 199. Printed in Exhibit Book, p. —.

Two typewritten papers on letterhead of Knickerbocker Portland Cement Company, dated December 10, 1914 and April 13, 1920, and addressed to Albany Builders' Supply Company, offered in evidence, Defendants' Exhibit D-63 and D-64. Printed in Exhibit Book, p. —.

Letter from Mr. Cover, president of the Security Company, to P. F.

Affleck, dated July 5, 1918, received in evidence as against Mr. Cover and not as against the other defendants, Government's Exhibit No. 200. Printed in Exhibit Book, p. —.

It is agreed that the association referred to in Exhibit No. 200 is [fol. 257] the Portland Cement Association, the so-called National Association and not the Cement Manufacturers Protective Association.

[fol. 258] WILLIAM M. KINNEY, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I live in Chicago, Ill. Since December 1, 1918, I have been general manager and secretary of the Portland Cement Association, sometimes called the National Association. In response to a subpœna by the Government I have the records of that Association present. The Government attorneys had them for about four or five months. They were returned last November.

The pamphlet designated "Portland Cement Association Directory of Members, Officers, Board of Directors and Standing Committees for 1921, issued March 1921" was gotten out by our Association.

Offered in evidence Government's Exhibit No. 201, not printed by consent.

That shows a correct list of the members of the Association as of March, 1921.

This list, dated May, 1915, of the Association of American Portland Cement Manufacturers is, I presume, correct.

Offered in evidence Government's Exhibit No. 202, not printed by consent.

This is a roll of members as of March 1, 1921.

Offered in evidence Government's Exhibit No. 203, not printed by consent.

[fol. 259] I have examined the records of the National Association. The elections, resignations and re-elections of each of the defendants have been as follows:

Atlas Portland Cement Company, charter member, September 11, 1902; resigned September 13, 1909; elected December 13, 1910.

Allentown Portland Cement Company, elected November 1, 1909.

Alpha Portland Cement Company, charter member, September 11, 1902; resigned December 13, 1909; elected December 12, 1912.

Bath Portland Cement Company, elected June, 1906; resigned May 1, 1916; elected May 23rd, 1918. That is the reference you asked about the other day.

Coplay Cement Manufacturing Company, charter member, Sep-

tember 11, 1902; resigned December 11, 1911; elected December 11, 1912; resigned December 14, 1915; elected January 1, 1918.

Dexter Portland Cement Company, charter member, September 11, 1902.

Edison Portland Cement Company, the same.

Giant Portland Cement Company, elected May 1, 1913.

[fol. 260] Glens Falls Portland Cement Company, charter member, September 11, 1902.

Hercules Cement Corporation, elected April 1, 1919.

Knickerbocker Portland Cement Company, elected May 1, 1916.

Lawrence Cement Company, elected September 11, 1902; resigned December 11, 1911.

Lehigh Portland Cement Company, charter member, September 11, 1902; resigned December 13, 1909; elected December 12, 1912.

Nazareth Cement Company, September 11, 1902.

Penn-Allen Cement Company, elected December 11, 1911.

Pennsylvania Cement Company, elected December 8, 1903.

Phœnix Portland Cement Company, September 11, 1902.

Security Cement and Lime Company, December 1, 1910.

Vulcanite Portland Cement Company, September 11, 1902.

Where it is said that one has been elected upon a certain date, it means that they have been members ever since, unless designated to the contrary.

The report shown me was issued by the Portland Cement Association and intended to show the entire production capacity in the United States, both of companies members of that Association and those who are not members. It was made up from information supplied by the manufacturers, except in some cases which were estimated.

Report put in evidence. Government's Exhibit No. 242, printed in Exhibit Book, p. —.

[fol. 261] At present, about the only reports that are being made to the Association are in connection with our accident prevention and insurance work, and in connection with the work of our conservation bureau. The members did report the amount of production and shipments until shortly after the decision of the Supreme Court in the Hardwood Lumber case, January, 1922.

The book "Trade Practices in the Cement Industry" is a report made in 1919 of a report of the Committee on Trade Practices of the Portland Cement Association. The earlier editions purporting to be printed in September, 1918, in 1915 and in 1916, were before my management, but I think you can take the dates from the books.

The pamphlet published in January, 1919, put in evidence as Government's Exhibit No. 243. Printed in Exhibit Book, p. —.

The pamphlet published in 1916 put in evidence as Government's Exhibit No. 244. Printed in Exhibit Book, p. —.

The pamphlet published in 1915 put in evidence as Government's Exhibit No. 245. Printed in Exhibit Book, p. —.

[fol. 262] Letter dated December 24, 1914, from Percy H. Wilson, Statistician of Association of American Portland Cement Manufacturers, to Security Cement & Lime Company, put in evidence as against that company. Government's Exhibit No. 246, printed in Exhibit Book, p. —.

Reply of Security Company thereto, dated January 2, 1915, put in evidence. Government's Exhibit No. 247, printed in Exhibit Book, p. —.

Letter dated June 24, 1916, from J. P. Beck, Statistician of Portland Cement Association, to Security Company, put in evidence. Government's Exhibit No. 248, printed in Exhibit Book, p. —.

Reply of Security Company thereto, dated July 3, 1916, put in evidence. Government's Exhibit No. 249, printed in Exhibit Book, p. —.

Letter dated December 17, 1917, from Secretary of Cement Manufacturers Protective Association to Government agent, Mr. De Woody, and accompanying enclosure put in evidence. Government's Exhibit No. 250, and Government's Exhibit No. 251, printed in Exhibit Book, p. —.

[fol. 263] Telegram from Mr. De Woody to Secretary, dated December 17, 1917, put in evidence. Government's Exhibit No. 252, printed in Exhibit Book, p. —.

Cross-examination by Mr. Dorr:

I am a graduate engineer. As General Manager of the Portland Cement Association, my principal duties have been the direction of the promotional activties of the Association, that is, bringing to the attention of people in different sections of the country what cement can be used for and how to use it. We have about 320 employees, with branch offices in twenty-three cities and a membership including companies in South America, Mexico and Canada. The principal activity is the promotion and inspection of concrete roads. We advise highway officials, engineers, city engineers and others, as to how best to construct concrete roads, so that having obtained a satisfactory road they will more extensively use that type. The basis of all the work of the Assiciation is the best information obtainable. We maintain a very extensive laboratory in Chicago, where we attempt to develop the best uses of cement, try to find out if the work can be improved by changes in the specifications or what not. We have a farm and cement products bureau. They devote themselves to the development of the uses of cement and concrete on the farm, that is, for silos and feed floors and hog wallows and dipping vats and all that sort of thing. Then we have a structural bureau that works with the architects and engi-
[fol. 264] neers in the development of new and better uses for cement. We have a very extensive advertising department, which spends usually $200,000 a year, and sometimes more, in that field. We have accident prevention department. By reason of the work heretofore done, the machinery in cement plants is well guarded to avoid accidents, and the principal work now is educating em-

ployees to protect themselves. We have a conservation bureau engaged in studying ways and means to avoid waste in the manufacture of Portland cement, for instance, waste of heat in the burning, waste of dust, anything to improve the manufacture and make it less costly. We did have a uniform cost accounting bureau, but that work is not still carried on. We have about 200 engineers engaged in field work.

As to the laboratory, in concrete cement is the binding material which holds the other materials together. A manufacturer can make his cement just as perfectly as possible, but if it is misused, then the results are not satisfactory and he has a displeased customer; and our idea is to find out the best way to use cement in making concrete and then pass that information on to the public. The laboratory has devoted a great deal of time and made extensive technical researches. For instance, we have shown that reducing the amount of water 20 per cent will increase the strength of the resulting concrete 30 per cent, and reducing the amount of water 30 per cent will increase the strength about 50 per cent. That [fol. 265] particular series of tests was put in a leaflet and distributed to possibly 200,000 people in the United States.

Leaflet put in evidence. Defendants' Exhibit D-89, not printed by consent.

This is another bulletin giving the results of laboratory work to develop the effect of curing on the wear and strength of concrete.

Put in evidence Defendants' Exhibit D-90, not printed by consent.

This is another pamphlet embodying researches into the effect of fineness of cement. Cement is already ground so fine that 78 per cent will pass through a sieve having 40,000 holes to the square inch, a sieve that will hold water. This study was made to determine whether the value of increasing that fineness would equal the increased cost.

Put in evidence Defendants' Exhibit D-91, not printed by consent.

This contains a study on the elasticity of concrete, a highly technical study made to assist those who are designing concrete structures, reinforced buildings, bridges, and so forth. I would hesitate to attempt to explain it so that it would be clear to anyone but an engineer.

Put in evidence Defendants' Exhibit D-92, not printed by consent.

[fol. 266] This study is on the effect of storage on cement. It was made to determine just how long cement can be kept without deterioration.

Put in evidence Defendants' Exhibit D-93, not printed by consent.

This is another study of the wearing resistance of concrete under various conditions. It is directed towards determining the various conditions which make a concrete that will wear the longest.

Put in evidence Defendants' Exhibit D-94, not printed by consent.

This is a study of the effect of vibration and pressure on fresh concrete, intended primarily to help those who are manufacturing concrete blocks, concrete piles, sewer piping, any of the products which are vibrated in order to get the highest strength.

Put in evidence Defendants' Exhibit D-95, not printed by consent.

Our Association has made expenditures every year in this technical work. For instance, since January 1st, 1918, we have devoted to laboratory research $218,819.65. The structural bureau of our Association prepared the bulletin "Railway Uses of Concrete," which was then printed and distributed by the American Railway Engineering Association.

Put in evidence Defendants' Exhibit D-96, not printed by consent.

[fol. 267] This pamphlet "Concrete Chimneys" describes the use to which cement is now being put quite extensively. Chimneys up to five hundred feet in height are being built from that material.

Put in evidence Defendants' Exhibit D-98, not printed by consent.

This pamphlet "Recommended Practice for Concrete Bridge Construction" is technical. The other pamphlet "Concrete Highways and Bridges" is promotional. One tries to make the reader want to use concrete and the other tells him how to do it, if he wants to.

Put in evidence Defendants' Exhibits D-99 and D-100, not printed by consent.

These other pamphlets "Concrete Bins and Pits for Coal Storage," "Concrete Tanks for Industrial Purposes," "Concrete Tanks for Fuel Oil Storage," and "Concrete Swimming and Wading Pools," are other illustrations of the work of the Association.

Put in evidence Defendants' Exhibits D-101 to D-104, inclusive; not printed by consent.

Other work of the Association is illustrated by the pamphlet "Remarkable Test of Concrete Building in the Salem Fire," the pamphlet "Concrete Schoolhouses," the pamphlet "Concrete for Indus-
[fol. 268] trial Housing," the pamphlet "Concrete Linings for Irrigation Canals," the pamphlet "Concrete Linings for Mine Shafts."

Put in evidence Defendants' Exhibits D-105 to D-109, inclusive; not printed by consent.

As to the extent to which these pamphlets have been distributed, we circulated two and one-half million books last year.

The Association has also similarly studied reinforced concrete. The pamphlet "Recommended Specifications for Reinforced Concrete Design" illustrates its work.

Put in evidence Defendants' Exhibit D-110, not printed by consent.

[fol. 269] The use of concerte for floors received considerable abuse until we made studies in the laboratory and determined that curing these floors would materially improve them. Now the use is increasing very rapidly. The attempt to introduce concrete or cement into a new use without sufficient technical study, and the resulting failure, is a very serious set back to the industry. If an architect has a failure of a floor for example, it is his natural tendency not to use concrete floors again. He will use some other material. So a part of the work of the Association is to avoid that kind of set back by educating the engineers and architects as to how the material should be used for each purpose.

The development of the use of concrete on the farm has been a very important activity of the Association. The use on the farm has become very extensive. For instance, on the dairy farm it is used for floors, feed stalls, silos, etc. The pamphlet "Concrete on the Dairy Farm" illustrates this work.

Put in evidence Defendant's Exhibit D-111. Not printed by consent.

The pamphlets "Concrete Trough, Tanks and Cisterns," "Cement Silos" and "Mooseheart, a Concrete Community," illustrate this work.

Put in evidence Defendants' Exhibits D-112 to D-115, inclusive. Not printed by consent.

[fol. 270] Possibly the keenest competition we have is in piping and tile for drainage and sewerage. Clay sewer piping, clay tile are very strongly entrenched in that field, and it is quite difficult to supplant them. In many localities the use of a concrete tile means a great saving to the farmer, since clay tile plants are not always located in the particular territory where the tile is needed, and by making concrete tile in that field you would have a considerable saving on freight. The same applies to concrete sewer pipe. The pamphlet "Concrete Pipe Sewers" illustrates the Association's work in that field.

Put in evidence Defendants' Exhibit D-116. Not printed by consent.

In connection with the work on the farm the Association has in the past and to some extent now gives lectures at farmers' institutes, but our principal work now is in educating the county agents who are employees partly of the State, partly of the Federal government, and partly of a local farmers' organization, who advise farmers. We work in close cooperation with these officials, frequently sending our men to lecture at the university short courses where they are trained and continually passing on to them helpful information. For instance, in New York State, we have a truck carrying equipment to do concrete work, and this truck passes from town to town, and advance dates are made and then lectures are given [fol. 271] to the farmers in that particular community through the

cooperation of the county agents. The pamphlet "Concrete Tile for Land Drainage" is another illustration of our work with farmers.

Put in evidence Defendants' Exhibit D-117. Not printed by consent.

Since January 1, 1918, we have spent in the farm bureau $354,365.41.

The Association has also used advertising space extensively. Last year our advertising had two hundred and fifty million insertions. That is, if it had all been in one paper it would have appeared two hundred and fifty million times. If a single manufacturer advertises in a magazine which circulates generally, a large part of the benefit would go to parts of the country where he could not sell his product. We do not advertise any particular brand of cement. The manufacturers in various parts of the country all get the benefit of our single advertisement of general circulation. We have expended for such advertising in the last four years $544,425.14.

The state highway bureau of the Association has become more and more important of late years. We make studies of the best uses of concrete for road purposes and try to work in cooperation with engineers so that if they have worked out something which is an advantage, we pass it on to the public. The pamphlet entitled "Concrete Streets for Your Town," "That Alley of Yours," "Resurfacing an Oiled Pavement with Concrete," "Your Streets," "Concrete Streets," "Maintenance of Concrete Pavements," "Facts About Concrete Roads," are illustrations of the publications of the [fol. 272] Association in that field.

Put in evidence Defendants' Exhibits D-118 to D-124, inclusive. Not printed by consent.

We have expended on this highway bureau during the last four years $154,459.09.

The accident prevention work of the Association several years ago had to do principally with educating the manufacturer. Of recent years the work has gone to the education of the employee. The last year or so we have been conducting what have been called "No accident months." A plant would start out at the beginning of a particular month and all the employees would be encouraged to do everything humanly possible to avoid accident at that particular plant during that particular month, and such campaigns have been very sucessful. In fact, one plant has gone now for four months without a single accident. There is a great deal of dangerous machinery in a cement plant, conveyors which an employee can step into if not properly covered, gears, great crushers, red hot clinker, and many hazards. This book, "Bureau of Accident Prevention and Insurance" is a book of the Association which the head of the bureau uses in traveling around to the various plants to show the superintendents and foremen means of guarding machinery and the various slogans and signs, and so forth, which they can use to call the attention of the workmen to proper safeguards. We get

out also every two months what is known as an accident prevention bulletin that goes to foremen, superintendents, safety committees, [fol. 273] members and others, illustrating means of avoiding accidents and giving statistics with regard to accidents.

Put in evidence Defendants' Exhibit D-125. Not printed by consent.

The work of the conservation bureau is intended primarily to eliminate waste in the process of manufacture. The first problem was one of conserving fuel. On an average, about 200 pounds of coal is required to make a barrel, 376 pounds of cement. Every increase of a dollar a ton in the price of coal means 10 cents per barrel increase in the cost of cement. The cement industry is the fourth largest user of coal in the United States, and the largest user of pulverized coal. Our conservation bureau made a considerable study on the utilization of waste heat by means of waste heat boilers and fuel economizers. By processes now being developed and already installed in quite a few plants, the heat that would normally pass up the stack is taken and fed through boilers and fuel economizers and used to provide power to run the plant. The Association has also made studies of various types of grinding machinery, and passed on the information in the shape of charts and reports. It has also studied dust prevention, sending an engineer to Europe to make a study of the collection of dust in Germany and Belgium and various other countries.

The district offices of the Association are supervised by district engineers, who have under them anywhere from one or two to a dozen or more field men who are graduate engineers. They go to the city engineer, or the county engineer, or the county commissioner, or the street and alley committee of the city council, or [fol. 274] some civic body like the Chamber of Commerce, and try to interest them and the community in the use of concrete for a road or a street or an alley, and having so interested them that the public officials call for a bid on the concrete type of pavement along with other types, it is then their work to get a contractor interested so that he will bid on the concrete type. It is sometimes necessary to assist the contractor in the location of sand and gravel deposits or stone quarries. Naturally in that work they come in competition with representatives of other types of pavement. Usually they will meet, on a road or street job, four or five or even more representatives of, say, the asphalt type of pavement. The competition is very keen. We meet the brick pavement, the old type of macadam pavement, various types of bituminous pavement, such as bituminous macadam, bitulithic, amiesite, warranite, and all the other ites. The field men do not represent any company. They represent the Association and only bring the proposition up to the letting of the award for concrete. Then it is up to the individual companies to go out and get the business if they want it. The Association's men make no bids themselves. They would be fired if they did. They are only pushing cement in competition with these other materials.

The Asphalt Association, representing the various asphalt companies as a group is a competitor. The National Paving Brick Manufacturers Association is another.

The field men, after they have secured a job for concrete and the job has been awarded, offer their services to the officials to see that it [fol. 275] is properly built so that the public will get its money's worth. Of course, these field men carry on a great deal of other work, that is, they assist in connection with laying standardizers, sidewalks, farm work, and everything under the sun.

During a considerable part of the period while I have been manager of the Association, the cement industry has had to face decrease occasioned by the war and the general reduction of construction activities, which has made it all the more necessary to compete with other materials. Cement has not only held its own, but done quite a little better. I have prepared a chart from the various bulletins of the Department of the Interior, showing the percentage of increase or decrease in the various materials since 1916.

Put in evidence Defendants' Exhibit D-129. Printed in Exhibit Book, p. —.

The chart shows volume of shipment in percentage columns, calling 1916 one hundred per cent. Thus in 1917, the industry as a whole showed a lower percentage of shipments as compared with 1916 than the Lehigh district. In 1918 the same is true. It 1919 it was the same. In 1920 the whole industry had a little better than a hundred per cent of its 1916 shipments, but the Lehigh district was a little high. In 1920 the Lehigh district suffered more than other sections from the great car shortage. But the difference is not large in any case. The Lehigh district followed the country as a whole.

The next section of the chart shows the shipment for the entire country compared with shipments of common brick and indi- [fol.276] cates how the work of the Portland Cement Association increased the shipments of cement during the years following the war to a much greater extent than the efforts of the brick manufacturers. The same holds true to a less degree with sand and gravel. Of course, when you promote the use of cement, you promote the use of sand, gravel and crushed stone. Coming over to cement and lime, the lime industry fell off in 1917 to a greater extent than cement, and in 1920 cement was well above its 1916 shipments, while the lime industry was below. Roofing slate in 1920 has fallen off to only about 44% of its 1916 shipments. Face brick in 1920 was 75% of its 1916 shipments.

The Association has advocated the use of bulk cement, that is, cement to be shipped in box cars without being put in any containers, and in 1920 we sent out a letter to member companies with the Association's booklet, "Bulk Cement," suggesting that in view of the difficulty in obtaining enough sacks and labor, it was good time to promote bulk cement shipments.

Put in evidence Defendants' Exhibit D-130. Printed in Exhibit Book, p. —.

Letter sent to members containing statement by Interstate Commerce Commission concerning shortage put in evidence, Defendants' Exhibit D-130-a. Printed in Exhibit Book, p. —.

Circular letter to member companies from Association's representative in Washington, June 22, 1920, put in evidence, Defendants' Exhibit D-131. Printed in Exhibit Book, p. —.

[fol. 277] Memorandum filed by Portland Cement Association with Interstate Commerce Commission in 1920, put in evidence Defendants' Exhibit D-132. Printed in Exhibit Book, p. —.

Service order No. 7 was modified so as to make possible the use of a few more open top cars for shipment of materials other than coal. The Association thereupon sent a circular letter to its members concerning this promise of relief from the car shortage, dated August 21, 1920.

Put in evidence Defendants' Exhibit D-133. Printed in Exhibit Book, p. —.

[fol. 278] The Association has a transportation bureau. It is not interested in any individual freight rates, but only in rates which affect the industry as a whole. Cement is heavy and the freight rate affects the distance to which it can profitably be carried and marketed. I have here some figures which are averages and were submitted to the Interstate Commerce Commission by a special traffic committee of the Association, in support of a general reduction in freight rates. The increase in freight rates from 1913 to 1921 on materials entering into the manufacture of cement and carried on railroads was: Shale 148 per cent, limestone 119 per cent, fuel oil 99 per cent, coal 83 per cent, clay 98 per cent, gypsum 82 per cent. On the finished product Portland cement, the increases in freight rates from the mill to the consumer for distances up to twenty-five miles, was 133 per cent. That was an average increase from 76 cents per ton to $1.76 per ton, or approximately 20 cents a barrel. The figures here show the increases for the various distances, for instance, from 401 to 425 miles, the increase was about 40 cents a barrel.

This chart is prepared by taking the matter on page 9 of the "Survey of Current Business," issued by the United States Department of Commerce December 1, 1921, and arranging it in order of increases in prices. It shows how Portland cement has increased in price since 1913 almost least of all the many commodities there mentioned.

Put in evidence Defendants' Exhibit D-134, printed in Exhibit Book, p. —.

[fol. 279] This is a design of a small house for a small family, which the Association prepared and put out, the house being adapted to construction entirely from concrete. That house would cost to build about $7,500 at the prevailing price realized in the eastern district of the United States. In 1921, the cost of the cement used in that house would be about $216.

Put in evidence Defendants' Exhibit D-135, not printed by consent.

Redirect examination by Mr. Fowler:

The Portland Cement Association has nothing to do with the Cement Manufacturers Protective Association. I don't know anything about that Association except by hearsay. We don't get any reports from it, have no connection with it and nothing to do with it.

The income of our Association, the Portland Cement Association, last year was about $1,750,000. The membership is at the rate of 8 mills per barrel on the production of the second preceding year. In addition, there are special dues to cover the activities of the various offices throughout the country, based on so much per barrel on the shipments into the particular States. All the cement manufacturers of the United States, except about ten, are members of our Association.

I wrote this letter giving a very short history of the National Association.

Put in evidence Government's Exhibit No. 253, printed in Exhibit Book, p. —.

[fol. 280] This paper was attached to that letter.

Put in evidence Government's Exhibit No. 254, printed in Exhibit Book, p. —.

The signature H. E. Hilts to this letter, looks like the signature of my predecessor.

Letter dated January 30, 1918, from Mr. Hilts to President of Security Company, put in evidence. Government's Exhibit No. 255, printed in Exhibit Book, p. —.

Recross-examination by Mr. Dorr:

Since I have been connected with the Association, it has never tried in any way to interfere with the advertising activities of any member. Some of the companies advertise very extensively.

By consent telegram from W. A. Holman, dated April 24, 1922, put in evidence. Defendants' Exhibit D-136, printed in Exhibit Book, p.—. It is agreed that Loomis is a sanitarium in one of the upper counties of New York State, and Saranac is in the Adirondack Mountains, in New York State.

[fol. 281] MARY K. KAVANAGH, called as a witness on behalf of the Government, being first duly sworn, testified as follows:—

Direct examination by Mr. Fowler:

I was employed by the Atlas Portland Cement Company on November 4, 1904, and remained in their employ until April 16,

0. I first went with the Atlas Company as a stenographer in the
sportation department. I worked in that department for about
t months. I worked next for Mr. W. E. Miner. I was Mr.
er's secretary. He was then comptroller of the company. He
the president's right hand man. The president came very
e in contact with the employees. Mr. Miner did it all. Gave
instructions to the employees. I worked for Mr. Miner from
t 1905 up to the latter part of 1910.
Ir. J. Rogers Maxwell was president of the Atlas Company, until
0. Mr. J. R. Morron then became president and was president
n I left. When I ceased working for Mr. Miner I worked for
Willis A. Holman, who became assistant to the president in
early part of 1911. I worked for Mr. Holman from 1911 to
0. I believe I did some work for Mr. Burch. He didn't have
title until Mr. Holman left. Mr. Holman is ill with tubercu-
s of the throat and Mr. Burch was made assistant to the president.
t was just shortly before I left, in 1920. Mr. Holman was out
. 282] West off and on for about four or five years. Mr. Burch
d his place in his absence. I know Mr. MacFarland. He took
Holman's place. I worked for Mr. MacFarland, I think, for
t two or three years steadily. He was performing the duties
Ir. Holman during that time. There were two assistants to the
ident. Mr. MacFarland was made assistant to the president a
years after Mr. Holman was appointed. I do not believe I can
ember how long ago that was. It was when Mr. Holman first
n to get ill, I think. Mr. Holman has been ill for four or five
s, probably longer. My office was between Mr. Morron's office
Mr. Holman's office. Mr. Morron had two private secretaries,
Espage and Miss Dunn. I was Mr. Holman's private secretary.
the latter part of 1915, I was with Mr. Holman. In January,
3, I think I was working for Mr. Holman. I remember about
organization of the Cement Manufacturers Protective Associa-
. I had a great deal of correspondence in regard to that. On
part of the Atlas Cement Company Mr. Holman dictated the
espondence to me. Before the organization was effected, while
were forming it, extended over a period of several months,
ably three or four, surely three or four. I have a recollection
t the nature of the correspondence. The correspondence that
ted to the formation of the Cement Manufacturers Protective
ciation that was in the Atlas files I either sent to Mr. Thurlow
don or he came for it, and I made a written record and put
the files and it was there when I left, and McAdoo, Cotton &
nklin have the entire file from the very first formation, every-
. 283] thing that had to do with the Cement Manufacturers
tective Association. McAdoo, Cotton & Franklin got every-
g about the formation of the Cement Manufacturers Protective
ciation. There were no other papers. They have everything
t the formation of the Association. I cannot remember when
correspondence was taken, but I put a little slip of paper in the
and I had Mr. Thurlow Gordon's name written on it. Mr.
nson's office had at first some papers of it and then they changed

their attorneys to McAdoo, Cotton & Franklin and it was put back in the files and I had to take them out and I do not remember whether Mr. Gordon came for them or I sent them over.

I never had anything to do with the minutes of the Association. Representatives of the other companies visited the Atlas office before the Association was formed. There was Mr. Young of the Lehigh, Mr. Bert. Swett of the Lehigh, Mr. Coogan of the Alpha and Mr. Mallory of the Edison. Mr. Hilles of the Dexter. Mr. Moyer of the Vulcanite Company. I don't think I can recall Mr. Phelan. I remember Mr. G. S. Brown of Alpha, Mr. Griffith of the Giant, Mr. Smith of the Lawrence, Mr. Lober of the Vulcanite, Mr. Loeb of the Copley.

After the formation of the Cement Manufacturers Protective Association, Mr. Holman of the Atlas dictated such correspondence as was had with reference to the Association. Mr. Holman was assistant to the President and was in immediate charge of sales.

During the war period the Atlas office was naturally visited by the representatives of the other manufacturers in reference to the Government Portland Cement Committee.

Before the war period the Atlas Company was visited from time to [fol. 284] time. They would not all come together. They would come in one by one and stay ten or fifteen minutes, twenty minutes, sometimes half an hour. Very seldom more than half an hour. They would go into Mr. Holman's room. I did not go in. That would occur at least once a month. I do not mean that all of these gentlemen whose names I have mentioned came in once a month. The names I mentioned were the men who came in before the formation of the Cement Manufacturers Protective Association. I didn't mean that the gentlemen kept coming in at least once a month. After the formation of the Association and up to the war period, those who came in were Mr. Swett of the Lehigh, Mr. Young of the Lehigh, Mr. Coogan of the Alpha, Mr. Mallory of the Edison, Mr. Moyer of the Vulcanite. Those are all I am sure of. Beginning with 1919 I believe more came into the office of the Atlas Company. They would not come in together during that period. They would come in one by one and I would have to announce them to Mr. Holman. They would not come during the same day. Very seldom they all came in on the same day, but two consecutive days. They would never be put in Mr. Holman's room together. I was told not to let certain ones see other ones there. We had two reception rooms and I would put one of them in one room and one in the other if two happened to come at one time. Mr. Holman gave me those instructions. That was kept up until the time I left, 1920.

There was correspondence between two or three companies before these people would come in. I have heard communications over the [fol. 285] phone. They had to do with freight rates; they had to do with the bag situation, the prices they were to charge the dealers for the bags in which the cement was shipped. I remember the parties between whom those telephone conversations I have mentioned passed. Mr. Holman called up Mr. Swett quite often in

reference to it. He called up Mr. Coogan quite often in reference to it, and Mr. Moyer. Those are the three men I am sure of.

As to those visits after the war period, they came in quite often. I can't give you any definite time, but not very far apart. After the war they came in much more often than they did before. That is all I can tell you. I heard none of their discussions.

I did not have anything to do with any allocation of sales as between the various cement manufacturers. I had a conversation with Mr. Miner at one time and with Mr. Holman another time with regard to sales.

The conversations were received only as against Mr. Miner.

In the early part of the formation of the Cement Manufacturers Protective Association, I happened to remark to Mr. Miner—I asked Mr. Miner why the Atlas Company on account of being such a large company should want to bring in other companies on an association and divide up the business with them, and Mr. Miner said, "Well, we will all get our pro rata share out of it and the Atlas will be [fol. 286] taken care of". I understood from the conversation that it would be allocated according to the production of each cement company. That is what he said.

After the organization nothing was done by the Atlas Company with reference to limiting its sales, or anything of that kind, at any time.

The Atlas Company knew the amount of sales of the other companies. I never heard Mr. Holman or Mr. Miner say anything about the quantity of those sales. I remember that Mr. Holman called certain salesmen off the road. I did not hear anything said as to why the salesmen were called off.

I removed certain correspondence (other than that delivered to Mr. Gordon). I took it out of the files and put it in one folder and gave it to Mr. Holman. That was just before the Government first started this investigation. I had a conversation with Mr. Holman as to what correspondence I was to remove from the files. Mr. Holman said that they had a suspicion that the Government was going to make an investigation and that I was to go through the files in his office and take out anything that I thought was of a damaging nature as I knew the correspondence naturally, knew what was damaging. I did that. I put it in a folder, got it all ready for Mr. Holman, put it on the center table in his room on his desk. He took it out and went into Mr. Miner's room and I never saw it after that. Shortly afterwards, two or three men, I just don't know how many, Government inspectors came and I had to show them where the files were and they went through the files. I think it was just before the war started, about 1913 or 1914—I think it was 1914, although I am not sure.

Just two or three times it happened that correspondence came to Mr. Holman from other cement companies relating to prices or [fol. 287] practices or anything of that kind. Mr. Swett wrote a letter and I remember calling Mr. Holman's attention to it and saying he was a perfect fool to write such a letter, and Mr. Holman

said, "Why, he is a damn fool and I will call him up on the phone", and he called him up on the phone and gave him a very good talking to.

The Court: When was this?

—That was just before the war started, the war abroad, in 1914.

Q. Did anything of that kind happen after the organization of the Association, or don't you remember?
A. Oh, this happened after the organization of the Association.

The Court: You say it was in 1914?
The Witness: I could be mixed up on my dates but not on the facts.
The Court: What is your recollection as to when that took place about somebody being a fool?
The Witness: My best recollection?
The Court: Yes.
The Witness: Well, now, I don't believe I can tell you my best recollection of it. I know it happened because I called it to Mr. Holman's attention.

I think the Association was formed in 1914. I am not clear about the date. When I talk about the beginning of the war I mean [fol. 288] when we were in it in 1917. This happened after the United States got into the war, on April 6, 1917. I can't answer whether it was before or after the war ended.

I know there was at one time bidding by the companies against each other, cutting prices under each other. I think it was in 1913. I think there was very little communication between the Atlas Company and the other cement companies at that time.

I fixed the date of this incident of which I gave an account of Mr. Holman telling me to take certain correspondence out of the files, at prior to the beginning of the world war in 1914. I meant that that incident was while the United States was at war.

Mr. Gaines was secretary or manager of the Association for some time. Mr. Gaines visited the Atlas office quite frequently—almost every day for weeks and conversed with Mr. Holman and Mr. MacFarland. He said his wife was worried that the Government had started this cement investigation. That was in 1919. She was afraid that he might be put in jail and he wanted to get out of this Cement Manufacturers Protective Association and he thought it was up to Mr. Holman to look after him. Shortly after that he was given a position in the Atlas Portland Cement Company's offices. I heard them discussing freight rates. They would talk about different jobs, contracts.

I heard conversation relating to Association matters but I am not sure whether they were held with Mr. Holman or Mr. McFarland because Mr. Holman was away so much. Mr. Gaines had the talk about getting out of the Cement Association with Mr. Holman. The conversation may have been in 1918 or 1919. I am not sure which.

[fol. 289] Cross-examination by Mr. Stimson:

I recognized Mr. MacFarland's signature on this paper dated October 20, 1916. It sounds like dictation that was dictated to me at one time. There is no way by which I can tell better than that whether it was dictated to me or not. I see my initials on it, but they could have been put on. I haven't the slightest doubt that somebody else might use my initials. That letter has on it at the bottom my initials, M. K. That is the way I used to write it. As to whether someone else put those initials on there, I can't tell you truthfully. I don't know what people would do. I don't remember that there was anybody else in the office whose initials were M. K. except me. There may have been. There was a Miss Kirchdorfer there. I don't know what her first name was. I don't know whether her first name was Clara. I was not that familiar with her. That is Mr. MacFarland's handwriting, I am satisfied about that.

Defendants' Exhibit D-24 for identification put in evidence, printed in Exhibit Book, p. —.

I can't swear that this letter which is shown me was dictated to me. It also has the initials M. K. at the bottom. I can't make this written signature out. The typewritten initials are L. G. M. L. G. M. is Mr. McConnell. He dictated letters to me and I wrote them out. The signature on this one dated January 23, 1917, is much more plain. I can make it out as L. G. McConnell. After looking at both of those letters, I say they may have been dictated by Mr. [fol. 290] McConnel- to me. I am not sure. I do not swear to anything I am not sure about.

Offered in evidence Defendants' Exhibits D-65 and D-66, printed in Exhibit Book, p. —.

Mr Morron went to Arizona, but I never kept much track of when he went and when he came. We had a salesman by the name of Thompson. Mr. Heft was in the office of the Atlas Company and had to do with sales.

Letter dated March 21, 1918, from Thompson to Heft, put in evidence. Defendants' Exhibit D-67, printed in Exhibit Book, p. —.

The signature on that, in pencil, looks like Mr. MacFarland's writing. The C. A. K. is Mr. Kimball's writing. Mr. Kimball had charge of sales.

Letter dated March 21, 1918, put in evidence. Defendants' Exhibit D-68, printed in Exhibit Book, p. —.

That was a salesman of the Atlas Company by the name of James.

Memorandum dated March 21, 1918 put in evidence. Defendants' Exhibit D-69, printed in Exhibit Book, p. —.

[fol. 291] Memorandum of telephone conversation put in evidence. Defendants' Exhibit D-70, printed in Exhibit Book, p. —.

Memorandum of telephone conversation put in evidence. Defendants' Exhibit D-71, printed in Exhibit Book, p. —.

Memorandum of telephone conversation put in evidence. Defendants' Exhibit D-72, printed in Exhibit Book, p.—.

Quotation of Alpha Portland Cement Company put in evidence. Defendants' Exhibit D-73, printed in Exhibit Book, p. —.

Memorandum signed by Mr. Kimball put in evidence. Defendants' Exhibit D-74, printed in Exhibit Book, p. —.

Memorandum concerning price of Saylor's cement, the brand of the Coplay Company, reducing the quotation to the base price, $1.90, put in evidence. Defendants' Exhibit D-75, printed in Exhibit Book, p. —.

[fol. 292] Memorandum of Phœnix price put in evidence. Defendants' Exhibit D-76, printed in Exhibit Book, p. —.

Quotation of Vulcanite Portland Cement Company, March 21, 1918, put in evidence. Defendants' Exhibit D-77, printed in Exhibit Book, p. —.

Quotation of Alpha Company, dated March 21, 1918, put in evidence. Defendants' Exhibit D-78, printed in Exhibit Book, p. —.

Quotation of Dexter Company, March 21, 1918. Defendants' Exhibit D-79, printed in Exhibit Book, p. —.

Telegram from Mr. MacFarland to Mr. Morron, March 21, 1918, put in evidence. Defendants' Exhibit D-80, printed in Exhibit Book, p. —.

Telegram from Mr. Morron to Mr. MacFarland, March 21, 1918, put in evidence. Defendants' Exhibit D-81, printed in Exhibit Book, p. —.

[fol. 293] Telegram from Mr. MacFarland to Mr. Morron, March 21, 1918, put in evidence. Defendants' Exhibit D-82, printed in Exhibit Book, p. —.

Telegram from Mr. Morron to Mr. MacFarland, March 22, 1918, put in evidence. Defendants' Exhibit D-83, printed in Exhibit Book, p. —.

Telegram from Mr. MacFarland to Mr. Morron, March 23, 1918, put in evidence. Defendants' Exhibit D-84, printed in Exhibit Book, p. —.

Telegram from Mr. Morron to Mr. MacFarland, March 23, 1918, put in evidence. Defendants' Exhibit D-85, printed in Exhibit Book, p. —.

Telegram from Mr. Morron to Mr. MacFarland, March 24, 1918, put in evidence. Defendants' Exhibit D-86, printed in Exhibit Book, p. —.

Letter from Mr. Kimball to Philadelphia office of Atlas Company, dated March 22, 1918, put in evidence. Defendants' Exhibit D-87, printed in Exhibit Book, p. —.

[fol. 294] Letter from Mr. Kimball to Boston office of Atlas Company, dated March 22, 1918, put in evidence. Defendants' Exhibit D-88, printed in Exhibit Book, p. —.

I left the Atlas Company in 1920, after Mr. Burch had come in to occupy the room that formerly was occupied by Mr. Holman. He might have suggested some different place for me. I don't recall. I believe he did suggest that I should leave that room and go into other duties. He wanted to put me upstairs in the advertising department. That did not irritate me specially. I didn't think that I ought to be changed from that room. I did not leave the company in consequence of that. I certainly didn't leave the company in consequence of that. I handed in my resignation to Mr. Maxwell and he would not accept it, and I handed it in because things were just going to the dogs in the Atlas Company. They had a lot of fast women in there and I didn't want to work for them—for that and other reasons. Now, Mr. Stimson, you can go fully right through this and I will answer everything. I did have some words with Mr. Burch about changing my room. I had some words, yes. I left the company that morning.

I simply can't recall the name Mr. George W. Wirth. He was a clerk in the accounting department. I decidedly did not have any talk with him after my talk with Mr. Burch. I did not say to Mr. Wirth that I was going to get employment with another cement [fol. 295] company, and that I would get the Atlas Company. I didn't talk with Mr. Wirth. I surely did go and see Mr. Swett. He belonged to another company. He was up in the Lehigh Portland Cement Company. I may have tried to get a position from him. I believe I did. He promised me a position and was to call me up the next day. I never bothered calling up. In the meantime, I had my other position. I saw Mr. Swett the morning I left the Atlas. I believe I went straight from the Atlas to Mr. Swett's office. I happened to know the cement business, that is why I went there.

Q. Did you say to Mr. Swett that you knew a lot of things about the Atlas?

A. I didn't have to say it, Mr. Swett knew what I knew.

The Court: Answer the question.
Mr. Stimson: I move to strike that out.
The Court: Yes, strike it out.
The Witness: I may have spoken in general.
The Court: Just answer the questions that are put to you.

Q. You may have said that?
A. We discussed it in general.

As to my testimony about some of the correspondence in the Atlas files that I either sent to Mr. Gordon or that he came for, I don't recall ever having seen the gentleman who is standing up, before. You know I was not quite sure whether I sent it to him or he came for it. I know that Mr. Gordon was counsel for [fol. 296] the company at that time. So are you, but I don't remember ever seeing you before. I don't remember ever seeing Mr. Gordon before.

The name Mr. De Woody sounds familiar to me. I remember

there was a Mr. De Woody in the office at one time, a Government agent. He may have been from the Department of Justice in Washington. There were two gentlemen there from the Department of Justice. They were there, I remember them, right in Mr. Holman's room. I remember that Mr. MacFarland told me to give them the keys to the files. I remember somebody telling me, I don't remember who it was told me, to let them have carte blanche as far as the files were concerned. I couldn't tell how long they were there. They were there long enough to go through some of the files in my office. I couldn't tell you the year they were there; it was during the time the Government started to investigate the cement case. I know I was told to let them go through the files, and I did, and they went through the files. It was about four years ago, if that is the year that the Government started the investigation—not this investigation now, it was the beginning of this and it dropped during the war or something. About 1916 is my best recollection. I don't know what papers they took out of the files. As to whether it was a separate package of letters which these gentlemen took out of the files, that Mr. Gordon asked to see, all I know is that I was told to give Mr. Gordon the papers that were marked Cement Manufacturers' Portland Cement Association or Cement Manufacturers' Protective Association; and I gave them to him, I am sure of that. The set of [fol. 297] papers entitled "Summaries of Correspondence and Documents of the Atlas Portland Cement Company as examined by Mark Hyman and Charles De Woody on behalf of the Government," is not what I gave Mr. Gordon. I gave Mr. Gordon only matters that pertained to the formation and the tunning of the Cement Manufacturers' Protective Association, containing copies of the by-laws and things of that sort, memoranda. There were no minutes—a copy of the by-laws, a little memorandum relating to Mr. Cox, when he would come in the office and go over the facts, all the correspondence we had on the formation of the Cement Manufacturers' Protective Association was in that file. That was what I sent to Mr. Gordon. I don't believe Mr. Cox was in the Atlas office, but we wrote to Mr. Cox. I never saw Mr. Cox that I can recall.

The date when Mr. De Woody and those other gentlemen were making the investigation was just when the first investigation was started by the Government—I don't mean 1911, that investigation. I am not sure about the date. All I know is that the Government had just started an investigation.

It is agreed that the date was July, 1916.

I stated this morning that before the Government investigation began Mr. Holman came to me and told me that he had a suspicion the Government was going to make an investigation and asked me to go through the files and take out everything I thought was of a damaging nature. That was before those two gentlemen arrived. I am not sure how long before, it certainly wasn't a week.

[fol. 298] Q. Well, now, Miss Kavanagh, is it not a fact that Mr. Holman left on his illness in December, 1914?

A. I had a great deal of correspondence for Mr. Holman about what to do.

Q. You think that answers my question?

The Court: Please answer the questions; do not argue.

A. I don't know whether he was gone from December, 1914 until the spring of 1917, I thought it was a shorter time. Mr. Holman would come down to the city to visit his doctor once in a while, and come into the office. This morning Mr. Fowler was asking me about the time when this Cement Manufacturers' Protective Association was formed, and he asked me this question: "In January, 1916, Miss Kavanagh, you were working for Mr. Holman?" And I answered, "Yes, I think I was working for Mr. Holman." I think I was. I don't know what year Mr. Holman was away. Please understand that my mind isn't clear about the times that Mr. Holman was out of town. I was quite clear this morning about what I testified to as to what Mr. Holman said. I will reiterate everything I told you that Mr. Holman said to me. At the time he was giving me these instructions to take damaging letters from the files, he was my regular superior. I told you, Mr. Stimson, that he would write me my directions from wherever he was. I did not say this morning that he had written to me that I should take the damaging letters out of the files. I believe I said he told it to me. I may have been mistaken.

Q. Here is what you said this morning. The Court asked, "Did you have any conversation with Mr. Holman as to what correspond- [fol. 299] ence you were to remove from the files?" And you answered, "Yes, sir."

A. Yes, I did, I remember.

Q. And then you said, "Mr. Holman said that they had a suspicion that the Government was going to make an investigation, and that I was to go through the files in his office and take out anything that I thought was of a damaging nature?"

A. Did I say he said that to me in person?

Q. Yes, you said it as I have read it.

A. Repeat it again, please.

Q. "Mr. Holman said that they had a suspicion that the Government was going to make an investigation." Did Mr. Holman say that?

A. Couldn't he have said it in writing to me?

By the Court:

Q. Don't argue. Did he say it to you?

A. All I remember was that I was told by Mr. Holman to take it out, and I did. I am not sure about the date.

Q. Do you mean you were told by word of mouth?

A. Yes.

Mr. Holman gave me no instructions except to take out what was damaging. I took out what I thought was the damaging things and he went over them. I may have been mistaken about the year, but

Mr. Holman did it personally. He was in the room. I can see him just now if I close my eyes. I remember him telling me to take out these papers, I remember putting the papers on his desk, and I can [fol. 300] see him walking out of that room with the papers under his arm, going in to Mr. Miner. I can see the whole thing. I have a very vivid recollection of things that are not honest.

Q. Now this morning Mr. Fowler asked you, "In January, 1916, Miss Kavanagh, were you working for Mr. Holman?" And you answered, "Yes, I think I was working for Mr. Holman."

A. I qualified my statement, yes.

Q. "How was it in the latter part of 1915? A. I was with Mr. Holman." And he asked you, "Do you remember about the organization of the Cement Manufacturers' Protective Association? A. Yes, I had a good deal of correspondence in regard to that." Then a little later Mr. Fowler asked you, "Who on the part of the Atlas Cement Company conducted the correspondence, who actually wrote it?" And you said, "Who actually wrote the correspondence? Q. Who dictated it? A. Who dictated it to me? Q. Yes." And your answer was, "Mr. Holman." Do you remember that?

A. I do, decidedly.

Q. Are you willing now with your recollection refreshed to say that Mr. Holman was in New York at all in January, 1916, and the latter part of 1915?

A. I am not sure of my dates; I am sure of my facts, but not my dates.

Q. This is the date when the Cement Manufacturers' Protective Association was being organized?

A. Yes, but they had a lot of preliminary correspondence before it came into existence.

Q. As a matter of fact, Mr. Holman had been away for a year?

A. Had he?

[fol. 301] Q. Before the latter part of 1915, hadn't he?

A. He hadn't been in New York at any time in between?

Q. Well, I ask you.

A. Well, I am asking you, too.

By the Court:

Q. You were there working for him, you ought to be able to answer the question.

A. I don't remember.

Q. Well, then, say you don't remember; don't spar with counsel.

By Mr. Stimson:

Q. Mr. Fowler asked you about dates, didn't he, the latter part of 1915, and 1916?

A. Didn't I say that I thought? You just read it to me.

Q. "Who actually wrote it? A. Mr. Holman."

A. Preceding that, please.

Q. "How was it in the latter part of 1915? A. I was with Mr. Holman."

A. Preceding that didn't I say, "I think."

Q. "In January, 1916, Miss Kavanagh, were you working for Mr. Holman? A. Yes, I think I was working for Mr. Holman."

A. I qualified my statement; I was not sure about it. I said, "I think."

Q. You qualified it very thoroughly, didn't you?

A. I was very careful to. I don't want to get myself into trouble by telling lies.

[fol. 302] Re-direct examination by Mr. Fowler:

I did not voluntarily call upon the attorneys or agents of the Government in this case. I never saw the attorneys for the Government until after I had received subpœna April 6th. I did not desire to appear and would not have appeared voluntarily.

[fol. 303] Circular letter of Cement Manufacturers Protective Association, dated February 21, 1918, put in evidence. Government's Exhibit No. 204, printed in Exhibit Book, p. —.

Circular letter of Cement Manufacturers Protective Association, dated February 26, 1918, put in evidence. Government's Exhibit No. 205, printed in Exhibit Book, p. —.

Circular letter of Cement Manufacturers Protective Association, dated November 13, 1918, put in evidence. Government's Exhibit No. 206, printed in Exhibit Book, p. —.

Circular letter of Cement Manufacturers Protective Association, dated January 29, 1919, put in evidence. Government's Exhibit No. 207, printed in Exhibit Book, p. —.

Circular letter of Cement Manufacturers Protective Association, to Credit Managers put in evidence. Government's Exhibit No. 208, printed in Exhibit Book, p. —.

Circular letter of Cement Manufacturers Protective Association, dated February 6, 1918, to Sales Managers put in evidence. Government's Exhibit No. 209, printed in Exhibit Book, p. —.

[fol. 304] Circular letter of Cement Manufacturers Protective Association, dated March 10, 1919, put in evidence. Government's Exhibit No. 210, printed in Exhibit Book, p. —.

Circular letter dated March 17, 1919, put in evidence. Government's Exhibit No. 211, printed in Exhibit Book, p. —.

Circular letter dated May 10, 1919, put in evidence. Governmetn's Exhibit No. 212, printed in Exhibit Book, p. —.

Circular letter dated May 19, 1919, put in evidence. Government's Exhibit No. 213, printed in Exhibit Book, p. —.

Circular letter dated July 11, 1911, put in evidence. Government's Exhibit No. 214, printed in Exhibit Book, p. —.

Circular letter dated July 22, 1919, put in evidence. Government's Exhibit No. 215, printed in Exhibit Book, p. —.

Letter dated September 8, 1919, from the Giant Company to Cement Manufacturers Protective Association, put in evidence Government's Exhibit No. 216, printed in Exhibit Book, p. —.

[fol. 305] Letter dated September 12, 1919, from Giant Portland

Cement Company to Glens Falls Portland Cement Company, put in evidence. Government's Exhibit No. 217, printed in Exhibit Book, p. —.

Letter dated September 15, 1919, from Glens Falls Company to Giant Company, put in evidence. Government's Exhibit No. 218, printed in Exhibit Book, p. —.

Letter dated September 24, 1919, from Giant Company to Glens Falls Company put in evidence. Government's Exhibit No. 219, printed in Exhibit Book, p. —.

Telegram dated October 17, 1919, from Glens Falls Company to Cement Manufacturers Protective Association put in evidence. Government's Exhibit No. 220, printed in Exhibit Book, p. —.

Letter dated October 21, 1919, from Mr. Archibald Cox to Mr. H. S. Gaines, Vice-President of Cement Manufacturers Protective Association, put in evidence. Government's Exhibit No. 221, printed in Exhibit Book, p. —.

[fol. 306] It is agreed that Exhibit No. 221 was written after the Government started a civil suit against these defendants, under the Anti-Trust Law, in the District of New Jersey, in August, 1919.

Letter dated October 24, 1919, from Giant Company to Glens Falls Company, put in evidence. Government's Exhibit No. 222, printed in Exhibit Book, p. —.

Letter dated October 27, 1919, from Glens Falls Company to Giant Company, put in evidence. Government's Exhibit No. 223, printed in Exhibit Book, p. —.

Letter dated February 18, 1916, from R. E. Griffith, President of Cement Manufacturers Protective Association, to Charles W. Bacon, Secretary, put in evidence. Government's Exhibit No. 224, printed in Exhibit Book, p. —.

Reply to Exhibit No. 224 put in evidence. Government's Exhibit No. 225, printed in Exhibit Book, p. —.

[fol. 307] Letter dated March 25, 1916, from Mr. Brobston of Dexter Company to Mr. Griffith, President of Cement Manufacturers Protective Association, put in evidence. Government's Exhibit No. 226, printed in Exhibit Book, p. —.

Letter dated March 1, 1916, from Mr. M. S. Ackerman, of Lawrence Portland Cement Company, to Mr. Griffith, President of the Association, put in evidence. Government's Exhibit No. 227, printed in Exhibit Book, p. —.

Letter dated May 22, 1917, from Secretary to President of Cement Manufacturers Protective Association, put in evidence. Government's Exhibit No. 228, printed in Exhibit Book, p. —.

Letter dated February 1, 1918, from Mr. Holman, Chairman, to H. S. Gaines, Vice-President of Association, put in evidence. Government's Exhibit No. 229, printed in Exhibit Book, p. —.

Letter dated May 4, 1916, from Mr. Cover of Security Company to President of Cement Manufacturers Protective Association, put in evidence. Government's Exhibit No. 230, printed in Exhibit Book, p. —.

[fol. 308] Reply letter dated May 6, 1916, put in evidence. Government's Exhibit No. 231, printed in Exhibit Book, p. —.

Letter dated February 28, 1915, from Mr. Gaines to Mr. Holman, put in evidence. Government's Exhibit No. 232, printed in Exhibit Book, p. —.

Letter dated January 27, 1920, from Mr. Gaines to Mr. Stapleton, of the Tidewater Portland Cement Company, put in evidence. Government's Exhibit No. 233, printed in Exhibit Book, p. —.

Letter dated May 14, 1918, from Mr. Beach, of Cayuga Cement Corporation, to Mr. Bayle, of Glens Falls Company, put in evidence. Government's Exhibit No. 234, printed in Exhibit Book, p. —.

Letter dated December 31, 1915, from W. S. Mallory, President of Edison Company, to A. C. Steece, Treasurer of Ironton Portland Cement Company, Ironton, Ohio, put in evidence. Government's Exhibit No. 235, printed in Exhibit Book, p. —.

[fol. 309] Letter dated January 21, 1916, from Mr. Griffith of Giant Company, President of Cement Manufacturers Protective Association, to Mr. Hardy, President of Dixie Portland Cement Company, Chattanooga, Tennessee, put in evidence. Government's Exhibit No. 236, printed in Exhibit Book, p. —.

Letter dated April 10, 1916, from Mr. Griffith to Mr. Corbett of Alsen's American Portland Cement Works, New York City, put in evidence. Government's Exhibit No. 237, printed in Exhibit Book, p. —.

Letter dated May 7, 1917, from W. D. Lober, President of Cement Manufacturers Protective Association, to J. K. Barbour of Security Company, put in evidence. Government's Exhibit No. 238, printed in Exhibit Book, p. —.

Letter dated November 29, 1918, from Mr. Gaines, Vice-President of Association, to Mr. Archibald Cox, put in evidence. Government's Exhibit No. 239, printed in Exhibit Book, p. —.

[fol. 310] Letter dated March 26, 1919, from Mr. Matthes, of Alpha Company, to Mr. Gaines, of Association, put in evidence. Government's Exhibit No. 240, printed in Exhibit Book, p. —.

Reply letter dated April 1, 1919, put in evidence. Government's Exhibit No. 241, printed in Exhibit Book, p. —.

[fol. 311] HUGH NAWN, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am a general contractor in Boston, Mass. My firm has been in business since 1852. I have been actively connected with it since 1910. We use from 25,000 to 150,000 barrels of cement a year. We have had contracts requiring upwards of half a million barrels of cement. In 1919, we had the contract for the Gilboa dam, in the Catskill Mountains between Kingston and Albany, in New York State, aggregating from 400,000 to 500,000 barrels of cement. We contracted with two concerns for that cement, the Whitehall Company and the Nazareth Company. We made both contracts at prac-

tically the same time, within a period of weeks. We paid Whitehall $2.83 a barrel and Nazareth $3.06 barrel delivered at the station. We got quotations from, I should say, three or four other cement companies. They quoted $3.06. The Atlas Portland Cement Company was one. I cannot recall the others. We have received quotations for cement from the cement companies from time to time. The prices are usually the same. I do not recall the prices being different except in this instance of the Gilboa dam, where the Whitehall price was different. The discounts, as I recall them, were the same. The prices for bags, as I recall them, were the same, although they might fluctuate from time to time during the season, that is, you might get at times a 10 cent allowance on bags and at other times a 15 cent [fol. 312] allowance on bags and as high as 25 cents allowance on bags, but they were usually the same as between the companies.

Cross-examination by Mr. Stimson:

I am a contractor not a dealer. I have never had any trouble in getting direct bids from the cement companies. The contracts for the cement for the Gilboa dam were signed in June or July, 1919, as I recall it. I did not mention the Knickerbocker Company as bidding for that cement. I recall that the Knickerbocker Company spent quite a good deal of time with me trying to get the contract. I remember their salesman was out to see us on several occasions. They tried to work out a price over a rail and water route. I would not say that the Knickerbocker price was not lower than the other companies. It might have been; I don't know.

I don't remember talking to Mr. Smith of the Lawrence Company about prices for cement for road work in New Jersey. I may have talked to Mr. Smith on road prices, I don't remember. My father handles most all of that road work. I don't remember saying to Mr. Smith that I had had three different prices from the cement companies for that work, before we gave it to the Pennsylvania Company. I would not say that the contract with the Pennsylvania Company was finally cancelled on the ground that the dealer complained about our credit. I don't remember about it. That might have been true.

[fol. 313] I brought the name of the Atlas Company into the matter of the Gilboa dam contract; there was nothing malicious about it. I don't think we owe them any money. We had some bother with them, but we didn't hold that against the Atlas Company.

We did make a contract with the Atlas Company on cement for the Gilboa dam, in addition to two contracts I mentioned with the Whitehall and Nazareth Companies. That contract was for more than 100,000 barrels. I think it was for 150,000. We did not take a barrel of it. We didn't need it. We were being supplied all right without it.

Redirect examination by Mr. Fowler:

If the Knickerbocker had offered us cement cheaper than Nazareth, there was no reason why we should not take it. It was a question of

dollars and cents with us, largely. We had a contract with Atlas. The price was $3.06, exactly the same as Nazareth.

[fol. 314] WILLIAM F. FELTON, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am a general contractor, in Buffalo, New York, and have been for the last thirty years. I purchase my cement through the dealers. Occasionally I get quotations from the cement manufacturers, too. Salesmen of the several manufacturers call on me and then I consult the dealers about prices, also. The prices that have been quoted to me by the manufacturers, or their agents, or the dealers, have been the same. I have endeavored to buy cement from three or four manufacturers lately. I did not find any difference in prices or in the proposed terms of a discount or in the price for the return of bags. About the only reason I would buy from one in preference to another, is that I might prefer one party over the other.

Cross-examination by Mr. Stimson:

Very often in my jobs I prefer to buy through the dealers than to buy direct. The dealers store the cement and deliver it when you want it, and you don't have to store the cement on the job.

Prices of cement at the same time are the same prices. That is the case not only in cement, but it is the case as to a good many other [fol. 315] products that we handle in the same way as we do cement. The price furnished by the different manufacturers is likely to be the same.

I have received quotations from the Edison Company, among others. I think I received this circular or announcement.

Put in evidence Defendants' Exhibit D-137, printed in Exhibit Book, p. —.

I remember the situation in 1920. Bearing in mind that summer, I don't think that the prices of the cement manufacturers were uniform all through that summer and spring. I couldn't say as to whether there was then a great diversity in price between the different companies. I couldn't say whether the Pennsylvania Company, for instance, was 25 cents a barrel below the other companies, or whether two other companies were a dollar above; I don't remember; I don't know.

Redirect examination by Mr. Fowler:

I received these papers.

Put in evidence as follows:

Quotation from Giant Company, Government's Exhibit No. 256;
Quotation from Coplay Company, Government's Exhibit No. 257;

Quotation from Lehigh Company, Government's Exhibit No. 258;
Quotation from Vulcanite Company, Government's Exhibit No. 259;
Quotation from Whitehall Company, Government's Exhibit No. 260. Printed in part in Exhibit Book, p. —.

[fol. 316] Recross-examination by Mr. Stimson:

The bid of the Giant Company allows 15 cents for sacks, which would be 60 cents a barrel. The bids of the Lehigh, Coplay and Vulcanite Companies allow the same. Deducting the 60 cents a barrel from the price, $2.88, gives $2.28 a barrel. The Whitehall bid allows 40 cents a barrel for sacks. Deducting that from their price, $2.78, leaves $2.38. That is, the Whitehall price is 10 cents higher than the others.

[fol. 317] WALTER P. WRIGHT, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am engaged in the building construction business in Richmond, Virginia, and have been for fifteen years. My company is the Wise Granite and Construction Company, Inc. We use a considerable amount of cement. We buy through the dealers. We receive bids from cement manufacturers and their sales agents call upon us. We inquire of them about the prices of cement and we also inquire of the dealers, of course. At the same time, there is no difference between the prices given us by these various manufacturers. That has been so since 1914. The discount offered is also the same. The price allowed us for bags returned is the same.

Cross-examination by Mr. Stimson:

My answer applied to all companies that I know anything about. There are companies in my district that are not defendants here at all. The Tidewater, for instance, is there. I include that in what I said about these other things.

[fol. 318] THOMAS HANRAHAN, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am a building contractor at Schenectady, New York. My business is confined to buildings, school buildings principally. I use from two thousand to twelve thousand barrels of cement a year. I have been in that business twenty-one years. Most of our quotations for cement come through the dealers. I have on different occasions, not very often, received quotations from the manufacturers. I have

received quotations from their salesmen at the same time. They have been practically the same, with the exception of one occasion, where the Lehigh quoted me 5 cents less. That was in 1919 at the Cohoes High School. There was something with reference to a freight rate about that, but I don't know what it was. I have no recollection of any difference in the prices quoted by the several manufacturers, with that one exception. There was no difference in the rate of discount. There was no difference in credit for sacks. There were all the same, 12, 15 and 10.

Cross-examination by Mr. Stimson:

I always buy by car-loads. At the time I spoke of, when the Lehigh Company under-bid the others by 5 cents a barrel, there were other companies who put in bids. The Glens Falls Cement Company might have been 5 cents higher.

[fol. 319] The mill of the Glens Falls Company is situated in the City of Glens Falls. Glens Falls is about 30 miles from Cohoes. The mill of the Lehigh Company is situated in the Lehigh Valley down in Pennsylvania.

The entry on the report made by the Association dated July 1, 1919 accurately describes the contract for cement purchased for the Cohoes High School, viz.:

Name of party with whom contract was made: Thomas Slavin.
Delivery point: Cohoes, N. Y.
Description of work: High School, Corner Columbia and Beven Sts., Cohoes, N. Y. (Hanrahan Bros.).
Name of cement: Lehigh.
Date contract closed: June 20, 1919.
Expiration date: July 1, 1919.
Barrels sold: 4,500.
Delivery price including package: $2.65.

[fol. 320] William White, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been in the subcontracting business in Philadelphia, Pennsylvania, since 1915—cement work, reenforced concrete. I use in some years not more than five thousand barrels of cement, some years ten, possibly fifteen. I buy the cement mostly from the manufacturer. The manufacturers quote me direct. They send their sales agents to me if it is any size job worth going after. There isn't any difference between the quotations to me at the same time for the same job from these various manufacturers. There is no difference as to discounts or as to the price of returned bags. That has been so since I have been doing business.

I have bought cement mostly from the Nazareth and Lehigh. I have not had printed quotations from other concerns, but they have give- me their prices from time to time.

[fol. 321] JOHN O'CONNELL, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am treasurer and purchasing agent of the Harrisburg Railways Company, of Harrisburg, Pa. I have been purchasing cement for the company for about fifteen years. Possibly four or five manufacturers have been quoting cement to me. Sometimes verbally, by salesmen, and sometimes in writing. My experience has been that there has not been a difference in price with the people we have been dealing with, principally the Vulcanite, Atlas and Lehigh Companies, and very often through local dealers. My recollection is that the price for the return of bags was the same.

[fol. 322] CLYDE C. OAKLEY, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

For the last eight years I have been engaged in building construction in Newark, New Jersey. The concern I am with uses approximately thirty thousand barrels of cement a year. I am office manager. We have received quotations from the Alpha, Atlas, Lawrence, Lehigh—I might say most all of them. We have never found any difference in price between the different companies' quotations. That has been so back to around 1914. At that time we did have a quotation from one company for a couple of days which was 5 cents less, and a couple of days after that another company would come down 5 cents less, and then they would all come down to it, until eventually it reached the price of 65 cents in Newark, f. o. b. cars. I think that was in 1913 or 1914. Since that time the companies were all giving the same quotations. The discounts are the same and the price of returned bags. There has not been any difference in prices and terms offered me by these several companies since 1914.

Cross-examination by Mr. Stimson:

I remember the conditions that existed in 1920. The conditions [fol. 323] conditions of which I spoke just now in answer to Mr. Fowler did not remain the same during 1920. I spoke generally of that time.

[fol. 324] GEORGE W. KRIEGER, JR., called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am a contractor in Poughkeepsie, New York, and have been since 1916. I use about five thousand barrels of cement a year.

I receive quotations from the manufacturers and dealers. The manufacturers send their agents to me from time to time. The prices quoted to me by the manufacturers at the same time have been the same, as I recall it. The rate of discount has been the same. The amount allowed for returned bags has been the same. There was no difference between the price quoted me from the dealers and from the manufacturers.

Cross-examination by Mr. Stimson:

The cement that I buy is generally handled by dealers for me. They receive it, store it and deliver it to me when I want it. That is a very great convenience. The dealer extends credit and that is quite a valuable service.

Plaster or lime comes in bags and the same custom as to returning the bags prevails. That is, the bags are taken back at the same price which I paid for them when they came. The same similarity in the price of bags prevails in the case of plaster and lime as it does in the case of cement. All the bags that I buy from the different plaster manufacturers are returned at the same prices. That is true, also, of lime.

[fol. 325] LESTER C. NESBIT, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

For four years I have been auditor and purchasing agent for G. W. Ensign Company, contractors, Harrisburg, Pa. I do the purchasing of cement for the company. The amount varies from probably five thousand to ten or twelve thousand barrels a year. In most cases we buy direct from the manufacturer. In some cases through the dealer. The manufacturers quote us direct. We also see their salesmen. The prices given us by the manufacturers are the same, as I remember them. The discounts are the same. The prices of returned bags are the same. That has been so during the four years, to the best of my memory.

Cross-examination by Mr. Stimson:

I was speaking merely of the prices quoted. I have known of cases where those quotations have been cut by the different companies. In some few instances we bought cement below the quotations from companies that are defendants here.

The salesmen of these different companies come around whenever they hear that we have a big job. They try to get us to take their cement. They sometimes tell us they will cut their prices. They have done it. The salesmen are very active. They come buzzing [fol. 326] around us like a lot of flies.

Re-direct examination by Mr. Fowler:

The first company that ever cut the quotation made to us, as I remember, was the Bath. That was in November or December, 1921. Three or four years ago there was a cut from the Security on more than one job. My recollection is that this Security business was about in 1919—1918 or 1919. There were several jobs that we did at that time. Some of it was Reading Railroad work. There were probably three or four, may have been half a dozen, of those jobs bought from the Security. That was bought through a dealer. According to my recollection we got about 5 cents a barrel less—a cut of 5 cents a barrel from the dealer. The next case that I can remember was when the Bath gave us a lower rate in November last. That was for a bridge for the Philadelphia and Reading Railway. The cut at that time was about 16 cents a barrel under the quoted price. That was billed to us through a dealer after I had talked to the cement men about it. We were asked to keep that a secret. More than one salesman quoted us verbally in that manner and asked us to be very careful to tell nobody else about it.

[fol. 327] JOHN L. SHADE, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I live in Philadelphia. For about ten months I have been purchasing agent for Viscose Company, manufacturing artificial silk and building plants as quickly as we can get them up. Prior to that time I was with the Philadelphia Electric Company as assistant purchasing agent in charge of power house construction. In the past four or five years I have bought about a half million barrels of cement and received quotations from possibly ten different companies, Bath, Atlas, Alpha, Allentown, Lehigh, Giant, Vulcanite, Security and Tidewater. There has never been any difference in the quoted price at the same time. The discounts have always been uniform. The price of returned bags has been the same.

We constructed an artificial silk plant at Roanoke, Virginia, which I have been told is about 52 miles from Fordwick, using in the plant forty thousand barrels of cement. We bought the cement from the Security. $3.00 a barrel was the original contract price, and when deductions became effective we got the benefit of them. The contract was made either July or August, 1921. I received bids from the different cement companies. There was no difference in the quoted prices. I attempted to negotiate a special price. I [fol. 328] first negotiated a price with the Tidewater Company, a special price, and then I used that as a sort of club to beat the others down. The price finally dropped from $3.14, which was Security's original quoted price, to $3.00, and I bought at $3.00, and it went down by pennies or two pennies at a time. I don't mean to say

that Security was the only one that dropped, because they were not. A few went down with it, but they didn't go that low.

The Lehigh have a factory at Fordwick. I carried on special negotiations with Lehigh. They were the first ones I went to because they had the advantage of a good location, that is, they were the closest mill to the job. I asked their salesman, Fred Ford, why he couldn't give me a lower price because he had a closer mill. He told me he would either give me the Lehigh cement shipped from the Lehigh Valley or Lehigh cement from Fordwick at the same price. He would make no difference in the delivered price whatever, although the freight was considerably less. I deducted the freight on the Lehigh cement from his delivered price and got the mill price and asked him to sell me that same cement at Fordwick at that base price and allow me to pay the freight. He said they wouldn't do that. They wanted to deliver it at the delivered price. I bought Security cement. I may have asked Ford why, but I did not get any sort of intelligent answer at all from him. I don't recall what he said.

[fol. 329] Cross-examination by Mr. Stimson:

The Lehigh Company is the only company that has a mill at Fordwick. If the Lehigh Valley mills had quoted me a higher price than the Lehigh Company from Fordwick, I would not have considered their cement at all. This work and these bids were in either July or August, 1921. Bags at that time were 10 cents a piece, 40 cents a barrel.

[fol. 330] A. LEE GROVER, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I reside at Trenton, New Jersey, and since April 1, 1917, have been Secretary and Chief Clerk of the State Highway Commission of New Jersey. Prior to 1917, I was Chief Clerk for the Commission of Public Roads, but did not have anything to do with buying cement. Since April 1, 1917, the State Highway Commission has taken only four propositions for the purchase of cement. The first proposition was for the construction of a section of State highway between Menlo Park and Rahway, estimated at 19,000 barrels. Six bids were submitted.

Bids and correspondence put in evidence, Government's Exhibits Nos. 317 to 322, inclusive, printed in part in Exhibit Book, p. —

On March 6, 1919, the State Highway Commission adopted a resolution that prices be obtained from cement companies east of the Mississippi River with a statement of the price at which Portland cement will be sold by them f. o. b. the plant.

Copy of resolution put in evidence. Government's Exhibit No. 323, not printed by consent.

We procured from the Portland Cement Association a list of all manufacturers of cement east of the Mississippi River, and requested all of them to submit bids. We received replies from about twenty companies, including a number of the defendant companies and [fol. 331] Crescent Portland Cement Company, Dixie Portland Cement Company, Ironton Portland Cement Company, Cosmos Portland Cement Company, Louisville Cement Company, and Whitehall Cement Manufacturing Company.

Circular letter and replies from Allentown Portland Cement Company, Alpha Portland Cement Company, Atlas Portland Cement Company, Coplay Cement Manufacturing Company, Dexter Portland Cement Company, Edison Portland Cement Company, Giant Portland Cement Company, Knickerbocker Portland Cement Company, Lawrence Cement Company, Lehigh Portland Cement Company, Penn-Allen Portland Cement Company, Phœnix Portland Cement Company, Vulcanite Portland Cement Company, and letters relating thereto, put in evidence. Government's Exhibits Nos. 324 to 338, inclusive, printed in part in Exhibit Book, p. —.

Bids on the next proposition were due March 22nd, 1921. We received quotations from the Edison, Vulcanite, Pennsylvania, Alpha and Atlas Company, and from George M. Friese, of Rahway, New Jersey.

Put in evidence Government's Exhibits Nos. 339 to 344, inclusive, printed in part in Exhibit Book, p. —.

[fol. 332] Cross-examination by Mr. Stimson:

Letters which passed between the Vulcanite Company and the State Engineer in March, 1919, put in evidence. Defendants' Exhibit D-148, printed in part in Exhibit Book, p. —.

There was no contract awarded on the inquiry contained in the circular letter dated March 12, 1919 (Government's Exhibit No. 326). We bought cement for the job between Menlo Park and Rahway from Manning, Freeman & Son, on the quotations that we first read. They furnished Edison cement. The Edison Company quoted us a price right at the mill. In spite of that, we finally bought at a delivered price through a dealer. I don't know whether the advantages of buying at a delivered price and through a dealer led to that. The placing of the orders came from my division. I know nothing of what led up to the placing of the order.

This list of the replies which we got from the different cement companies is a summary prepared under my direction.

Put in evidence Defendants' Exhibit D-149, printed in part in Exhibit Book, p. —.

Letter from State Highway Engineer to Vulcanite Portland Cement Company, dated March 22, 1919, put in evidence. Defendants' Exhibit D-147, printed in Exhibit Book, p. —.

[fol. 333] DOUGLAS THROPP, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am General Manager for a coal and iron concern at Everett, Pa. We do our own concrete work. Some years we use several thousand barrels of cement. Other years we don't use but a hundred barrels or so. Every time we need any cement, we write around to the cement companies and get quotations. We have not bought any cement to speak of within about three years. We bought most of our cement in 1916 and 1917 during the war, when we were going through an extensive construction program, and some in 1918. In 1916, we bought two or three thousand barrels. We received quotations that year from the Security Company, the Lehigh Company, the Lawrence Company and the Tidewater Company. I have only two quotations in writing. Most of them were made to us verbally by traveling men. This is the quotation from the Security Company.

Letter dated May 18, 1916, put in evidence. Government's Exhibit No. 345, printed in part in Exhibit Book, p. —.

This is the contract with the Lehigh Company.

Put in evidence Government's Exhibit No. 346, printed in part in Exhibit Book, p. —.

[fol. 334] I had a conversation with the representative of the Lehigh Company, located at Harrisburg, who had charge of our territory—I can't exactly remember his name, but I think it was Mr. Allen—in or about May, 1916. He quoted his price. I told him I wanted a lower figure. He said he could only get it, he thought, if he could get our name put on the Association list of dealers, and that then he could get a reduced price for us if our name was authorized by their Association; and later on, within a week or so, we got a contract from the Sales Manager of the Lehigh Company, giving us the dealer's price through one of our stores. The deduction was five cents a barrel. This letter, dated June 3, 1916, is the modified contract for the same thousand barrels covered by Government's Exhibit No. 346, at the reduced price.

Put in evidence Government's Exhibit No. 347, printed in Exhibit Book, p. —.

Whenever we had any need to buy cement, we would get quotations. All quotations whenever we received them over a period of

years, were always the same at any one time, with one exception. That exception was that the Tidewater Portland Cement Company for a while was 2 cents a barrel below the others. There was no difference so far as discounts were concerned, the rates of discount, the time within which cash payments should be made, or in the rate on the returned sacks.

[fol. 335] I talked with—I think his name is Allen, if my memory serves me. He claimed to be a representative of the Lehigh Company. He said he was a salesman or representative. He said he had to submit the quotation to Mr. Swett. He visited me to solicit our cement orders. He said he couldn't get any lower price because they weren't allowed to name any lower price by the Association.

Offered and received only as to the Lehigh.

The same conversation was repeated on two or three different occasions. The first time was in or about May, 1916, when he came over and quoted $1.88, and I told him I wanted a lower price, and he then suggested that if he could get our name put on the dealers' list of the Association and it was approved by the head office, he could get me 5 cents a barrel less. The next time that he made the statement was during the war, when he stated we couldn't get a lower price than we were then enjoying as dealers. I talked with him one or two times during the war period. I have not conversed with him about it since the war. We had a dispute with the company and have not dealt with them.

Cross-examination by Mr. Stimson:

This conversation that I have spoken of took place six years ago this coming May. He represented himself to be selling the product of the Lehigh. He was trying to get our business and I told him [fol. 336] I wouldn't give it to him at the price quoted. He got that contract at 5 cents less. We operated these four or five stores and sell a quarter of a million dollars' worth of stuff every year. We sell some building supply stuff. He stated that he was going to communicate with his office and find out whether we were on the list of recognized dealers, that we had to be on the Association list or he couldn't quote. His communication was going to be with his company. He was going to write to his Sales Manager. All I know about the existence of any list is what he told me. In spite of the interval of six years I am sure that my testimony on this subject is accurate. My second conversation with the representative of the Lehigh Company was during the war, four or five years ago. At that time I told him if he could get the price reduced we would give him an order. He replied—we have a fixed price agreed upon between all the companies and our company cannot cut it.

[fol. 337] MARY BELLE PHALEN recalled.

Cross-examination by Mr. Stimson:

The Cement Manufacturers' Protective Association has not in the time of my connection with it had or kept a list of authorized dealers. I have never seen such a list among its papers. I have never heard of such a list. The Association's papers have been in the possession of the Government for a year.

[fol. 338] THOMAS F. SULLIVAN, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been Chairman of the Boston Transit Commission since the first of this month. I have been one of the three Commissioners since the first of July, 1918. Since I have been on the Commission, they have only made two purchases of cement, one within a few weeks and the other one in 1919. In 1919, we contracted for from ten to twenty thousand barrels of cement. We advertised for bids in the proper papers. These bids were submitted by cement dealers in Boston.

The Commission advertised for bids in 1916 and received bids from five manufacturers and a number of dealers.

Bids of Allentown, Lehigh, Alpha, Coplay and Atlas Company put in evidence. Government's Exhibits Nos. 348 to 352, inclusive, printed in part in Exhibit Book, p. —.

Every company quoted $1.87 per barrel of four bags and the price included the bags. Each Company allowed 10¢ for each bag returned with freight prepaid to mill. Each Company allowed a discount of 5¢ per barrel for payment within ten days from date of invoice.

The job was given to the Boston Building Material Company, a dealer, the lowest bidder.

Cross-examination by Mr. Stimson:

The brand of cement that was used was Alpha. These quotations were made on forms that were prepared by our Commission, and are not on printed quotations of the companies.

[fol. 339] In the case of the same articles coming from different manufacturers, it is not at all unusual to find the same discount, the same rate of discount. It is almost always a standard discount.

[fol. 340] The following letters put in evidence:

Letter from Phœnix Company to Protective Association, dated March 17, 1916, Government's Exhibit No. 353. Printed in Exhibit Book, p. —.

Vulcanite Company to Protective Association, March 17, 1916, Government's Exhibit No. 354. Printed in Exhibit Book, p. —.

Dexter Company to Protective Association, March 21, 1916, Government's Exhibit No. 355. Printed in Exhibit Book, p. —.

Dexter Company to Protective Association, April 7, 1916, Government's Exhibit No. 356. Printed in Exhibit Book, p. —.

Knickerbocker Company to Protective Association, March 30, 1916, Government's Exhibit No. 357. Printed in Exhibit Book, p. —.

Protective Association to Knickerbocker Company, March 31, 1916, Government's Exhibit No. 358. Printed in Exhibit Book, p. —.

Vulcanite Company to Protective Association, March 27, 1916, Government's Exhibit No. 359. Printed in Exhibit Book, p. —.

[fol. 341] Protective Association to Vulcanite Company, August 3, 1916, Government's Exhibit No. 360. Printed in Exhibit Book, p. —.

Vulcanite Company to Protective Association, June 16, 1916, Government's Exhibit No. 361. Printed in Exhibit Book, p. —.

Alpha Company to Protective Association, November 7, 1916, Government's Exhibit No. 362. Printed in Exhibit Book, p. —.

Lehigh Company to Protective Association, November 16, 1917, Government's Exhibit No. 363. Printed in Exhibit Book, p. —.

Alpha Company to its salesmen, August 26, 1918, Government's Exhibit No. 364. Printed in Exhibit Book, p.

Lawrence Company to Protective Association, July 12, 1918, Government's Exhibit No. 365. Printed in Exhibit Book, p. —.

Allentown Company to Protective Association, April 25, 1918, Government's Exhibit No. 366. Printed in Exhibit Book, p. —.

R. E. Griffith, of Giant Company to Frank H. Smith, of Lawrence Company, March 5, 1916, Government's Exhibit No. 367. Printed in Exhibit Book, p. —.

[fol. 342] Atlas Company to Protective Association, June 14, 1917, Government's Exhibit No. 368. Printed in Exhibit Book, p. —.

Atlas Company to Protective Association, June 11, 1917, Government's Exhibit No. 369. Printed in Exhibit Book, p. —.

Atlas Company to Protective Association, June 1, 1917, Government's Exhibit No. 370. Printed in Exhibit Book, p. —.

Atlas Company to Protective Association, June 27, 1917, Government's Exhibit No. 371. Printed in Exhibit Book, p. —.

Atlas Company to Protective Association, June 1, 1917, Government Exhibit 372. Printed in Exhibit Book, p. —.

[fol. 343] HOWARD E. CHURCH, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

For about ten years I have had supervision of the purchasing end of the business of Fred T. Ley Company, general contractors, of

New York City. We use over one hundred thousand barrels of cement a year in the metropolitan district, and two or three hundred thousand barrels more outside. In New York, since I have been here, we have not bought from the manufacturers at all. We buy through dealers. We have not tried to buy directly from the manufacturers. Outside the metropolitan district we usually buy through our own cement supply company, located at Springfield, Massachusetts.

Whenever I see a cement salesman I ask him how the market is, and also keep in touch with it through our own company at Springfield. I do that personally so that I know about what the market is. The prices of the several cement manufacturers at the same time, the market price, is usually the same. What I was after primarily was the condition of the market, whether it was going up or down, what the trend was going to be.

Cross-examination by Mr. Stimson:

I am not prepared to say that there were not sundry differences between the prices of the different companies in 1920. Throughout [fol. 344] all my experience we have always insisted on a form of contract which gave us the right to the benefit of any drop in the market price during the life of the contract. I do not recall any case where when the market dropped we did not get the benefit of the drop. On the other hand, when the price of cement goes up, we hold the cement company to the price mentioned in the contract, and the companies have honored those contracts.

In specific job contracts, the amount of cement is very often overestimated. You play it safe and estimate high and that leaves a margin of cement usually which is not called for by the work. In these specific job contracts it is the understanding in the trade that the cement which is sold for those jobs is not to be diverted for other jobs. That is understood absolutely by all hands, both the contractor and the cement company. We never divert cement to other jobs without permission.

The dealer in New York City furnishes the storage and delivers the cement as you need it at the building. That is a great convenience in New York City.

[fol. 345] ROBERT A. BACHUR, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I have been connected with the George A. Fuller Company, of New York City, for eighteen years. I have been its purchasing agent for approximately three years. Prior to that I was in the purchasing department, and previous to that I was on the outside on construction. I have charge of purchases for all jobs under the jurisdiction of the New York office, that is, in the metropolitan district. In the metro-

politan district we use a minimum of fifty thousand and a maximum of about two hundred thousand barrels a year. In New York City we buy from the dealers. We do not buy any from the manufacturers. We have tried to purchase directly from the manufacturers. When we were figuring on the Industrial Alcohol Building in Long Island City about eighteen months ago, we wrote letters to the several manufacturers, but did not receive any quotations direct. That is the only time I recall trying to purchase directly from the manufacturer in New York City.

The sales agents of the manufacturers call to see me very often. I have talked prices with them along the lines of a general dis- [fol. 346] cussion of prices, but not asking for prices. That is, we might discuss the price in effect at that particular time. That is all. Materials Delivery Corporation is a subsidiary company of my company, the Fuller Company, entirely owned by us. These are letters between it and the Atlas Company.

Put in evidence Defendants' Exhibits D-150, D-151. Printed in Exhibit Book, p. —.

The Bamberger job in Newark was in my district. We received this letter from the Coplay Company while we were figuring the job. It is a direct offer.

Put in evidence Defendants' Exhibit D-152. Printed in Exhibit Book, p. —.

My company had the Commodore Hotel job in New York City. We did have a direct contract with the Knickerbocker Company for cement for that job. I remember in February, 1921, Mr. Cox and Mr. Leach, of the Phœnix Portland Cement Company, called at my office in order to talk about quoting us directly. I may have said that while I appreciated the visit and their offer that I couldn't buy brick from the dealer if I bought direct from the cement company. If I should buy cement direct from the cement company, the dealers wouldn't sell me other materials which I have to get from them. That is about the size of it.

[fol. 347] FRANK B. TALLEY, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

Since May, 1920 I have been engaged as purchasing agent for the Foundation Company, general contractors, located in New York City, and doing work there and throughout the United States. We use from fifty to three hundred thousand barrels a year east of Pittsburg and north of Washington. We buy through the dealers. We have never tried to buy directly from the manufacturer in New York City. I have talked with representatives of cement manufacturers about the price of cement. They have told me current market prices. I have had such conversations with representatives of

Atlas, Vulcanite, Lehigh, Pennsylvania, Giant, probably one or two more. In making their prices there was not any difference in their dock price at the same time or in the price of returned bags.

Outside New York City we buy through dealers. I never bought any other way. We get some quotations from the cement companies direct with reference to particular jobs, and their agents call upon us with reference to particular jobs. They do not name prices right away. They would name it probably in the afternoon if I asked for the quotation in the morning—or the following morning. In giving me quotations in that way on jobs outside the city there was some [fol. 348] difference in the prices offered me, very little. I believe in two or three cases the Whitehall Company quoted lower prices. The stated price of the bags was the same. Some would be to return bags to the dealer's warehouse, some would be to the mill. It was a little to our advantage to return them to the dealer's warehouse because we wouldn't have to prepay the freight. There is no difference in price whether we buy a large quantity or a small quantity of cement.

Our main work is compressed air work. It is a great advantage in that class of work to have quick setting cement. The Lehigh Valley cement, I understand, sets more quickly than the Hudson cement. We specify cement that is manufactured in the Lehigh Valley.

Cross-examination by Mr. Stimson:

In the part of New York that we work in, the downtown district, you cannot store any cement at all, so we are virtually dependent on the dealer's storehouse and he trucks to us from his storehouse as we require the cement. Some dealers make delivery days, nights and Sundays, whenever we want it. It is a very great advantage.

I remember that during the war there was a great shortage of bags. The junk dealers were buying up bags. I know when they were offered as much as 20 cents a piece for them, for bags that had been used. A good many of them disappeared from us, I know that.

In 1920 there were very unusual conditions in the trade, arising out of the railroad situation. The cement companies were doing their [fol. 349] best to make deliveries in spite of the embargo and other difficulties on the railroads. This is a letter from our company, expressing its satisfaction over the efforts of the cement people.

Put in evidence Defendants' Exhibit D-153. Printed in Exhibit Book, p. —.

[fol. 350] RUDOLPH MEYER, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

For about twelve years I have been the purchasing agent for Thompson-Starrett Company, engaged in building construction chiefly in the metropolitan district of New York. In New York City, we buy cement exclusively through dealers. We always wrote the

manuafcturers and the dealers in connection with every decent size job, any large jobs we had. The manufacturers sent us quotations on the letterheads. I don't think their prices were cheaper than dealers' prices. We were not able to buy directly from the manufacturers. I talked with the salesmen of various manufacturers, Pennsylvania, Atlas, Hercules, Alpha. I asked them at different times whether they would sell direct and they said "No". I don't know as there was any particular reason given.

Cross-examination by Mr. Stimson:

This letter dated December 3, 1920, is a direct quotations to my company from the Coplay Company. This one dated April 5, 1921, is an offer from the Coplay Company to bid direct on the cement for the Bamberger Building, Newark, addressed to my company.

Put in evidence Defendants' Exhibits D-154 and D-155, printed in Exhibit Book, p. —.

[fol. 351] Solomon Holzer, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am in the advertising business now. I was an exporter and exported cement from 1918 to July, 1920. I bought from 500 barrels to as high as 10,000 barrels for shipment to South American countries, directly from the manufacturers. We bought most of our cement from the Edison Company and later on from the Coplay Company. We got prices from other companies. There were only five or six companies that were in a position to export cement, owing to the fact that for export it is packed in wooden barrels. They were Atlas, Alpha, Lehigh, Coplay and Edison. There was not any difference in the prices offered me by the several companies at the same time. The discount was always 5 cents a barrel for cash. We usually had until we got our bills of lading.

I tried to point out to several of the cement companies the advisability of giving the exporter a difference of 10 cents a barrel, the same as they allowed to dealers. My representations did not have any result.

I tried to purchase 2,500 barrels of cement from the domestic department of the Coplay Cement Company, for delivery in Akron, Ohio. The representative of the Coplay Company said it was not in their territory, or rather the question of territory came up whether they could ship into that territory, and he asked me to let the matter [fol. 352] rest until that afternoon, and he called me back and gave me the name of some lumber company and suggested my wiring to the purchaser in Akron to get in touch with that lumber company.

Cross-examination by Mr. Stimson:

[fol. 353] The price of cement changed every few months. There were times it was changing every week. We were not permitted by the Government to export during the war.

I knew that after the war, there was an attempt made by the Government to get the various industries to lower the price so as aid in the reconstruction of industries, but I do not know of the Peek Committee or whether it invited the cement manufacturers to meet with it.

By agreement a circular dated March 10, 1919, concerning the Industrial Board of the Department of Commerce, put in evidence. Defendants' Exhibit D-157; and a telegram dated February 29, 1919, from the War Service Committee, put in evidence. Defendants' Exhibit D-156. Printed in Exhibit Book, p. —.

I am testifying simply from recollection. My recollection of price is that they have fluctuated up and down many times in those three years. I can't say whether there was any change between the first of the year and the end of the year 1919, except one in April.

[fol. 354] It was in the Fall of 1920 that I asked the Coplay Company for cement for Akron, Ohio. The matter of price didn't come up at all. Cement was very scarce and hard to get at that time, without fault of the cement companies, on account of the car shortage.

[fol. 355] JAMES W. ALLEN, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

Since last December I have been employed by the Government as an auditing accountant. I have been an accountant about twenty-five years. I was Chief Examiner for the State Insurance Department of Tennessee seven or eight years, Chief Statistician in the Mining Department four years, State Auditor four years, and at one time Comptroller of the State.

I have prepared a number of tables from data obtained from the various forms of the Cement Manufacturers Protective Association.

Tables put in evidence. Government's Exhibits Nos. 373 to 404, inclusive, printed in Exhibit Book, p. —, with exception of Exhibits Nos. 373, 375, 396, 397, 401, 402, 403 and 404 not printed by consent.

The Government put in evidence reports of the Protective Association on forms 9, 10 and 11, Government's Exhibits Nos. 405 to 468, inclusive, Nos. 405 to 429 are printed in Exhibit Book, p. —. Nos. 430 to 467 are reports corresponding to No. 429 of other dates and are not printed by consent.

Cross-examination by Mr. Cox:

The Protective Association report used in preparing Exhibit 373 was a typewritten report which had a correction on it, changing

the Alpha production 2,000,000 barrels. I took the original figure [fol. 356] and changed the total shipments accordingly.

Corresponding printed report of Protective Association put in evidence. Defendants' Exhibit D-188, printed in Exhibit Book, p. —.

The corrected figure in the printed report would make the figures in Exhibit 373 inaccurate.

The figures as to capacity used in Exhibit 387 were obtained as follows: The Government asked counsel for the defendants to furnish capacities of the defendant mills. Defendants' counsel had only the estimated capacities for 1921. These were handed to the Government with the explanation that capacities for 1920 would have to be verified. It was found that in three instances, Atlas, Bath and Hercules, the capacities of 1921 were larger than in the preceding years, owing to the introduction of new apparatus and the corrected figures were given the Government. The figures are those of Mr. Meade, an engineer.

I will see whether July, 1918 is not omitted from Exhibit 383, and whether the figure for Vulcanite in Exhibit 396 is correct, and whether the figure for Lehigh in the same exhibit is correct.

In Exhibits 403 and 404, column 2 enters into the computation of the other columns and the accuracy of the whole table depends upon the accuracy of column 2. Column 2 was arrived at by taking [fol. 357] the sum of the three columns 1, 2, and 3 of Exhibit 397. According to the figure in these exhibits, the amount of cement shipped on specific job contracts by the Allentown Company is larger than its total shipments of cement during the same period. To reconcile those figures, I developed column 8, in which I put the difference. The same in the case of Hercules. I had no information at all about those figures shown in column 8 from the records of the Association. That was simply a deduction to reconcile my figures. Turning to Exhibit No. 397, upon which the figures in Exhibits 403 and 404 depend, I will ascertain overnight whether every figure in columns 2 3 and 4 is not erroneous.

Redirect examination by Mr. Fowler:

I have prepared certain corrected tables.

Put in evidence Government's Exhibits Nos. 373A, 375A, 396A, 397A, 403A and 404A, printed in Exhibit Book, p-. —.

Cross-examination by Mr. Cox:

In Exhibit 402, the figures in the third column seem to be wrong as a result of the typist having copied the wrong set of figures. In Exhibit 401, some of the items have been miscopied by the typewriter. In Exhibit 392, I have compared the production of one mill [fol. 358] with the capacity of two mills, in the case of Pennsylvania. The foot-note at the bottom was intended to correct the discrepancy. In Exhibit 377, the Coplay figure for 1918, given as $3.37, should be 74.37. In Exhibit 399, the foot-note (b), which reads "incl. and," ought to read "and included are".

The figures for "commitments" and "unshipped balances" in these exhibits were taken from Form 11, which shows the commitments or unshipped balances on specific job contracts. I had no other figures relating to unshipped balances, no figures relating to current business.

I took the figures for "cancellations and decreases" from Form 9, which does not disclose whether the cancellations or decreases were made by the purchaser, or on account of being duplications or overestimates, or what they were, but simply gave the cancellations and decreases.

I did not include the Tidewater plant in computing the percentage of capacities of mills not members of the Protective Association. It would have made a different percentage if I had included it.

[fol. 359] It is stipulated between counsel as follows: The Government will give the defendants a list of the letters it wants to use. The defendants will then furnish all the letters on the list which they have. The Government may then put them in, with the right of the defendants to introduce at the same time other letters relating to the same subject matter. Pursuant to the stipulation the following letters are put in evidence:

Letter January 9, 1913, from Mr. Mallory, president of Edison Company, to Mr. Morron, president of Atlas Compan*h*, Government's Exhibit No. 513. Printed in part in Exhibit Book, p. —.

Letter January 30, 1913, from Mr. Mallory, Chairman, Committee on Statistic*t*, Eastern Cement Association, to Mr. Morron, Government's Exhibit No. 514. Printed in Exhibit Book, p. —.

Letter July 22, 1913, from Mr. Morron, of Atlas Company, to Mr. Harding, president of the Whitehall Company, Government's Exhibit No. 515. Printed in Exhibit Book, p. —.

[fol. 360] Letter June 21, 1913, Mr. Morron, of Atlas Company, to Mr. Holman, assistant to president of Atlas Company, Defendant's Exhibit D-166. Printed in Exhibit Book, p. —.

Letter August 7, 1913, from Mr. Morron to Mr. Holman, Defendants' Exhibit D-167. Printed in Exhibit Book, p. —.

Letter December 29, 1913 from Mr. Morron to Mr. George F. Baker, Jr., with enclosure, Government's Exhibit No. 516. Printed in Exhibit Book, p. —.

Letter February 16, 1914, from Mr. Morron of Atlas Company to E. M. Hagar, president of the Universal Portland Cement Company, of Chicago, Government's Exhibit No. 517. Printed in Exhibit Book, p. —.

Letter March 19, 1914, from Mr. Morron to Mr. Holman, Defendants' Exhibit D-168. Printed in Exhibit Book, p. —.

Letter April 3, 1914, from Mr. Morron to Mr. Holman, Defendants' Exhibit D-169. Printed in Exhibit Book, p. —.

Letter April 9, 1914, from Mr. Morron to Mr. Hagar, Government's Exhibit No. 518. Printed in Exhibit Book, p. —.

[fol. 361] Letter May 14, 1914, from Mr. Morron to Mr. Hagar, Government's Exhibit No. 519. Printed in Exhibit Book, p. —.

Letter May 19, 1914, from Mr. Morron to Mr. Fuller, managing

director of the Allentown Portland Cement Company, Government's Exhibit No. 520. Printed in Exhibit Book, p. —.

Letter October 24, 1914, from Mr. Morron to Mr. Holman, Defendants' Exhibit D-170. Printed in Exhibit Book, p. —.

Letter March 5, 1919, from Mr. Morron to B. F. Affleck, president Universal Company, at Chicago, Government's Exhibit No. 521. Printed in Exhibit Book, p. —.

Letter March 11, 1915, Mr. Affleck's reply to Mr. Morron, Government's Exhibit No. 522. Printed in Exhibit Book, p. —.

Memorandum March 30, 1915, from Mr. Morron, copies to certain employees of Atlas Company, Government's Exhibit No. 523. Printed in Exhibit Book, p. —.

Letter September 1, 1915, from Mr. Morron to Mr. MacFarland, Defendants' Exhibit D-171. Printed in Exhibit Book, p. —.

[fol. 362] Memorandum of letter, October 29, 1915, from Mr. Trexler, of Lehigh Company, to Mr. Morron, of Atlas Company's Government's Exhibit No. 524. Printed in Exhibit Book, p. —.

Letter October 29, 1915, from Mr. Trexler to Mr. MacFarland, Government's Exhibit No. 525. Printed in Exhibit Book, p. —.

Letter from Mr. MacFarland in reply, dated November 1, 1915, Government's Exhibit No. 526. Printed in Exhibit Book, p. —.

Letter November 13, 1915, from Bath Company to Mr. MacFarland, Government's Exhibit No. 527. Printed in Exhibit Book, p. —.

Reply of Bath Company, dated November 30, 1915, Defendants' Exhibit D-172. Printed in Exhibit Book, p. —.

Memorandum of letter, November 15, 1915, from Mr. Horner, of the Nazareth, to Mr. Morron, of the Atlas, Government's Exhibit No. 528. Printed in Exhibit Book, p. —.

Mr. Morron's reply, November 16, 1915, Government's Exhibit No. 529. Printed in Exhibit Book, p. —.

[fol. 363] Memorandum November 16, 1915, from Mr. Coogan of Alpha to Mr. MacFarland of Atlas, Government's Exhibit No. 530. Printed in Exhibit Book, p. —.

Memorandum November 19, 1915, Government's Exhibit No. 531. Printed in Exhibit Book, p. —.

Memorandum November 28, 1915, from Mr. Morron to Mr. MacFarland, Government's Exhibit No. 532. Printed in Exhibit Book, p. —.

Memorandum December 1, 1915, of Mr. MacFarland, Government's Exhibit No. 533. Printed in Exhibit Book, p. —.

Memorandum December 4, 1915, of telephone conversation between Mr. Morron of the Atlas and Mr. Mallory of the Edison's Government's Exhibit No. 534. Printed in Exhibit Book, p. —.

Letter January 17, 1916, from Mr. Morron to Mr. MacFarland, Defendants' Exhibit D-173. Printed in Exhibit Book, p. —.

Memorandum January 11, 1916, from Mr. C. A. Kimball, sales manager of the Atlas, to Mr. MacFarland, assistant to the president of the Atlas, with enclosure, Government's Exhibit No. 535. Printed in Exhibit Book, p. —.

[fol. 364] Letter January 24, 1916, from Mr. Morron to Mr. Mac-

Farland, Defendants' Exhibit D-174. Printed in Exhibit Book, p. —.

Letter January 17, 1916, from Mr. Mallory to Mr. Morron, Government's Exhibit No. 536. Printed in Exhibit Book, p. —.

Memorandum February 1, 1916, from Mr. MacFarland to Mr. Miner of the Atlas Company, Government's Exhibit No. 537 Printed in Exhibit Book, p. —. It is agreed that Mr. Kimball and Mr. McKenna, mentioned therein, were employees of the Atlas Company at the time.

Letter March 9, 1916, from the Bath, Dexter, Nazareth, Penn-Allen, Pennsylvania and Phœnix Companies to Mr. Morron, Government's Exhibit No. 538. Printed in Exhibit Book, p. —.

Mr. Morron's reply, March 20, 1916, Government's Exhibit No. 539. Printed in Exhibit Book, p. —.

Letter May 3, 1916, from Mr. Moyer, of Vulcanite Company, to Mr. MacFarland, of Atlas Company, Government's Exhibit No. 540. Printed in Exhibit Book, p. —.

Letter May 20, 1916, from Mr. Affleet, of Universal Company, to Mr. Brown, of Alpha Company, and others, Government's Exhibit No. 541. Printed in Exhibit Book, p. —.

[fol. 365] Mr. Morron's reply to Mr. Affleck's letter, May 22, 1916, Government's Exhibit No. 542. Printed in Exhibit Book, p. —.

Letter November 15, 1916, from Mr. Morron to Mr. MacFarland, Defendants' Exhibit D-175. Printed in Exhibit Book, p. —.

Letter July 23, 1918, from Mr. McConnell, the sales head of the Atlas Company to Messrs. Clark and Conkling, two of the Boston salesmen of the Atlas Company, Defendants' Exhibit D-176. Printed in Exhibit Book, p. —.

Letter August 5, 1918, from Mr. McConnell to Mr. Heft, an Atlas salesman, Defendants' Exhibit D-177. Printed in Exhibit Book, p. —.

Letter November 19, 1919, from Mr. McConnell to Mr. Hicks and Mr. Conkling, Boston salesmen of Atlas Company, Defendants' Exhibit D-178. Printed in Exhibit Book, p. —.

Letter from Mr. McKenna, Philadelphia manager of Atlas Company to Mr. McConnell, Defendants' Exhibit D-179. Printed in Exhibit Book, p. —.

[fol. 366] Letter January 21, 1920 from Mr. McConnell to Mr. Long, metropolitan district salesman of Atlas Company, Defendants' Exhibit D-180. Printed in Exhibit Book, p. —. It is agreed that Northampton is the Atlas mill point in the Lehigh district.

Letter October 22, 1919, from Mr. McConnell to Mr. McKenna, of Atlas Company, Defendants' Exhibit D-181. Printed in Exhibit Book, p. —.

Letter October 3, 1919, from Mr. McConnell to Mr. Jeynes, in charge of northern New Jersey territory for Atlas Company, Defendants' Exhibit D-182. Printed in Exhibit Book, p. —.

Letter October 3, 1919, from Mr. McConnell to Mr. Long and Mr. Boeye, of Atlas Company in New York City, Defendants' Exhibit D-183. Printed in Exhibit Book, p. —.

Letter October 3, 1919, from Mr. McConnell to Mr. Spencer, Atlas salesman in New York State, Defendants' Exhibit D-184. Printed in Exhibit Book, p. —.

Letter October 3, 1919, from Mr. McConnell to Mr. Conkling, Atlas sales manager in Boston, Defendants' Exhibit D-185. Printed in Exhibit Book, p. —.

[fol. 367] Letter October 22, 1919, from Mr. McConnell to Mr. Morron, Defendants' Exhibit D-186. Printed in Exhibit Book, p. —.

Reply, October 24, 1919, from Mr. Morron to Mr. McConnell, Defendants' Exhibit D-187. Printed in Exhibit Book, p. —.

[fol. 368] The defendants state, without objection, that it appears from the figures of the United States Geological Survey, Department of the Interior, being Defendants' Exhibit D-256 for identification, also Defendants' Exhibit 255 for identification, that the prices of cement in the United States were as follows:

1906	$1.13
1907	1.11
1908	.85
1909	.81
1910	.89

[fol. 369] EDWARD A. KEELER, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct Examination by Mr. Fowler:

For twenty-five years I have been connected with Peter Keeler Building Company, general contractor and builder, at Albany, New York. We use a good deal of cement, in our best years from twenty-five thousand to thirty thousand barrels. Sometimes we buy directly from the manufacturers, other times through dealers, and have been doing that ever since I have been in business.

Up to three or four years ago, when we were estimating a piece of construction work, we would send a circular letter to possibly a half dozen selected dealers of cement companies, requesting a price for the cement. We received quotations from Glens Falls Company, the Helderberg, the Knickerbocker Company, the Edison Company, the Atlas Company, and Alsen's American Portland Cement Works. I do not recall any difference in the quotations up to three or four years ago, or in the price of returned bags, or in the discount allowed.

Within the last three or four years it has been our custom simply to telephone or write some one cement company, usually the one nearest the operation, requesting a quotation or asking the prevailing price for cement for such and such an operation. Our inquiry would be before the contract was let. When we secured a [fol. 370] contract we would be called on by the agents of the

various cement companies to solicit cement orders. They would quote the price of cement to us. Recently there have been some slight differences in prices delivered to the operation, but no differences in prices delivered f. o. b. cars. These cement manufacturers quoted us cement to be delivered on the job, but they would quote it through a local agent or a salesman or a material dealer. I recall one case at Troy in the fall of 1919. The prices themselves were divided into two parts. There was no difference in the price quoted f. o. b. Troy. There was a difference in the prices quoted f. o. b. at the building. The maximum difference, as I remember it, was 5 cents a barrel. It was about 2 cents a barrel under the next best price. The company was the Helderberg Portland Cement Company.

In the fall of 1919 I had a talk with, I think, Mr. Sweeney, in charge of sales in the New York office of the Edison Company, and told him that because of the services he had rendered to us on several of our jobs, I was going to give him the cement order for the operation at Letchworth Village, but I didn't propose to enter into a contract which provided for my standing any possible increase in freight. I was willing to sign a contract for cement on the basis of the quotation made, but that the company ought to take the risk of increase in freight rates. He considered the matter and agreed to accept the contract on that basis. He said it was a most unusual procedure, or rather that it was not usual to take that clause out of the contract.

Later we had the construction of the power plant for the Utica City Hospital, Marcy, New York. There were several bids submitted on the job, but there was no difference in the prices quoted. I told Mr. Coleman, salesman of the Glens Falls Company that I [fol. 371] was ready to place the order for the cement with him because of my friendly connection with the Glens Falls Company, but that I did not propose to take a contract where I stood the chance of having to pay more if freight rates went up. I said to him if he would take that clause out of the contract I would place the order with him. He said he did not feel that he could take that clause out of the contract. I said other cement companies are doing it and I don't see why you can't. He said he would think it over. Later he said he would accept the contract with that clause stricken out. When I told Mr. Coleman other companies were disregarding the freight increase clause, I referred to my agreement with the Edison Company.

In 1915, I tried to buy a large quantity of cement from the Edison Company and conversed with Mr. Wetzler. The Edison Company had closed a contract with us for the cement requirements for the Albany City Sewage Disposal Plant, and I said to Mr. Wetzler that I would like to purchase a sufficient quantity of cement so that I might use that particular job as a distributing station from which I could use cement on other operations in the city of Albany. I wanted to know if they would agree to such an arrangement. He asked what my object was. I said it was for the purpose of having

cement for my ordinary small building operations in the city of Albany at the car-load price that I was paying on this particular operation. I was informed that that could not be openly permitted.

Early in 1915 I had a talk with Mr. Parks, salesman of the Helderberg Company, in the Albany district. I asked him if the Helderberg would sell me cement for delivery at the storage shed on this operation for the disposal plant for the city of Albany without [fol. 372] question as to where it was used, and he replied that they would have to exercise some supervision over where that cement might be used.

In 1917 we built the Fort Edward St. Joseph's Roman Catholic Church, about five miles from the mills of the Glens Falls Company. We had prices from either companies and purchased from the Glens Falls Company. I recall no difference in the prices, excepting that the Glens Falls Company delivered the cement at the site of the work by truck.

Cross-examination by Mr. Stimson:

In both cases where I was trying to get the company to take the chance on any increase in the freight rate, the company acquiesced, saying, however, that it was an unusual procedure. I was a contractor, not dealing in building supplies. Those two companies were selling cement to dealers in builders' supplies in Albany at the time. I haven't purchased any cement in quantities in eighteen months.

[fol. 373] CHARLES D. TEDROW, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am Division Chief Rate Clerk, Interstate Commerce Commission. I have been with the Commission about fourteen years and occupied my present position about three years. I have with me the freight tariffs at the railroads operating in the Lehigh Valley district.

Put in evidence Government's Exhibits Nos. 261 to 316, both inclusive; not printed by consent.

Those are the tariffs for the roads serving the Lehigh Valley district, for the month of October, 1918, and cover the State of New Jersey.

[fol. 374] I have calculated the actual freight rates between certain points from the tariffs in evidence and compared the results with the rates given in the New Jersey freight rate book of the Protective Association.

From Alpha to Kennedy the Lehigh Valley Railroad rate would be 19.57 cents per barrel. The amount given in the freight rate book is 27 cents. That makes a difference of 7.43 cents.

From Northampton and other cement producing points in Pennsylvania to Cape May, New Jersey, the Central of New Jersey rate

is 56.753 cents per barrel. The rate given in the freight rate book is 57 cents, a difference of two mills and forty-seven hundredths.

From New Village to Change Water the D. L. & W. rate is 23.484 cents. The freight rate book gives 33 cents, a difference of 9.516 cents.

From New Village to Chester the D. L. & W. tariff gives 33.269 cents per barrel. The freight rate book gives 37 cents, a difference of 3.73 cents.

From New Village to Hampton the D. L. & W. tariff gives 23.484 cents. The freight rate book gives 33 cents, a difference of 9.516 cents per barrel.

From Nazareth and other cement producing points in Pennsylvania to Clyde, New Jersey, the D. L. & W. tariff gives 39.140 cents per barrel. The freight rate book gives 43 cents, a difference of 3.860 cents.

[fol. 375] From Alpha to Jutland the Lehigh Valley tariff gives 23.484 cents. The freight rate book gives 35 cents, a difference of 11.516 cents.

From New Village to Stewartsville the D. L. & W. tariff gives 19.57 cents. The freight rate book gives 33 cents, a difference of 13.43 cents.

From Bath and other cement producing points in Pennsylvania to Atlantic City the D. L. & W. tariff gives 52.839 cents. The freight rate book gives 53 cents, a difference of .161 cents, a little over one and a half mills.

From New Village to Passaic the D. L. & W. tariff gives 35.226 cents. The freight rate book gives 37 cents, a difference of 1.774 cents.

From New Village to Ackerson the D. L. & W. tariff gives 35.226 cents. The freight rate book gives 39 cents, a difference of 3.774 cents.

From New Village to Andover the D. L. & W. tariff gives 33.269 cents. The freight rate book gives 35 cents, a difference of 1.31 cents.

From New Village to Aphenia the D. L. & W. tariff gives 35.226 cents. The freight rate book gives 37 cents, a difference of 1.774 cents.

From New Village to Augusta the D. L. & W. tariff gives 35.226 cents. The freight rate book, 39 cents, a difference of 3.774 cents.

From New Village to Avenal the D. L. & W. tariff gives 35.226 cents. The freight rate book, 37 cents, a difference of 1.774 cents.

[fol. 376] From New Village to Basking Ridge the D. L. & W. tariff gives 39.14 cents. The freight rate book gives 41 cents, a difference of 1.86 cents.

From New Village to Belle Mead the D. L. & W. tariff gives 39.14 cents. The freight rate book gives 41 cents, a difference of 1.86 cents.

From Alpha to Bloomsbury the Lehigh Valley tariff gives 19.57 cents. The freight rate book gives 27 cents, a difference of 7.43 cents.

From New Village to Broadway the D. L. & W. tariff gives 19.57 cents. The freight rate book gives 33 cents, a difference of 14.43 cents.

From New Village to Franklin the D. L. & W. tariff gives 35.226 cents. The freight rate book gives 39 cents, a difference of 3.774 cents.

From New Village to Glen Moore the D. L. & W. tariff gives 39.14. The freight rate book gives 41 cents, a difference of 1.86.

From Alpha to Grandin the Lehigh Valley tariff gives 23.484 cents. The freight rate book gives 35 cents, a difference of 11.516 cents.

From New Village to Horton the D. L. & W. tariff gives 33.269 cents. The freight rate book gives 37 cents, a difference of 3.731 cents.

From Alpha to Hughesville the Lehigh Valley tariff gives 23.484 cents. The freight rate book gives 31 cents, a difference of 7.516 cents.

From New Village to Kenvil the D. L. & W. tariff gives 33.269 cents. The freight rate book gives 37 cents, a difference of 3.731 cents.

[fol. 377] It is agreed that the Edison plant is located at New Village.

There is no shipping point known as Lehigh Valley.

The railroad tariffs show changes in cents per ton of 10 cents. The lowest rate published is $1.00 per ton. The next rate is $1.10 per ton. There are no rates between $1.00 and $1.10 per ton. The highest rate to a point in New Jersey in these tariffs is $3.50 per ton. It goes from a dollar to $3.50. I have translated the rate per ton into cents per barrel and added the war tax.

[fol. 378] Cross-examination by Mr. Stimson:

The 25 points concerning which I have testified were not selected by the Government and handed to me. Another party and myself simply took a point here and there in the tariff which appeared on the list. It would be almost impossible to go through the entire tariff because there are over 1,000 points.

On June 25, 1918, freight rates were advanced 40 cents a ton, and on August 26, 1920 the rates were advanced 40 per cent per ton The railroad tariffs that I have produced give the rates per hundred pounds or per ton of 2,000 pounds. In the freight rate book, they are translated into the rate per barrel. When a rate per hundred pounds or per ton of 2,000 pounds is translated into a barrel rate of 380 pounds, the weight of a barrel, fractions are necessarily created in almost every case. There are no rates of a fraction of a cent in the tariff books of the railroads which I have produced here.

The method by which the freight rate book of the Association has been made up in general is simply this: Where they have a fraction of a cent resulting from translating the rate per ton into the rate per barrel, they give the next higher number of cents, if the fraction is over 5 mills and the next lower number in cents where the fraction is under 5 mills. For instance, in the first hundred rates in the

freight rate book, the fraction has been subtracted in 51 cases and raised to a cent in 49 cases.

This method which was followed in making up the freight rate book by the cement companies, is precisely the same method that has been followed by the United States Government and the railroad companies in making up their tariffs, where they had fractions of a cent arising in any of the increases in the rates. This special sup-
[fol. 379] plement to tariffs issued by the Central Railroad Company of New Jersey on the increase in freight rates effective June 25, 1918, was issued by the Director General of the Railroads of the United States when Mr. McAdoo was in charge of the railroads of the United States. This clause was carried out and represented the way the railroad tariffs were changed and figured. It reads:

"Effective June 25, 1918. All rates then in effect, named in tariffs enumerated herein and in prior supplements thereto, as indicated, to each of which tariffs this is a special supplement, are hereby increased two cents per hundred pounds, or 40 cents per net ton of 2,000 pounds.

"Rule A. Rates per 100 pounds or per package.

"Fractions of less than ¼ or .25 omit.

"Fractions of ¼ or .25, or greater, but less than ¾, or .75, state as one-half (.2) or as fifty one-hundredths (.50).

"Fractions of ¾, or .75, or greater, increase to the next whole figure."

This was in regard to rates per 100 pounds. When the cement companies were applying their rule to the barrel, they were applying it to a package nearly four times greater in weight, that is nearly 400 pounds. The clause quoted authorized the disregarding of ¼ of a cent per hundred pounds. The cement companies disregarded 1.2 of a cent per 400 pounds. The rule read was applied to all roads under Federal control.

[fol. 380] In my experience down with the Interstate Commerce Commission, I have heard of what is known as a rate blanket. I know what that is, both a rate blanket of origin and a rate blanket of destination. A great many tariffs will name rates from the same group in the same territory. That is what is known as a blanket rate, and the rates will be all the same or a differential over or under, whichever the case might be. A group of towns or stations of origin will have the same rate to other places around the country. If they are in the same group over which the blanket is spread, there will be no difference in the freight rate that is charged by station A and the freight rate as charged by station B, to the same destination. Very often that blanket spreads over a good many miles. It is quite common. It is usual wherever there is a big producing district with a lot of towns a little way off from each other, but engaged in the same industry, all of those towns are given the same rates to their markets, regardless of the distance. There is such a blanket rate in the anthracite coal region. There is a rate blanket in the brick-producing region The rate blanket around

the Lehigh Valley cement district has been up before the Interstat Commerce Commission in a number of cases. In this case of Vul canite Portland Cement Company against Central Railroad of Ne Jersey, dated July 18, 1917, they speak of a rate blanket around th Lehigh Valley. The territory included within that blanket ha always been known as the Lehigh Valley, so far as I know. Th statement of the Interstate Commerce Commission in that case [fol. 381] "What is known as the Lehigh cement district embrace parts of the counties of Berks, Lehigh and Northampton in th eastern part of the State of Pennsylvania, and a few points in north western New Jersey. The carriers serving this district have em braced the numerous cement producing points in this district i a rate blanket. The rates from all points therein being generall the same to any given destination," I would not say was in erro The rates are not the same to all the given destinations in New Jersey I have not examined the tariffs as to New York, or New England, o Pennsylvania, or anywhere outside of New Jersey. I was asked t pick out New Jersey alone. I couldn't say whether it is a fact tha Northampton has been taken as the station which is the key statio for the rates which are given to all in the Lehigh Valley district My attention is called to the decision of the Interstate Commerc Commission, which says, "The Lehigh District is situated mainl in eastern Pennsylvania, but includes a mill or two in western Ne Jersey. * * * Most of the 22 mills which comprise the distric are situated within 20 miles of Allentown, Pennsylvania, Northamp ton is in about the center of the group, and by consent of all partie all distances are computed from Northampton." But I couldn say from my examination of tariffs here whether that statement i true.

Blanket rates are usually rates that are issued to cover the sam commodity for business reasons, competitive reasons, various othe reasons. They have come about for competitive reasons. A mil that is over here to the east of the group has a shorter haul t its big market in New York, taking New York for example, tha [fol. 382] a mill over here on the west side of the group, an for a while that eastern mill has a big advantage freightwis over the western mill. Then after a little while, it has been m experience that the western mill makes application to the Inte state Commerce Commission and asks to have the rate from it point equalized with the rate from the other point, so that it can g into New York as cheap as its competitor. That is the way the ra blanket generally comes up. I am not prepared to say positivel that the Lehigh Valley rate blanket came up on account of the kee competition, but that is my opinion.

Out of all of the 25 points mentioned on my direct examinatio 17 had to do with New Village as a point of origin. 5 of the remai ing 8 were from Alpha. Of the remaining 3, one was from Na areth, one from Bath and one from Northampton. There are ov 900 points in the New Jersey freight rate book.

New Village and Alpha are both on the New Jersey side of th

Delaware River. The bulk of the other stations are over in Pennsylvania.

[fol. 383] I couldn't say whether after these tariffs of September, 1918, and in September, 1920, these differences between New Village and Alpha, on the one hand, and the other towns were wiped out by new tariffs. I was not asked to look up any more than this one month in 1918.

From Alpha to Kennedy is two miles. The population of Kennedy, according to Rand & McNally's Atlas, is zero. The rate given in the cement companies' freight rate book is the correct rate from Northampton to Kennedy. It is the lowest rate by either road, assuming that Navarro and Northampton are the same place as the tariffs of the two roads seem to indicate.

I could not say whether four of the other stations mentioned by me, Clyde, Grandin, Horton, Hughesville, are not stations where there is no population at all, according to Rand & McNally's Atlas. I do not know whether the population of Jutland is more than eighty people, mentioned in the Atlas.

Stewartsville is 2.7 miles from New Village.

Broadway is one mile and a half from Alpha.

Bloomsburg is 5 miles from Alpha.

Changewater is 8 miles.

As to Passaic, by the new tariffs issued by the railroads in September, 1921, the rate from Navarro to Passaic has been brought within the Lehigh Valley blanket.

[fol. 384] The rates which I mentioned on direct examination this morning were all of them cases where there was an exception to the blanket Lehigh Valley rate on the particular road I mentioned, as from New Village to some little point in New Jersey, and by the changes in rates in September, 1921, these exceptional rates mentioned on my direct examination have been equalized with the blanket rate so that now the rates from New Village to the stations mentioned are the same as the rates to those stations from Northampton or Navarro. In other words, the rates from New Village have been brought under the blanket. If Northampton is the place that was taken for the purpose of making up these cement freight rate books, then the rates to those places that I mentioned on direct examination have been equalized with the rate in the books.

The rate from New Village to Newark figured from the railroad tariffs is 31.312 cents per barrel. The rate in the cement companies freight rate book is 31 cents. On all cement going from New Village, or the Edison Company, to Newark, the cement companies have given the consumer the benefit of three and one-tenth mills on their freight. On general principles, more cement is likely to travel to Newark than to any place I mentioned on my direct examination.

The rate to Jersey City figured from the railroad tariffs is 27.39 cents per barrel. The rate in the cement companies' freight rate book is 27 cents per barrel. There the buyer gets the benefit of [fol. 385] three mills and nine-tenths of a mill per barrel. Jersey City is the largest receiving point for cement in New Jersey. A great

deal of cement for the metropolitan district of New York goes to Jersey City.

To New Brunswick the rate figured from the railroad tariffs is 39.14 cents a barrel. The cement manufacturers freight rate book gives 39 cents. There the public is given the benefit of one mill and four-tenths of a mill per barrel. The rate to Hoboken from the railroad tariffs is 27.39. The freight rate book gives 27. There the public get the benefit of 3.9 mills per barrel. The rate from all the points in the Lehigh Valley district shown in the tariffs here is the same to Hoboken, Jersey City, Trenton and the other large cities mentioned. The rate to Trenton as figured from the railroad tariffs is 37.18 cents. The cement manufacturers freight rate book gives 37 cents. This gives the public the benefit of 1.8 mills per barrel. In the case of Camden, the rate from the tariffs is 39.14 cents. The cement manufacturers freight rate book gives 39 cents. In the case of these six large New Jersey cities, Newark, Jersey City, New Brunswick, Trenton, Hoboken and Camden, the difference between the freight rate book and the rate figured from the tariffs arises from disregarding the fraction of a cent that comes from calculating a rate per one hundred pounds into a rate per barrel, and the allowance has been made in favor of the consumer.

As to the difference in the rate to Clyde which I mentioned on my direct examination, that descrepancy was changed by a tariff which [fol. 386] was issued on October 31, 1918, effective November 4, 1918. The book of the cement manufacturers is dated October, 1918, and is correct according to that tariff issued October 31, 1918.

Redirect examination by Mr. Fowler:

Supplement to railroad tariff put in evidence, Government's Exhibit No. 630. Not printed by consent.

We found a rate to Newark from Alpha, Egypt, Armrod, published in Lehigh Valley I. C. C. 5766, of $1.50 per ton, which would be 29.355 cents per barrel. The rate in the cement manufacturers' freight rate book is 31 cents. That is the correct rate from Northampton to Newark.

Out of the first eighty-five stations in the New Jersey book, forty-one worked out at the Northampton rate give a rate per barrel a fraction less than the rate published in the freight rate book of the Cement Association. Of these forty-one, in fourteen instances there are lower rates from other cement producing points than from Northampton. These are: From New Village to Ackerson there is a rate which figures 3.774 cents less a barrel. From New Village to Andover there is a rate which figures 1.731 cents less per barrel. From New Village to Allendale there is a rate which figures 3.731 cents less per barrel. From New Village to Athenia there is a rate making a difference of 1.774 cents per barrel, and there are substantially similar differences ranging from 0.204 to 3.774 cents per barrel found in rates from New Village to Augusta, Bath to Avalon, New [fol. 387] Village to Avenal, New Village to Babbitt, New Village to

Basking Ridge, New Village to Beach Glen, Egypt to Bellmar, New Village to Berkeley Heights, and New Village to Bernardsville.

Recross-examination by Mr. Stimson:

Q. You also do not mean, today, to make any change in your testimony as to what I asked you about with reference to the rate blanket, do you? I asked you yesterday whether, after refreshing your recollection with that (handing witness paper), whether it was not true that the railroads serving the Lehigh Valley district had embraced the numerous cement producing points in this district in a rate blanket, the rates from all points therein being generally the same to any given destination?

A. That would be hard to say; I couldn't say positively about that.

Q. Is there any doubt about that at all?

A. I certainly have, to nearby points.

Q. I ask you generally whether the rates from the Lehigh Valley district are the same to all points of destination. I don't mean that you can't find, as you have pointed out, some few nearby points to which the rate blanket had not in 1918, been applied, but speaking generally, isn't that true?

A. I would say yes, except to nearby points, and what I mean by nearby points, it might be two hundred, three hundred, perhaps four hundred miles before they would be given a rate blanket.

Q. The other day you said there were nearly a thousand stations in New Jersey?

A. Nine hundred and something.

[fol. 388] Q. How many are there in New York?

A. I couldn't tell you.

Q. More than in New Jersey, aren't they?

A. Oh, yes.

Q. You didn't bring anything except the New Jersey tariffs with you?

A. That is all.

Q. You can't tell me how many stations there are in Pennsylvania?

A. No, sir.

Q. More than New Jersey, aren't there?

A. Oh, yes.

Q. And there are a great many more in New England than in New Jersey?

A. Oh, yes.

Q. And in Maryland there are a great many, and in Delaware there are a great many; all through this district, I mean, that is served by the Lehigh Valley, isn't that all true?

A. A great many points, yes, sir.

Q. And what you say now is, that you think there are a few nearby exceptions that were not covered by this blanket in 1918?

A. No doubt about it.

[fol. 389] WALTER LEWIS, called as a witness on behalf of the Government, being first duly sworn, testified as follows:—

Direct examination by Mr. Fowler:

I am employed by the Department of Justice and have been connected with it for twelve years as an accountant. I have prepared a statement based on the reports Form 10 of the Protective Association. I used the reports for the years 1919, 1920 and up to March 1, 1921, and checked a total of 928 transactions in those reports. I took Form 10 and selected transactions at random. Those transactions represented shipments to 591 towns in various states. I deducted from the delivered price, reported on Form 10, the freight as set out in the freight rate books, and deducted from that the bag price applying at the time the contract was made, and arrived at the mill base price at Lehigh Valley, Universal, Hudson or Fordwick. If this mill base price coincided with the mill base prices as furnished me to begin with I assumed the mill base prices given me to have been correct. I found about more than ninety-five per cent of the mill base prices of these transactions as figured by me corresponded with the mill base prices furnished me.

Tabulation made by the witness put in evidence, Government's Exhibit No. 543. Printed in Exhibit Book, p. —.

[fol. 390] I found some transactions included in the ninety-five per cent which were apparently based on a mill price and a bag price different from the mill price and bag price which were reported to be effective as of the date the contract was made. In some cases the mill base price and the bag price was used which applied to an earlier period and in some few cases the mill base price and the bag price was used which applied to a little later period.

There are 56 of those transactions. The variances run from one day to five months, 16 of the 56 anticipated and 40 reverted back. I found on transactions or contracts entered into during the latter part, or the fall of 1920, and the first three months of 1921, a number of instances which did not figure out and in which there were differences. I did not take them all. I took on my schedule 27 instances. They were from October, November and December, 1920.

[fol. 391] One of the basing points is Fordwick, Virginia. There is a Lehigh mill there. Lehigh owns also one of the mills in the Lehigh Valley district. I can turn to a Norfolk shipment on the report Form 10. February 1st, 1919, the mill base price at Fordwick was $1.90. The mill base price at Lehigh at that time was $1.90. The freight rate from Fordwick to Norfolk was 33 cents; from Lehigh it was 53 cents. The bag price was $1 a barrel. The price at the point of delivery was $3.23. They took the lowest freight rate price. The freight rate to Roanoke was 43 cents. On June 16, 1919, the delivered price at Norfolk was $2.73 and at Roanoke $2.83. That shipment to Norfolk was from the Lehigh Portland Cement Company. I don't know whether that came from

the Lehigh Valley or from Fordwick. I have a Norfolk shipment January 30, 1919 from Atlas. It was $3.23 delivered. Atlas had no mill at Fordwick. I have one to Charlottesville from Alpha. The rate to Charlottesville from Fordwick is 31 cents and from the Lehigh Valley it is 68 cents. I have a shipment on June 25, 1919 from the Lehigh Company to Charlottesville. The price at Charlottesville was $2.71. I don't know whether it came from Fordwick or the Lehigh Valley. The difference in the freight rate was 37 cents, but there was a difference of 5 cents in the base at that time. I have one shipment from Alpha to Charlottesville, on April 28, 1920. [fol. 392] The delivered price was $3.63, but it was based on the Lehigh Valley base. I found they quit the Fordwick rate about the same time. I couldn't fix the time. I would say in the latter part of 1919 or the early part of 1920.

No cross-examination.

[fol. 393] Stipulation with reference to certain license agreements and the agreements put in evidence. Government's Exhibits Nos. 544 to 550, inclusive; printed in Exhibit Book, p. —.

Letter September 12, 1912, from Mr. Morron of the Atlas Company to Mr. Beach of the Pennsylvania Company, put in evidence. Government's Exhibit No. 551, printed in Exhibit Book, p. —.

Mr. Beach's reply, September 16, 1921, put in evidence. Government's Exhibit No. 552, printed in Exhibit Book, p. —.

Stipulation concerning minutes of Eastern Cement Association put in evidence. Government's Exhibit No. 553, printed in Exhibit Book, p. —.

Minutes put in evidence. Government's Exhibit No. 554, printed in part in Exhibit Book, p. —.

Letter January 30, 1913, from Mr. Mallory to Mr. Morron, put in evidence. Government's Exhibit No. 555, not printed by consent. [fol. 394] Letter December 14, 1912, from Mr. Mallory to Mr. Meyer, Manager of Sales of Edison Company, put in evidence. Government's Exhibit No. 556, printed in Exhibit Book, p. —.

Letter February 10, 1913, from Mr. Mallory to Mr. Meyer, put in evidence. Government's Exhibit No. 557, printed in part in Exhibit Book, p. —.

Letter March 5, 1913, from Mr. Mallory to Mr. Meyer, put in evidence. Government's Exhibit No. 558, printed in Exhibit Book, p. —.

Letter March 20, 1913, from Mr. Meyer to Mr. Mallory, put in evidence. Government's Exhibit No. 559, printed in Exhibit Book, p. —.

Quotations dated on different days from December 6, 1912 to January 20, 1913, to Amsterdam Building Company from 11 cement companies, put in evidence. Government's Exhibits Nos. 560 to 570, inclusive, printed in part in Exhibit Book, p. —, except No. 565 which is not printed by consent.

[fol. 395] RUSSELL HARDY, called as a witness on behalf of the Government, being first duly sworn, testified as follows:

Direct examination by Mr. Fowler:

I am employed by the Government. I have a set of forms of quotations and forms of contracts in current use by the defendant corporations, which were obtained by the defendants' counsel from the defendant corporation and handed the Government.

Put in evidence Government's Exhibits Nos. 571 to 589, inclusive, printed in part in Exhibit Book, p. —.

I have prepared sheets upon which I have taken from these several forms of contracts the clauses which relate to the same matter, and put them side by side.

Put in evidence Government's Exhibit No. 590, printed in Exhibit Book, p. —.

I have a set of quotations for specific job contracts of the defendant companies, except Penn-Allen.

Put in evidence Government's Exhibits Nos. 591 to 609, inclusive, printed in Exhibit Book, p. —, except No. 601 (being the same as No. 199) and No. 607 (being the same as No. 586) which are not printed by consent.

[fol. 396] I have a set of forms of quotations for current business, as distinguished from specific job quotations except Pennsylvania.

Put in evidence Government's Exhibits Nos. 610 to 627, inclusive, printed in Exhibit Book, p. —.

I have prepared a chart with reference to the quotations for current business, to bring together the comparable provisions.

Put in evidence Government's Exhibit No. 628, printed in Exhibit Book, p. —.

Additional form of quotation for current business of Alpha Company put in evidence Government's Exhibit No. 629, printed in Exhibit Book, p. —.

Cross-examination by Mr. Porter:

The sheets I prepared, Government's Exhibit No. 590, does not contain all the clauses of the contracts. I omitted some clauses. The Penn-Allen uses the specific job quotation also for the specific job contract. I had that form. I put it among the contracts and not with the quotations. As to the Pennsylvania quotation for current [fol. 397] business, I do not know whether the Pennsylvania Company uses a printed form, but writes a special letter in each case.

It is agreed that the Pennsylvania Company does not use such a printed form.

I am a Special Assistant to the Attorney General. Exhibit No. 620 is the quotation for current business of the Knickerbocker Company. The only provision as to quantity is that the quotation is made in cloth sacks, carload lots, delivered f. o. b. Hartford, Connecticut. I judged that ambiguous and interpreted the ambiguity as limiting the quotation to one carload, and so stated in my chart, which purports to state to what extent these quotations comply with the recommendations of the Trade Practice Reports of the National Association, one of which was that such quotations be limited to one carload.

This quotation from the Knickerbocker Company does not contain anything as to the time limit on acceptance. I stated in my chart that the Knickerbocker quotation is limited for immediate acceptance. Among a large number of quotations on my desk, I think there is one of the Knickerbocker Company which will verify my chart. My chart appears to be in error as to this quotation of the Knickerbocker Company.

My chart refers to a recommendation in the trade practice report that the cement company should expressly exempt itself from liability for loss or damage in transit. The X in my chart means that the Glens Falls contract does not contain any specific provision making the buyer responsible for shortage or damage. The Glens [fol. 398] Falls quotation, Exhibit No. 618, is f. o. b. station named. The only provision in the contract is as to how a claim for loss or damage must be proved with the company.

The provision of the Alpha specific job contract, Exhibit No. 573, that "any decline in cement company's market price during the life of this agreement shall apply to shipments under this agreement made after date of reduction," is not in my form.

[fol. 399] The Government put in evidence the following:

Set of Form 12 of the Protective Association commencing with the month of February, 1916, and running monthly to and including December, 1918. Government's Exhibits Nos. 631 to 665. Nos. 631, 632 and 633 printed in Exhibit Book, p. —. Nos. 634 to 665, inclusive, not printed by consent.

Statements showing the production in barrels by the defendant companies in the years 1913 to 1921, inclusive. Government's Exhibits Nos. 666 to 674, printed in Exhibit Book, p. —.

Table showing dates when changes were made effective by each defendant company in the base price used by it in figuring most of its quotations, Lehigh Valley. Government's Exhibit No. 675, printed in Exhibit Book, p. —.

Table showing dates when changes were made effective by each company in the base price used by it in figuring most of its quotations, Hudson River. Government's Exhibit No. 676, printed in Exhibit Book, p. —.

[fol. 400] MARY B. PHALEN, recalled by the Government.

Redirect examination by Mr. Fowler:

The mimeographed sheet listing annual productive capacity of 24 mills, January 1st, 1917, is one of some copies of that I found lying around among old stuff. I could not say whether it was issued or distributed among the membership. It was furnished from our office to Mr. Mitchell, Special Assistant to the Attorney General.

Put in evidence Government's Exhibit No. 677, duplicate of Government's Exhibit No. —, printed in Exhibit Book, p. —.

Statement showing average cost of bags 1916 to 1921, inclusive, put in evidence. Government's Exhibit No. 678, printed in Exhibit Book, p. —.

Statement showing sale price of bags 1919 to 1921, inclusive, put in evidence. Government's Exhibit No. 679, printed in Exhibit Book, p. —.

The following letters put in evidence:

Letter April 2, 1919, C. N. Apgar, Traffic Manager of Alpha Company, to J. J. Collister, Traffic Manager of Atlas Company, Government's Exhibit No. 680, printed in Exhibit Book, p. —.

[fol. 401] Letter April 25, 1919, from Secretary of Association to Castalia Portland Cement Company. Government's Exhibit No. 681, printed in Exhibit Book, p. —.

Letter September 4, 1918, from Mr. Gaines of Protective Association to Mr. Coogan of Alpha Company. Government's Exhibit No. 682, printed in Exhibit Book, p. —.

Letter September 5, 1918, from Mr. Coogan to Mr. Gaines. Government's Exhibit No. 683, printed in Exhibit Book, p. —.

Letter September 5, 1918, from W. F. Clark, Traffic Manager of Lehigh Company, to Mr. Gaines of Protective Association. Government's Exhibit No. 684, printed in Exhibit Book, p. —.

Letter June 1, 1915, from Security Company to Lehigh Company. Government's Exhibit No. 685, printed in Exhibit Book, p. —.

Reply thereto, dated June 2, 1915. Government's Exhibit No. 686, printed in Exhibit Book, p. —.

[fol. 402] Memorandum March 1, 1916, from Mr. Kimball of Atlas Company to Mr. Miner of Atlas Company. Government's Exhibit No. 687, printed in Exhibit Book, p. —.

Memorandum March 16, 1916, from Mr. Young of Atlas Company to Mr. Kimball of Atlas Company. Government's Exhibit No. 688, printed in Exhibit Book, p. —.

71 notices of corrections of errors in Rate Book referred to in Government's Exhibit No. 688, put in evidence. Defendants' Exhibit D-190. Only specimen. Printed by consent.

Letter from Mr. Coogan of Alpha Company to Protective Association. Government's Exhibit No. 689, printed in Exhibit Book, p. —.

Circular letter of Protective Association, April 5, 1918. Government's Exhibit No. 690, printed in Exhibit Book, p. —.

Letter August 23, 1920, Mr. Coogan of Alpha Company to Mr.

Collister, Traffic Manager of Atlas Company. Government's Exhibit No. 691, printed in Exhibit Book, p. —.

[fol. 403] Circular Letter of Protective Association, August 25, 1920. Government's Exhibit No. 692, printed in part in Exhibit Book, p. —.

Letter August 27, 1920, from Mr. Floring of Knickerbocker Company to certain salesmen of Knickerbocker Company. Government's Exhibit No. 693, printed in Exhibit Book, p. —.

Letter of August 29, 1920, from Mr. Floring of Knickerbocker Company to Mr. Stinson, Local Manager of Knickerbocker Company. Government's Exhibit No. 694, printed in Exhibit Book, p. —.

Reply thereto. Government's Exhibit No. 695, printed in Exhibit Book, p. —.

Letter March 18, 1921, from Mr. Dutton of Bath Company to its salesmen at Schenectady, New York. Government's Exhibit No. 696, printed in Exhibit Book, p. —.

Letter February 25, 191[illegible], from Mr. Apgar, Traffic Manager of the Alpha Company, to Security Company. Government's Exhibit No. 697, printed in Exhibit Book, p. —.

[fol. 404] Letter December 20, 1920, from Mr. Apgar to the Protective Association. Government's Exhibit No. 698, printed in Exhibit Book, p. —.

Letter December 10, 1920, from Mr. Stinson, Local Manager of Knickerbocker Company, to Knickerbocker Company. Government's Exhibit No. 699, printed in Exhibit Book, p. —.

Reply December 13, 1920, of Knickerbocker Company to Mr. Stinson. Government's Exhibit No. 700, printed in Exhibit Book, p. —.

Reply December 14, 1920, from Mr. Stinson to Mr. Floring. Defendants' Exhibit D-191, printed in Exhibit Book, p. —.

Reply December 15, 1920, from Mr. Floring to Mr. Stinson. Defendants' Exhibit D-192, printed in Exhibit Book, p. —.

Letter June 16, 1917, from Mr. Coogan of Alpha Company to Secretary of Protective Association. Government's Exhibit No. 701, printed in Exhibit Book, p. —.

[fol. 405] Letter August 25, 1917, from Secretary of Protective Association to Secretary of National Association. Government's Exhibit No. 702, printed in Exhibit Book, p. —.

Reply thereto, August 27, 1917. Government's Exhibit No. 703, printed in Exhibit Book, p. —.

Letter November 6, 1916, from Mr. MacFarland of the Atlas Company to Mr. Gowan of the Lehigh Company. Government's Exhibit No. 704, printed in Exhibit Book, p. —.

Letter December 5, 1916, from Secretary of Protective Association to members. Government's Exhibit No. 705, printed in Exhibit Book, p. —.

Letter January 22, 1916, from Mr. W. D. Lober to members of Protective Association. Government's Exhibit No. 706, printed in Exhibit Book, p. —.

Letter January 27, 1919, from Mr. Naylor of Knickerbocker

Company to Mr. Gaines of Protective Association. Government's Exhibit No. 707, printed in Exhibit Book, p. —.

[fol. 406] Reply thereto January 28, 1919. Government's Exhibit No. 708, printed in Exhibit Book, p. —.

Reply dated January 31, 1919. Government's Exhibit No. 709, printed in Exhibit Book, p. —.

Letter January 31, 1919, from Mr. Naylor of Knickerbocker Company to Mr. Gaines of Protective Association. Government's Exhibit No. 710, printed in Exhibit Book, p. —.

Letter March 17, 1919, from Mr. Hilles of Dexter Company to Protective Association. Government's Exhibit No. 711, printed in Exhibit Book, p. —.

Letter March 30, 1916, from Secretary of Protective Association to Security Company. Government's Exhibit No. 712, printed in Exhibit Book, p. —.

Letter April 20, 1916, from Sales Manager of Security Company to W. L. Sperry of Cumberland Hydraulic Cement & Manufacturing Company, of Cumberland, Maryland. Government's Exhibit No. 713, printed in Exhibit Book, p. —.

[fol. 407] Reply dated April 21, 1916, from Mr. Sperry of Cumberland Company to Mr. Barbour of Security Company. Government's Exhibit No. 714, printed in Exhibit Book, p. —.

Letter April 22, 1916, from Mr. Barbour to Mr. Sperry. Government's Exhibit No. 715, printed in Exhibit Book, p. —.

Letter July 19, 1917, from Secretary of Protective Association to auditor of Knickerbocker Company. Government's Exhibit No. 716, printed in Exhibit Book, p. —.

Letter August 20, 1918, from Mr. Porter of Security Company to Protective Association. Government's Exhibit No. 717, printed in Exhibit Book, p. —.

[fol. 408] Letter April 1, 1915, from Mr. Cover of Security Company to Mr. B. T. Scott, president of the Tidewater Portland Cement Company, Baltimore, Maryland. Government's Exhibit No. 718, printed in Exhibit Book, p. —.

Letter April 7, 1915, from the Tidewater Company to Mr. Cover, of the Security Company, Government's Exhibit No. 719, printed in Exhibit Book, p. —.

Letter April 14, 1916, from Mr. Griffith, president of Protective Association, to secretary of Protective Association, Government's Exhibit No. 720, printed in Exhibit Book, p. —.

Letter April 21, 1916, from Mr. Griffith to secretary of Protective Association, Government's Exhibit No. 721, printed in Exhibit Book, p. —.

Letter January 28, 1919, from Mr. Gaines of Protective Association to Mr. Naylor of Knickerbocker Company, Defendants' Exhibit D-193, printed in Exhibit Book, p. —.

Letter April 24, 1916, from secretary of Protective Association to B. L. Swett, eastern sales manager of Lehigh Company, Government's Exhibit No. 722, printed in Exhibit Book, p. —.

[fol. 409] Letter April 25, 1916, from Mr. Swett to secretary of

Protective Association, Government's Exhibit No. 723, printed in Exhibit Book, p. —.

Letter April 26, 1916, from secretary of Protective Association to Mr. Swett, Government's Exhibit No. 724, printed in Exhibit Book, p. —.

Letter April 27, 1916, from Mr. Swett to secretary of Protective Association, Government's Exhibit No. 725, printed in Exhibit Book, p. —.

Letter May 9, 1916, from R. E. Griffith, vice-president of Giant Company, to secretary of Protective Association, Government's Exhibit No. 726, printed in Exhibit Book, p. —.

Letter May 10, 1916, from secretary of Protective Association to Mr. Griffith of the Giant Company, Government's Exhibit No. 727, printed in Exhibit Book, p. —.

Letter May 26, 1916, from Mr. Swett of Lehigh Company to Mr. Alker, secretary of the Pennsylvania Company, Government's Exhibit No. 728, printed in Exhibit Book, p. —.

[fol. 410] Reply May 26, 1916, from Mr. Alker to Mr. Swett, Government's Exhibit No. 729, printed in Exhibit Book, p. —.

Letter July 12, 1916, from Nazareth Company to secretary of Protective Association, Government's Exhibit No. 730, printed in Exhibit Book, p. —.

Reply July 19, 1916, from secretary of Protective Association to Nazareth Company, Government's Exhibit No. 731, printed in Exhibit Book, p. —.

Letter September 22, 1919, from Mr. C. H. Cox of the Phœnix Company to Mr. Frostholm, a Phœnix salesman, Defendants' Exhibit D-194, printed in Exhibit Book, p. —.

Letter November 23, 1920, from Mr. C. H. Cox to Mr. Frostholm, both of Phœnix Company, Defendants' Exhibit D-195, printed in Exhibit Book, p. —.

Telegram October 22, 1920, from Mr. Bradlee, Phœnix salesman, Brookline, Mass., to Phœnix Company, Defendants' Exhibit D-196, printed in Exhibit Book, p. —.

[fol. 411] Letter October 22, 1920, from Mr. Bradlee to Phœnix Company, Defendants' Exhibit D-197, printed in Exhibit Book, p. —.

Letter May 27, 1921, from C. H. Cox of Phœnix Company to Mr. Bradlee, Phœnix salesman, Defendants' Exhibit D-198, printed in Exhibit Book, p. —.

Letter December 27, 1917, from Mr. G. H. Clukas, Boston sales agent of Pennsylvania Company, to the Pennsylvania Company, Defendants' Exhibit D-199, printed in Exhibit Book, p. —.

Reply December 28, 1917, from Pennsylvania Company to Mr. Clukas, Defendants' Exhibit D-200, printed in Exhibit Book, p. —.

Letter July 11, 1918, from Mr. Bickel, salesman of Vulcanite Company, to Vulcanite Company, Defendants' Exhibit D-201, printed in Exhibit Book, p. —.

Letter from Mr. C. H. Cox, of Phœnix Company, to Mr. Leach,

Phœnix salesman, Hartford, Conn., Defendants' Exhibit D-202, printed in Exhibit Book, p. —.

[fol. 412] Letter May 7, 1917, from Mr. W. D. Lober, vice-president Vulcanite Company to Mr. D. H. MacFarland, assistant to president of Atlas Company, Government's Exhibit No. 732, printed in Exhibit Book, p. —.

Memorandum of Mr. Twamley of Bath Company to Mr. MacFarland of Atlas Company, Government's Exhibit No. 733, printed in Exhibit Book, p. —.

Enclosure with Government's Exhibit No. 733, dated May 3, 1917, from Mr. Dodge of American Metal Works, Government's Exhibit No. 734, printed in Exhibit Book, p. —.

Letter May 10, 1917, from secretary of Protective Association to Mr. Twamley of Bath Company, Government's Exhibit No. 735, printed in Exhibit Book, p. —.

Letter May 10, 1917, from secretary of Protective Association to Mr. MacFarland of Atlas Company, Government's Exhibit No. 736, printed in Exhibit Book, p. —.

[fol. 413] Letter November 16, 1917, from Mr. Swett of Lehigh Company to Mr. Gaines of Protective Association, Government's Exhibit No. 737, printed in Exhibit Book, p. —.

Letter February 4, 1919, from Mr. Stapleton of the Tidewater Company to Mr. Griffith of the Giant Company, Government's Exhibit No. 738, printed in Exhibit Book, p. —.

Reply thereto, dated May 5, 1919, Government's Exhibit No. 739, printed in Exhibit Book, p. —.

Letter May 29, 1919, from Mr. Hilles of the Dexter Company to Mr. Griffith of the Giant Company, Government's Exhibit No. 740, printed in Exhibit Book, p. —.

Letter June 11, 1919, from Mr. Griffith of the Giant Company to Mr. Coogan of the Alpha Company, Government's Exhibit No. 741, printed in Exhibit Book, p. —.

Letter January 19, 1921, from Mr. John B. Lober, president Vulcanite Company, to Mr. G. H. Brown, president Alpha Company, Government's Exhibit No. 742, printed in Exhibit Book, p. —.

[fol. 414] Letter April 20, 1915, from Mr. Paulson, traffic manager of the Lehigh Company, to Security Company, Government's Exhibit No. 742, printed in Exhibit Book, p. —.

Letter May 21, 1915, from Security Company to Mr. Coogan, of Alpha Company, Government's Exhibit No. 744, printed in Exhibit Book, p. —.

Letter June 16, 1918, from Security Company to Mr. Coogan of Alpha Company, Government's Exhibit No. 745, printed in Exhibit Book, p. —.

Letter July 1, 1918, from Mr. Swett or Lehigh Company to Mr. Gaines of Protective Association, Government's Exhibit No. 746, printed in Exhibit Book, p. —.

Reply July 12, 1918, from Mr. Gaines to Mr. Swett, Government's Exhibit No. 747, printed in Exhibit Book, p. —.

Letter July 12, 1915, from Mr. Morron of Atlas Company to Mr.

Gowan of the Lehigh Company, Chicago, Government's Exhibit No. 748, printed in Exhibit Book, p. —.

[fol. 415] Reply July 13, 1915, from Mr. Gowan to Mr. Morron, Defendants' Exhibit D-203, printed in Exhibit Book, p. —.

Letter July 15, 1915, from Mr. Morron to Mr. Gowan, Defendants' Exhibit D-204, printed in Exhibit Book, p. —.

Letter July 16, 1915, from Mr. Gowan to Mr. Morron, Defendants' Exhibit D-205, printed in Exhibit Book, p. —.

Letter July 29, 1915, from Mr. Gowan to Mr. Morron, Defendants' Exhibit D-206, printed in Exhibit Book, p. —. Mr. John B. Lober was then president of the National Association, Mr. Hagar was president of the Universal Company, Mr. Beck was an employee of the Universal Company who was being employed by the National Association for promotion work.

Memorandum of letter written for Mr. Morron by Mr. Young of Lehigh Company, Defendants' Exhibit D-207, printed in Exhibit Book, p. —.

Letter August 11, 1915, from Mr. Morron of Atlas Company to Mr. Young of Lehigh Company, Defendants' Exhibit D-208, printed in Exhibit Book, p. —.

[fol. 416] Letter August 12, 1915, from Mr. Young to Mr. Morron, Defendants' Exhibit D-209, printed in Exhibit Book, p. —.

Letter August 13, 1915, from Mr. Morron to Mr. Young, Defendants' Exhibit D-210, printed in Exhibit Book, p. —.

Resolution of Executive Committee of National Association, September 14, 1915, Defendants' Exhibit D-211, printed in Exhibit Book, p. —.

Resolution of December meeting of National Association, Defendants' Exhibit D-212, printed in Exhibit Book, p. —.

Letter October 30, 1915, from Mr. Coogan of Alpha Company to Mr. Beach of Pennsylvania Company, Government's Exhibit No. 749, printed in Exhibit Book, p. —.

Memorandum from Mr. Coogan to Mr. Beach, Government's Exhibit No. 750, printed in Exhibit Book, p. —.

Letter November 1, 1915, Mr. Beach's reply to memorandum, Government's Exhibit No. 751, printed in Exhibit Book, p. —.

[fol. 417] Announcement of Lehigh Company, December 6, 1916, Government's Exhibit No. 752, printed in Exhibit Book, p. —.

Announcement of Alpha Company, December 7, 1916, Government's Exhibit No. 753, printed in Exhibit Book, p. —.

Letter December 7, 1916, from Atlas Company to J. P. Hall, Inc., Jersey City, N. J., Government's Exhibit No 754, printed in Exhibit Book, p. —.

Letter February 6, 1917, from Mr. Mallory of Edison Company to secretary of Protective Association, Government's Exhibit No. 755, printed in Exhibit Book, p. —.

Letter February 7, 1917, from secretary of Protective Association to Mr. Mallory of Edison Company, Government's Exhibit No. 756, printed in Exhibit Book, p. —.

Letter August 6, 1917, from Bath Company to Protective Asso-

ciation, Government's Exhibit No. 757, printed in Exhibit Book, p. —.

[fol. 418] Letter October 5, 1918, from Mr. C. H. Cox, general sales manager of Phœnix Company, to Protective Association, Government's Exhibit No. 758, printed in Exhibit Book, p. —.

Letter July 16, 1919, from Mr. George F. Bayle, Jr., second vice-president Glens Falls Company to Protective Association, Government's Exhibit No. 759, printed in Exhibit Book, p. —.

Letter October 14, 1919, from Mr. Bayle of Glens Falls Company to Protective Association, Government's Exhibit No. 760, printed in Exhibit Book, p. —.

Letter September 8, 1919, from Mr. Brobston of Dexter Company to Miss Phalen, secretary of Protective Association, Government's Exhibit No. 761, printed in Exhibit Book, p. —.

Letter December 30, 1919, from Mr. Hilles of Dexter Company to Mr. Swett of Lehigh Company, Government's Exhibit No. 762, printed in Exhibit Book, p. —.

Letter May 29, 1920, from Mr. Warner of Security Company to Mr. Kind of Hercules Company, Government's Exhibit No. 763, printed in Exhibit Book, p. —.

[fol. 419] Letter June 5, 1920, from Mr. Kind to Mr. Warner, Government's Exhibit No. 764, printed in Exhibit Book, p. —.

Letter June 7, 1920, from Mr. Warner to Mr. Kind, Government's Exhibit No. 765, printed in Exhibit Book, p. —.

Letter June 16, 1920, from Mr. Kind to Mr. Warner, Government's Exhibit No. 766, printed in Exhibit Book, p. —.

Letter from Mr. Warner's office to Mr. Kind, Government's Exhibit No. 767, printed in Exhibit Book, p. —.

Letter June 23, 1920, from Mr. Warner to Mr. Kind, Government's Exhibit No. 768, printed in Exhibit Book, p. —.

Letter October 19, 1917, from Mr. Holman of Atlas Company to Mr. Archibald Cox, counsel, Defendants' Exhibit D-213, printed in Exhibit Book, p. —.

Letter October 24, 1917, from Mr. Cox to Mr. Holman, Defendants' Exhibit D-214, printed in Exhibit Book, p. —.

Letter October 27, 1917, from Mr. Cox to Mr. Lober, president of Protective Association, Government's Exhibit No. 769, printed in Exhibit Book, p. —.

[fol. 420] Circular letter, October 31, 1917, from Mr. Lober, president of Protective Association, to members, Government's Exhibit No. 770, printed in Exhibit Book, p. —.

Enclosure therewith, dated October 27, 1917, Government's Exhibit No. 771, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Bayle of Glens Falls Company to Mr. Lober, president Protective Association, Government's Exhibit No. 772, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Beach of Pennsylvania Company to Mr. Lober, president Protective Association, Government's Exhibit No. 773, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Erdell, president Penn-Allen

Company, to Mr. Lober, president Protective Association, Government's Exhibit No. 774, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Coogan of Alpha Company to Mr. Lober, president of Association, Government's Exhibit No. 775, printed in Exhibit Book, p. —.

[fol. 421] Letter November 1, 1917, from Mr. Goode of Hercules Company to Mr. Lober, president of Association, Government's Exhibit No. 776, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Horner of Nazareth Company to Mr. Lober, president of Association, Government's Exhibit No. 777, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Twamley of Bath Company to Mr. Lober, president Protective Association, Government's Exhibit No. 778, printed in Exhibit Book, p. —.

Letter November 1, 1918, from Mr. Ward, sales manager of Knickerbocker Company, to Mr. Lober, president of Protective Association, Government's Exhibit No. 779, printed in Exhibit Book, p. —.

Letter November 1, 1917, from Mr. Swett, assistant to the president of the Edison Company, to Mr. Lober, president Protective Association, Government's Exhibit No. 780, printed in Exhibit Book, p. —.

Lettter November 1, 1918, from Mr. Smith, sales manager of Lawrence Company to Mr. Lober, president Protective Association, Government's Exhibit No. 781, printed in Exhibit Book, p. —.

[fol. 422] Letter November 2, 1917, from Mr. Mallory, president Edison Company, to Mr. Lober, president Protective Association, Government's Exhibit No. 782, printed in Exhibit Book, p. —.

Letter November 2, 1917, from Mr. Dutton, general sales manager of Coplay Company, to Mr. Lober, president Protective Association, Government's Exhibit No. 783, printed in Exhibit Book, p. —.

Letter November 2, 1917, from Mr. Cope of Allentown Company to Mr. Lober, president Protective Association, Government's Exhibit No. 784, printed in Exhibit Book, p. —.

Letter November 2, 1917, from Mr. Griffith of Giant Company to Mr. Lober, president Protective Association, Government's Exhibit No. 785, printed in Exhibit Book, p. —.

Letter November 3, 1917, from Mr. Hilles, manager of sales of Dexter Company, to Mr. Lober, president Association, Government's Exhibit No. 786, printed in Exhibit Book, p. —.

[fol. 423] Letter November 5, 1917, from Mr. Swett, eastern sales manager of Lehigh Company to Mr. Lober, president Protective Association, Government's Exhibit No. 787, printed in Exhibit Book, p. —.

Letter October 18, 1917, from Mr. Gaines, vice-president Protective Association to Mr. Oberman, a checker employed by the Association, Government's Exhibit No. 788, printed in Exhibit Book, p. —.

Letter November 5, 1917, from Mr. Gaines of Protective Association to Harry I. Norton, employed as checker by Association, Government's Exhibit No. 789, printed in Exhibit Book, p. —.

Letter November 27, 1917, from Mr. Dutton, of Coplay Company, to Mr. Lober, president Protective Association, Government's Exhibit No. 790, printed in Exhibit Book, p. —.

Letter December 3, 1917, from Mr. Lober, president Protective Association, to Mr. Dutton, Government's Exhibit No. 791, printed in Exhibit Book, p. —.

[fol. 424] Letter December 3, 1917, from Mr. Lober, president Protective Association to secretary of the Association, Government's Exhibit No. 792, printed in Exhibit Book, p. —.

Circular letter February 14, 1918, to Chief executives of members signed by committee, Government's Exhibit No. 793, printed in Exhibit Book, p. —.

Letter February 19, 1918, from Mr. Beach, president Pennsylvania Company, to Mr. W. G. Dutton, Protective Association, Government's Exhibit No. 794, printed in Exhibit Book, p. —.

Letter February 23, 1918, from Mr. Dutton to Mr. Beach, Government's Exhibit No. 795, printed in Exhibit Book, p. —.

Letter February 20, 1918, from Mr. Daniels, president Knickerbocker Company, to Mr. Dutton, president Protective Association, Government's Exhibit No. 796, printed in Exhibit Book, p. —.

[fol. 425] Letter February 23, 1918, from Mr. Dutton to Mr. Daniels, Government's Exhibit No. 797, printed in Exhibit Book, p. —.

Letter February 25, 1918, from Mr. L. C. Morton, general manager Phœnix Company to Mr. Dutton, president Protective Association, Government's Exhibit No. 798, printed in Exhibit Book, p. —.

Letter February 26, 1918, Mr. Dutton to Mr. Morton, Government's Exhibit No. 799, printed in Exhibit Book, p. —.

Letter March 21, 1919, from Mr. Gaines of Protective Association to Mr. Wright, New York State Builders' Supply Association, Rochester, New York, Government's Exhibit No. 800, printed in Exhibit Book, p. —.

Report January 5, 1916, from Mr. C. S. Swallow, salesman of Knickerbocker Company to Knickerbocker Company, Defendants' Exhibit D-215, printed in Exhibit Book, p. —.

Letter February 14, 1921, from Knickerbocker Company to Mr. Stinson, Knickerbocker salesman, Defendants' Exhibit D-216, printed in Exhibit Book, p. —.

[fol. 426] Letter March 3, 1921, from Knickerbocker Company to Mr. Stinson, Defendants' Exhibit D-217, printed in Exhibit Book, p. —.

Letter April 25, 1921 from president of Knickerbocker Company to Mr. White, a salesman of Knickerbocker Company, Defendants' Exhibit D-218, printed in Exhibit Book, p. —.

Letter April 25, 1921, from president of Knickerbocker Company to Mr. Abbott, a Knickerbocker salesman, Defendants' Exhibit D-219, printed in Exhibit Book, p. —.

Letter June 8, 1921, from president of Knickerbocker Company to Mr. White, a Knickerbocker salesman, Defendants' Exhibit D-220, printed in Exhibit Book, p. —.

Letter October 20, 1916, from Mr. MacFarland of Atlas Company to Mr. Kimball, sales manager of Atlas Company, Defendants' Exhibit D-24, printed in Exhibit Book, p. —.

Letter October 20, 1916, from Mr. Morrow of Atlas Company to Mr. MacFarland of Atlas Company, Defendants' Exhibit D-25, printed in Exhibit Book, p. —.

[fol. 427] Letter October 20, 1916, from Mr. Kimball of Atlas Company to Mr. MacFarland of Atlas Company, Defendants' Exhibit D-26, printed in Exhibit Book, p. —.

Letter May 16, 1916, from Lawrence Company to its salesmen, Defendants' Exhibit D-221, printed in Exhibit Book, p. —.

Letter May 17, 1916, from Philadelphia sales agent of Lawrence Company to sales manager of Lawrence Company of New York City, Defendants' Exhibit D-222, printed in Exhibit Book, p. —.

Letter June 23, 1916, from eastern sales agent of Lawrence Company to Mr. Maloney, a salesman of Lawrence Company at Boston, Defendants' Exhibit D-223, printed in Exhibit Book, p. —.

Letter October 16, 1916, from eastern sales agent of Lawrence Company to Mr. Maloney, Lawrence salesman at Boston, D-224, printed in Exhibit Book, p. —.

Letter February 1, 1917, from Lawrence Company to Mr. Maloney, its salesman at Boston, Defendants' Exhibit D-225, printed in Exhibit Book, p. —.

[fol. 428] Letter April 19, 1919, from Lawrence Company to Construction Supply Company, Richmond, Virginia, Defendants' Exhibit D-226, printed in Exhibit Book, p. —.

Telegram April 18, 1919, from Construction Supply Company to Lawrence Company, Defendants' Exhibit D-227, printed in Exhibit Book, p. —.

Letter July 6, 1916, from president of Bath Company to sales agent of Bath Company, Defendants' Exhibit D-228, printed in Exhibit Book, p. —.

Letter February 11, 1916, from Mr. G. M. Clukas, Pennsylvania salesman, to Pennsylvania Company, Defendants' Exhibit D-229, printed in Exhibit Book, p. —.

Letter August 15, 1916, from Mr. Clukas to Pennsylvania Company, Defendants' Exhibit D-230, printed in Exhibit Book, p. —.

Letter August 16, 1916, from Pennsylvania Company to Mr. Clukas, Defendants' Exhibit D-231, printed in Exhibit Book, p. —.

[fol. 429] Letter November 4, 1920, from sales manager of Pennsylvania Company to E. P. Alker and Mr. H. B. Brewster, both of Pennsylvania Company, Defendants' Exhibit D-232, printed in Exhibit Book, p. —.

Letter November 10, 1920, from Mr. Brewster of Pennsylvania Company to Pennsylvania Company, Defendants' Exhibit D-233, printed in Exhibit Book, p. —.

Letter November 11, 1920, from Mr. E. P. Alker, of Pennsylvania Company, to Mr. Brewster, Defendants' Exhibit D-234, printed in Exhibit Book, p. —.

Letter April 1, 1921, from Samuel H. French & Co. to sales man-

ager of Hercules Company, Defendants' Exhibit D-235, printed in Exhibit Book, p. —.

Letter July 12, 1921, from Samuel H. French & Co. to sales manager of Hercules Company, Defendants' Exhibit D-236, printed in Exhibit Book, p. —.

Letter July 13, 1921 from sales manager of Hercules Company to Samuel H. French & Co., Defendants' Exhibit D-237, printed in Exhibit Book, p. —.

[fol. 430] Letter June 4, 1921 from Mr. P. L. Hayden, Edison salesman, to B. W. Kessel, in charge of Edison Philadelphia office, Defendants' Exhibit D-238, printed in Exhibit Book, p. —.

Letter June 6, 1921, from Mr. Kellel to Mr. Hayden, Defendants' Exhibit D-239, printed in Exhibit Book, p. —.

Interdepartmental correspondence of Atlas Company, April 7, 1919, Mr. Holman to Mr. MacFarland, Defendants' Exhibit D-240, printed in Exhibit Book, p. —.

Instructions April 10, 1919, from Mr. Morron, president of Atlas Company, to Mr. MacFarland of Atlas Company, Defendants' Exhibit D-241, printed in Exhibit Book, p. —.

Letter of inquiry from H. Wales Lines Company, Meriden, Conn., to Dexter Company, December 27, 1920, Defendants' Exhibit D-242, not printed by consent.

Letter December 29, 1920, from Dexter Company to H. Wales Lines Company, Defendants' Exhibit D-243, printed in Exhibit Book, p. —.

[fol. 431] Letter July 10, 1916, from Mr. Ramsay to Mr. Fehnel, both of Nazareth Company, Defendants' Exhibit D-244, printed in Exhibit Book, p. —.

Letter July 11, 1916, from Mr. Fehnel to Mr. Ramsay, Defendants' Exhibit D-245, printed in Exhibit Book, p. —.

Letter November 28, 1917, from Mr. Ramsay to Mr. Horner, both of Nazareth Company, Defendants' Exhibit D-246, printed in Exhibit Book, p. —.

Letter October 19, 1917, from Mr. Ramsay to Mr. Horner, both of Nazareth Company, Defendants' Exhibit D-247, printed in Exhibit Book, p. —.

Letter October 21, 1920, from Mr. Ramsay to Mr. Horner, Defendants' Exhibit D-248, printed in Exhibit Book, p. —.

Letter, Mr. C. H. Cox, sales manager Phœnix Company, to Mr. Bradlee, Phœnix salesman, at Brookline, Mass., Defendants' Exhibit D-249, printed in Exhibit Book, p. —.

Letter June 19, 1920, from Mr. Burch of Atlas Company to Mr. MacFarland and Mr. Lewis, of Atlas Company, Defendants' Exhibit D-250, printed in Exhibit Book, p. —.

[fol. 432] Reports of decisions of Interstate Commerce Commission put in in lieu of other evidence without objection as follows:

No. 9012, Atlas Portland Cement Company vs. Boston & Maine Railroad, in 44 I. C. C. 416, Defendants' Exhibit D-251. Not printed by consent.

No. 5314, Allentown Portland Cement Company vs. Philadelphia Reading Railway Company, 27 I. C. C. 448, Defendants' Exhibit 252, printed in Exhibit Book, p. —.
No. 9095, Vulcanite Portland Cement Company, et al., vs. Central ilroad of New Jersey, et al., 46 I. C. C. 483, Defendants' Exhibit 253, not printed by consent.
No. 9544, Allentown Portland Cement Company, et al., vs. Balti-re & Ohio Railroad Company, et al., 49 I. C. C. 502, Defendants' hibit D-254, not printed by consent.

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l. 433] The Defendants' Case

HOLGER STRUCKMANN, called as a witness on behalf of the De-dants, being duly sworn, testified as follows:

Direct examination by Mr. Porter:

am a civil engineer and have been familiar with the manufac-e of cement by the different companies in the United States since 02. The processes practiced by the different companies in the tern part of the United States are very similar. I have prepared hart illustrating the main steps in the process.

Chart put in evidence. Defendants' Exhibit D-257, not printed consent.

The process of making Portland cement is divided into four stages. e first stage is the quarrying, crushing and storing of the raw terials. The second stage consists of the drying, grinding and nding of the raw material. The third consists of the burning cooling of the clinker. The fourth is the grinding of the clinker the adding of a small percentage of gypsum and the grinding his mixture, which is the finished Portland cement.
The raw materials, as a rule, consist of limestone and shale or estone and clay, or in some localities there is a natural mixture the two materials, which is found particularly in the Lehigh l. 434] Valley. The quarrying comprises drilling holes, loading se holes with dynamite, setting off the dynamite charge, which sts the material into big piles, which are loaded up by steam vels into carriers and transported to the crusher. The crushing ipment is very heavy; the average kind and size of crusher ghs 500,000 pounds. The material is delivered from the carriers o the crusher and the crushing head revolves slowly, in addition gyrating, and reduces the material to pieces about 5 inches in meter. It is delivered by an elevator to a feed bin and from the to a secondary crusher, which reduces it down to about 2 inches diameter. It is again elevated, delivered to another feed bin, and n delivered to another stage crusher, which reduces it to pieces n half an inch down to dust. The clay or shale goes through same process and is delivered to a separate compartment.

The chemist, as the material is being delivered to these compartments, takes samples and analyzes. He gives the operator his instructions as to how to blend the two materials; and this is the first mixing of the two raw materials. The material is tapped out into little electrically operated cars that run in a tunnel under the material storage compartments. The chemist may direct them to take one-half of the car from one spout, one-half from another, and add the clay and shale into the same car, discharging the raw materials into an elevator which takes them up to a feed bin. That completes the first stage of the process.

[fol. 435] The second stage begins by the drying process. The drying takes place in a cylinder 6 feet in diameter by 60 feet long, which is mounted on a slight incline, and so that it may be slowly revolved, with a stack connected with its upper end and provision for a fire at the lower end. As the cylinder revolves, the material travels slowly through, it is exposed to the right gases from the fire, the moisture is driven off, and its constituents are thoroughly mixed. After the materials has been thus dried and mixed, it is elevated again and distributed into blending bins. The chemist again analyzes the material as it is delivered into these bins. He gives directions to the operators to mix bin No. 1 and bin No. 3, or bin No. 2, or to take from all of them at the same time, and thus again blends the raw material so as to get a uniform mixture to be delivered to the kiln. After the materials have been blended in the right proportion and the right weight, the mixed materials is elevated to a feed bin. It is then delivered to the preliminary grinding machine. The usual type consists of a vertical shaft on which is mounted a yoke carrying four rolls, each of which weighs about a ton. As this shaft revolves, the centrifugal power forces these rolls out against a die ring and it comes in contact with the material, which is reduced to such a size that it will pass a screen with 400 meshes to the square inch. As the material is discharged from this preliminary grinder, it is elevated again and delivered to the finish grinder, which is what [fol. 436] is known as a tube mill, wherein it is hammered to pieces by steel balls and discharged through a screen. At that point the material has been reduced to a fineness which permits 98 per cent of it to pass through a sieve with 10,000 meshes per square inch. After it has left the tube mill, it is delivered to the silos or bins storing the raw material. From these silos, the material is taken through little gates and delivered by a conveyor and elevated to the feed bin for the kiln. The chemist is constantly watching the process of feeding the material to the kiln. The mechanism delivering the material to the kiln is generally controlled with variable speed motors, and the burner as well as the chemist directing the burners stand in front of the burning end and absolutely regulate the flow going into the kiln. The kiln itself generally consists of a cylinder from 8 to 10 feet in diameter and from 125 to 175 feet long, lined with fire brick and mounted on a slight incline approximately half an inch to a foot, and so that it may be slowly revolved. As the kiln revolves, the raw material travels slowly through the kiln. In the lower end

of the kiln, the fuel is injected and the hot gases travel through the kiln and up through the chimney connected with its upper end. The material is gradually heated. The carbon dioxide goes off somewhere towards the upper end, at a temperature of approximately 1,000 degrees. It goes off as gas through the stack. As the material advances down the kiln, it gradually gets more heated and begins to [fol. 437] lump up when it reaches the burning zone, which is about 10 to 15 feet from the discharge end. There, there is a chemical combination of lime, aluminum, silica and iron, which are the remaining elements in the raw material. The finished cement clinker is discharged from the kiln as a white hot slag or lava. That is delivered through a spout to a cooler, which underlies the kiln and is mounted exactly as a kiln on a slight incline, and is revolved, and as the cold air travels through the cooler and goes up to the kiln, it absorbs the heat of the clinker, which is discharged at the lower end of the cooler onto a conveyor.

The temperature of the kiln ranges from 2,500 to 2,800 degrees Fa-rrenheit, which is higher than the temperature required to melt gold, copper, silver, lead, zinc, etc. Approximately 35 per cent of the raw material which goes into the kiln is drawn off in the form of moisture, carbon dioxide and gases. It takes approximately 600 pounds of dry, pulverized, raw material to make one barrel of cement containing 380 pounds. It takes approximately 100 pounds of pulverized coal to burn a barrel of clinker.

The last stage of the process is the grinding of the clinker. After the clinker has gone through a seasoning process necessary to eliminate whatever uncombined lime there may be, the seasoned clinker is delivered to the preliminary grinders, elevated, and then passed through the finishing grinders, then from there delivered to big silos, from which it is delivered into packing bins by packing machinery, which is more or less automatic.

[fol. 438] In addition to the hundred pounds of coal needed to burn a barrel of cement, it requires approximately from 50 to 60 pounds of coal for power purposes to produce a barrel of cement.

Cross-examination by Mr. Fowler:

I am President of the International Cement Corporation. We have one plant in the Argentine, one in Uruguay, one in Cuba, one in Houston, Texas, one in Dallas, and one, the Knickerbocker, at Hudson, New York. Each is operated as a separate operating organization, the stock of which is owned by the International Cement Corporation. I worked at the Nazareth Cement Company in 1903. The stone in the Lehigh Valley approaches somewhere near the natural cement. They have there approximately a natural mixture. In Hudson, we have to make a mechanical mixture of the lime constituent with the clay constituent.

Redirect examination by Mr. Porter:

I don't know what the conditions in the Lehigh Valley are today, but in 1903, I operated the Nazareth plant for weeks, taking the rock

exactly as it came from the quarry. Some of the surrounding mills required from 10 to 20 per cent of either high lime rock or clay to mix with the cement rock.

[fol. 439] JOHN P. FERNSLER, called as a witness on behalf of the defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Dorr:

I have been an accountant for fifteen years, nine years with the Department of Justice of the United States and in private practice for six years. While with the Government I worked upon and testified as an expert in the prosecution of John R. Walsh, in Chicago, the Charles W. Morse bank case in New York, and a number of other cases. I have been employed as an accountant on behalf of the defendants in this case and prepared tabulations based upon the records of the defendants, with the aid of assistants, tabulating machinery, etc. All these tabulations have been made from the records of the various defendant companies furnished to the Government under the stipulation.

These sheets show certain data as to shipments in barrels of cement during the period from 1913 to 1921.

Put in evidence Defendants' Exhibits D-260-A to D-260-S, printed in Exhibit Book, p. —.

This is a tabulation for all companies, made from the Exhibits D-260-A to D-260-S.

Put in evidence Defendants's Exhibit D-261, printed in Exhibit Book, p. —.

This is a statement of the average price realized per barrel by each company in the years 1913 to 1921, inclusive.

Put in evidence Defendants' Exhibit D-262, printed in Exhibit Book, p. —.

[fol. 440] These sheets show the average price paid per ton for coal at the mines by each of the companies in the years 1913 to 1921. Two of the companies, Alpha and Bath, kept their coal accounts in such a way that freight and war tax were all included in one account. We did not have time to segregate and analyze and so those two companies are omitted and the tabulations cover the other seventeen companies.

Put in evidence Defendants' Exhibits D-263-A to D-263-R, printed in Exhibit Book, p. —.

These sheets show the labor cost per barrel of cement produced by each of the nineteen companies in the years 1913 to 1921.

Put in evidence Defendants' Exhibits D-264-A to D-264-S, printed in Exhibit Book, p. —.

This is a tabulation for all companies based on the Exhibits D-264-A to D-264-S.

Put in evidence Defendants' Exhibits D-265-A to D-265-I, printed in Exhibit Book, p. —.

This shows the barrels produced by all companies for the years 1913 to 1921.

Put in evidence Defendants' Exhibits D-266, printed in Exhibit Book, p. —.

[fol. 441] This shows the hourly rates of labor paid by the Alpha Portland Cement Company for the years 1913 to 1921.

Put in evidence Defendants' Exhibit D-267, printed in Exhibit Book, p. —.

These sheets show the selling expense and payroll of each of the defendant companies for the years 1913 to 1921.

Put in evidence Defendants' Exhibits D-268-A to D-268-S, printed in Exhibit Book, p. —.

This is a tabulation showing the expense by years and by companies.

Put in evidence Defendants' Exhibits D-269-A to D-269-I, printed in Exhibit Book, p. —.

These sheets show the book value of the gross assets, amounts of stocks, funded indebtedness, surplus deficit, invested capital as reported to Government, net earnings reported to Government, Federal income and profit taxes, interest paid and net income for the various years from 1913 to 1921.

Put in evidence Defendants' Exhibits D-270-A to D-270-S, printed in Exhibit Book, p. —.

This tabluation is the same matter but arranged so that all com-[fol. 442] panies for a particular year appeared on the same sheet.

Put in evidence Defendants' Exhibits D-271-A to D-271-I, printed in Exhibit Book, p. —.

These sheets show the details of the total expense of the Atlas Company, Lehigh Company, Penn-Allen Company and Coplay Company.

Put in evidence Defendants' Exhibits D-272-A to D-272-D, printed in Exhibit Book, p. —.

These sheets show the figures relating to bags of the various companies.

Put in evidence Defendants' Exhibits D-273-A to D-273-S, printed in Exhibit Book, p. —.

This sheet shows the annual profit or loss of each company on its bag accounts, 1913 to 1921, inclusive.

Put in evidence Defendants' Exhibit D-274, printed in Exhibit Book, p. —.

These sheets give the age of the mills and the quantity of rock deposits of the various companies.

Put in evidence Defendants' Exhibits D-275-A to D-275-S, printed in Exhibit Book, p. —.

[fol. 443] These sheets show the number and size of kilns of the defendants' mills.

Put in evidence Defendants' Exhibits D-276A to D-276S, not printed by consent.

These sheets show the working capital of the various companies for the years 1917 to 1921, inclusive.

Put in evidence Defendants' Exhibits D-277A to D-277S, printed in Exhibit Book, p. —.

This sheet is a tabulation of the working capital of all the companies.

Put in evidence Defendants' Exhibit D-278, printed in Exhibit Book, p. —.

This sheet is a tabulation showing for all companies the average price realized and the average expense per barrel for the years 1913 to 1921, inclusive, prepared from defendants' Exhibits D-260A-S, D-261, D-262 and D-271A-I.

Put in evidence Defendants' Exhibit D-279, printed in Exhibit Book, p. —.

Copies of Form 11 of Protective Association, giving summary of unshipped balances, March 31, 1921, April 30, 1921, May 31, 1921, June 30, 1921 and July 31, 1921, put in evidence Defendants' Exhibits D-280 to D-284, inclusive. Not printed by consent.

[fol. 444] This chart shows the index prices of commodities generally in the United States and England from about the beginning of the last century down to 1921. It charts the index figures of the Federal Reserve Bank. The index figures give the value of commodities generally in terms of a dollar in a given year. The year 1913 is used as a base or 100. The comparison which the chart makes is between the prices of commodities generally in terms of a dollar in 1913, the year before the World War, and in the subsequent years, through 1921, and in the previous years, in the case of England back to 1790. The index figures for England went back to 1790. The index figures for the United States went back to 1801 or 1802. At the left of the chart the period is near the beginning of the Napoleonic wars. The prices of commodities went

up. When the United States appears on the chart in the solid black line, the prices of commodities were high as compared with what they became later. The point of extreme height was when we were engaged in the War of 1812. Thereafter the value of the dollar increased and commodities fell, until in the neighborhood of 1850, when you could get more for your dollar in commodities than you could at any point prior to that. Thereafter we had the Civil War, and after it the prices of commodities fell, until between 1880 and 1890 they were down. With the beginning of the World War prices rose rapidly. As indicated by the dotted line they rose more rapidly in England than in the United States. They reached that peak in 1920 and then they began to fall.

Chart put in evidence Defendants' Exhibit D-285, printed in Exhibit Book, p. —.

[fol. 445]. This chart shows the rise and fall in the price of coal per net ton at the mines as purchased by the seventeen companies mentioned and also the average price realized per barrel of cement by those seventeen companies.

Put in evidence Defendants' Exhibit D-286, printed in Exhibit Book, p. —.

I have prepared charts showing the figures as to particular companies. The weighted average for all companies paid for a ton of coal in 1920 was $5,977. In that year the Dexter Company paid $7,876.

Chart of Dexter Co. prices put in evidence Defendants' Exhibit D-287. Not printed by consent.

The Lehigh Company was able to secure its coal in 1920 for $5.52 on an average. The Penn-Allen Company paid for coal in 1920 on an average of $7.34. Lawrence paid on an average $5.74.

Charts showing prices paid for coal by Lehigh, Penn-Allen, and Lawrence Companies put in evidence Defendants' Exhibits D-288, D-289, D-291. Not printed by consent.

At times, particularly in the summer of 1920, the prices paid for coal went materially higher than the average shows in these charts. Thus, as shown by this bundle of invoices, the Vulcanite Company paid as high as $11.50 a ton, the Lehigh Company paid as high as $12.00 a ton, the Alpha Company paid $11.00 a ton.

Invoices marked Defendants' Exhibit D-290 for identification, not printed by consent.

[fol. 446] This chart, taken from Defendants' Exhibit D-264 A-8 and D-265 A-1, shows the increase in the cost of labor as compared with the increase in the price of cement for all the nineteen defendant companies.

Put in evidence Defendants' Exhibit D-292, printed in Exhibit Book, p. —.

That is the labor which went into the production of cement at the mills of these defendant companies. For instance, in 1920 labor was 234.34 per cent of what it was in 1913, as shown by the chart.

This chart shows the cost of coal on a percentage basis, taking 1913 as a base.

Put in evidence Defendants' Exhibit D-293. Printed in Exhibit Book, p. —.

This chart shows the increase in the rate of wages paid per hour at the plant of the Alpha Company on a monthly basis, covering 1913 to 1921. In January, 1913, the hourly rate was 19.8 cents. In December, 1913, it reached 20.2. In 1914, 20.4 cents was the highest hourly rate at any time during the year. During the year 1915 the lowest was 20.10 cents in May and 20.8 cents in February, and it reached 27.7 by December, 1916. 1916 was the first year of substantial increase in labor rates in cement. In 1917 it reached 32.3 in December. In 1918 it reached 44.3. During the early part of 1920 another rise set in. In February it went to 47 cents, in May to 51 cents and in October to 52 cents. At the end of the year 1920 [fol. 447] it was 51.8 cents. After that there was a fairly steady decline.

Chart put in evidence Defendants' Exhibit D-294, printed in Exhibit Book, p. —.

This chart, taken from Defendants' Exhibits D-268 A-S and D-269 A-I, shows the average selling cost per barrel of cement shipped by the nineteen companies from 1913 to 1921 compared with the average price realized, taking 1913 as the base. The selling cost is made up of salesmen's salaries, traveling, advertising and selling office expense. It was 24% more in 1914 than it was in 1913. In 1915 it was about the same as 1914, the difference being 3%. In 1916 the selling expense increased 51% over 1913, and thereafter there was a gradual rise up to 1919. In 1920 selling cost fell off. In 1921 it increased again.

Chart put in evidence Defendants' Exhibit D-295, printed in Exhibit Book, p. —.

This chart shows the average price realized per barrel of cement by each of the eighteen defendant companies operating in the year 1913 as compared with the average price realized by each of the others, and these other eight charts show the same thing for the years 1914 to 1921, inclusive.

Put in evidence Defendants' Exhibits D-296 to 304, inclusive, printed in Exhibit Book, p. —.

This series of charts, prepared from Exhibits D-261, 262, 270 [fol. 448] A-S and 271 A-I, show the aggregate receipts from the sale of cement and the expenses of each company each year from 1913 to 1921, inclusive.

Put in evidence Defendants' Exhibits D-305, 306, 307, 310, 311, 314, 315, 316, 317, 318, 319, 320, 321, 324, 325, 328, 329, 330, 331. Printed in Exhibit Book, p. —.

This chart shows similarly the aggregate receipts from the sale of cement and the aggregate expense of all the nineteen companies each year from 1913 to 1921.

Put in evidence Defendants' Exhibit D-332, printed in Exhibit Book, p. —.

These four charts show the aggregate receipts and expenses of four companies divided by the number of barrels shipped by each year—in other words they show the average amount received per barrel as compared with the average expense per barrel for the Atlas, Coplay, Lehigh and Penn-Allen Companies.

Put in evidence Defendants' Exhibits D-308, 312, 322, 326, printed in Exhibit Book, p. —.

These four charts show the average price realized per barrel each year and the various items of expense each year of the four companies selected as representative, Atlas, Coplay, Lehigh and Penn-Allen.

Put in evidence Defendants' Exhibits D-309, 313, 323, 327. D-309 printed in Exhibit Book, p. —. Others not printed by consent.

[fol. 449] This chart shows the percentage of profits to the aggregate receipts for all companies from 1913 to 1921. In the year 1913 the percentage of profit was 12.47; 1914, 14.39; 1915, 3.50; 1916, 15.66; 1917, 8.00; 1918, 5.50; 1919, 10.41; 1920, 5.18; 1921, 5.01.

Chart put in evidence Defendants' Exhibit D-333, printed in Exhibit Book, p. —.

These charts show for each company the invested capital as reported to the Government and the profits as reported to the Government each year from 1913 to 1921. They did not report on the invested capital basis to the Government until 1917. In 1917 they reported the pre-war period, which took in the year 1913. So the figures for the years 1913, 1917, 1918, 1919, 1920 and 1921 are from the Government income tax returns, and 1914, 1915 and 1916 are reconstructed on the same basis. The figures are in hundreds of thousands of dollars. For instance, "5" represents five hundred thousand dollars.

Put in evidence Defendants' Exhibits D-334 to 352, inclusive, printed in Exhibit Book, p. —.

This chart shows the same thing for the nineteen defendant companies collectively.

Put in evidence Defendants' Exhibit D-353, printed in Exhibit Book, p. —.

[fol. 450] This chart shows the percentage of return on invested capital for all companies, showing the figures and presenting them in the form of a line chart.

Put in evidence Defendants' Exhibit D-354, printed in Exhibit Book, p. —.

This chart shows the purchasing power of the dollar, and is based on figures of the United States Department of Commerce.

Put in evidence Defendants' Exhibit D-363, not printed by consent.

This chart applies these figures to the profits made by these cement companies and shows their profits expressed in the purchasing power of the dollar each year as distinguishhed from the nominal dollar.

Put in evidence Defendants' Exhibit D-364, printed in Exhibit Book, p. —.

[fol. 451] This chart shows the receipts per barrel and expense per barrel on all shipments by all companies from year to year.

Put in evidence Defendants' Exhibit D-365, printed in Exhibit Book, p. —.

This chart is based on exhibits D-274 and D-273, A to S, and shows the total combined loss or profit for each year on bags, on the basis of millions of dollars for the seventeen companies, not including Dexter and Pennsylvania.

Put in evidence Defendants' Exhibit D-366, printed in Exhibit Book, p. —.

This is a chart illustrating Government's Exhibits 373A and 374. It shows the number of barrels shipped by each company each year from 1915 to 1920, inclusive, except that Hercules appears for 1917 to 1920, inclusive. Each line represents a year, the height of the line representing the number of barrels shipped that year and the six lines for each company are placed together over the name of that company.

Put in evidence Defendants' Exhibit D-367, printed in Exhibit Book, p. —.

[fol. 452] These five charts show graphically the figures of Government's Exhibit No. 391. They show the proportion which the actual production of each company each year bore to the maximum capacity figures used by the Government. For instance, in 1916 Allentown's production was 85 per cent of such maximum capacity, Alpha 51 per cent, and so on. Each of the charts shows one year.

Put in evidence chart for year 1916, Defendants' Exhibit D-368A; chart for 1917, Defendants' Exhibit D-368B; chart for 1918, De-

fendants' Exhibit D-368C; chart for 1919, Defendants' Exhibit D-368D; chart for 1920, Defendants' Exhibit D-368E.

These eight charts illustrate graphically Government's Exhibit No. 377. They show the percentage of the total business for the year which each of the companies did and whether the proportion of each company remained the same or increased or decreased in each succeeding year. Thus, the proportion of the whole which Allentown produced in 1917 was 10 per cent below its proportion of the whole in 1916, and in 1918 Allentown's proportion was 39½ per cent less than in 1916, and in 1919, 20 per cent less than in 1916, and in 1920, 33.8 per cent less than in 1916.

Put in evidence Defendants' Exhibits D-369A to D-369H, inclusive, printed in Exhibit Book, p. —.

[fol. 453] These five charts illustrate graphically Government's Exhibit- Nos. 382, 388 and 390. They show the percentage of actual shipments to the capacity figures. Thus, Allentown in 1916 shows an increase or excess amount of 32.07 per cent, equaling 254,354 barrels; in 1917, the percentage increase of Allentown was 18.3 per cent, equaling 127,852 barrels; in 1918, a reduction of 10.8 per cent, representing 45,999 barrels; in 1919, an increase of 15.5 per cent, representing 101,334 barrels; in 1920, a decrease of 2.5 per cent, representing 24,922 barrels. If the production of each company each year had been in accordance with its proportion of the total capacity as shown by the Government's figures, then the line appearing on these charts for each year would have been a straight line running along at zero.

Put in evidence Defendants' Exhibit D-370, A to E, inclusive, printed in Exhibit Book, p. —.

Charts have also been prepared based on figures which include shipments from all the mills named in the indictment, and not merely those mills whose shipments appear in the Government's figures. These charts were prepared from figures in evidence, taking the year 1916 as the base and showing the proportion of the [fol. 454] total shipments which each company made each year from all the mills named in the indictment. If the proportion of the total shipments made by each company had been the same each year, the lines shown in this chart would all have been straight lines running from side to side on the line 100.

Put in evidence Defendants' Exhibit D-376A to D-376F, inclusive, printed in Exhibit Book, p. —.

The figures of invested capital and income which I gave yesterday were the figures reported to the Government for income and profit tax purposes. The book value of the assets of the companies was greater than that. Thus, in 1920 the book value of the assets was $102.000,000, while the invested capital reported was $76,000,000, a difference of $26,000,000.

This chart has been prepared from the exhibits in evidence and

shows the specific job contracts outstanding at different times during the period covered by the indictment, according to the figures of the Cement Manufacturers' Protective Association. The line represents unshipped balances and future business commitments on specific jobs. It does not include sales to dealers, but merely the outstanding, unfilled specific job contracts for future delivery. Thus on August 10, 1918, the date mentioned in the indictment, the amount was 12,824,000. By January the commitments had dropped [fol. 455] to 4,164,000. Through the first half of 1919 they were less than 5,000,000. After that they began to rise, until at the first of the year they stood at 15,698,000. The highest point was 23,606,000 barrels. In June, 1920, it began to go down. In August, 1921, it was 6,176,000 barrels.

Put in evidence Defendants' Exhibit D-377, printed in Exhibit Book, p. —.

This colored chart shows the date when changes were made in the base price by each company in figuring most of its quotations from the Lehigh Valley base, between December 1, 1919 and December 31, 1920. It is based on Government's Exhibit No. 675, a color being used to indicate a particular base price.

Put in evidence Defendants' Exhibit D-378, printed in Exhibit Book, p. —.

[fol. 456] This chart illustrates geographically the net earnings of the defendant companies which reported net earnings to the Government during the years 1918, 1919 and 1920 as compared with the average net earnings reported to the Government as testified to by the witness Adams.

Put in evidence Defendants' Exhibit D-456, printed in Exhibit Book, p. —.

Cross-examination by Mr. Fowler:

I am the chief accountant employed by the defendants and have had from forty to sixty accountants working with me. I have not physically done the work myself but have relied upon my accountants. That would have been absolutely impossible.

In 1915 the book value gross assets of the Alpha Company was $13,021,898.19. In 1920 the book value gross assets was $13,989,535.37. That is, it increased something like $900,000. I don't think that company owned mills out west in 1915. They did in 1920. In 1920 the Alpha Company were carrying Government securities $2,346,546.55; they were carrying Alpha Portland Cement Company $4,500,000; they were carrying bonds in New York State and Philadelphia $9,010.

In 1920 Alpha received from the sale of cement $8,336,831.74. The price per barrel was found by the men working under me, taking the sales and dividing it by the number of barrels. The net

[fol. 457] income was taken from the Income Tax Return. The way I reached the total expense was to subtract the net income from the receipts for cement alone.

The Alpha Company in 1920 paid 7% on the $2,000,000 preferred stock. On the $8,000,000 common stock in 1920 it paid 3% and 3% extra. It paid a 25% stock dividend on October 13, 1920.

Coplay in 1916 sold cement amounting to $1,190,734.47, upon which it realized a profit of $277,932.10, or 23¾%. In 1917 the receipts from the sale of cement were $1,402,719.47 and the profits amounted to $131,464.68, In 1918 the receipts were $1,510,420.02. That is greater than in previous years and yet it lost $70,396.04. In 1919 its receipts were $1,711,818.90, considerably larger than previous years, but it lost $4,544,056. The cost per barrel on coal and other materials that year was about $1.90 per barrel more than it was in 1918. In 1918 they paid 6% on the preferred stock. In 1919 they paid 3% on the preferred stock. They paid nothing on the common stock.

The Edison Company made one-tenth of one per cent in 1914, but it lost heavily every other year. It runs on borrowed money. I think the Edison Company had twelve million dollars of common stock issued for patents. In 1920 that common stock was all cut out but about a million and a half. I don't know whether the machinery which was put into the Edison plant originally could not make cement cheaply. I think in later years there was a great change in the mechanical devices. I think they started to make changes in the plant about 1918 and kept it up to 1920. The plant was shut down in April, 1916.

[fol. 458] Phœnix was shut down in 1918.

There is a difference between the base price and the amount actually received, arising from the fact that when cement is shipped from a mill to some territory the mill has to absorb the freight.

In the charts showing the elements of expense, D-323 and D-327, the material which is taken from the company's own property is not included under "material." It is depletion. Material in these charts means materials purchased from other sources. It includes the freight on getting it to the plant. Under repairs is all the money spent in repairing the plant and machinery. The charge of depreciation and depletion after 1917 was in accordance with the Government's mortality table which fixed the life of each particular machine and how long it would last.

Bags were purchased and put into a bag account at cost. Those are new bags. After a certain length of time they are used and go into a used bag account and put on a second hand valuation. That difference between their cost and their value as a second hand bag is charged to a bag profit and loss account. The company buys its bags at a certain price. They are not all returned to it. When they are returned they are in a depreciated condition, some useless. Three or four trips is the common life of a bag.

Redirect examination by Mr. Dorr:

The $4,500,000 of Alpha Company of Pennsylvania carried as an asset of the Alpha Company represents the investment in two plants [fol. 459] at Martins Creek, Pennsylvania, which stand in the name of a Pennsylvania corporation because of their location in the State of Pennsylvania. The income of these companies other than that from the sale of cement has not been included in the "average receipts per barrel" but has been taken account of in the expense. The interest items on the United States securities and other securities of the Alpha Company in 1919 amounted to $6,703.48 and about the same in 1920.

In 1920 the stockholders of the Edison Company turned in and cancelled notes amounting to $2,377,126.20. The Alpha Company had not declared any dividends on the common stock from 1910 to 1916. The dividends declared by the defendant companies have been as follows:

Allentown in 1919 paid 3% on its preferred stock. In 1920 and 1921 it paid 6% on the preferred stock. It has never paid anything on its common stock. That would be .94 of one per cent on the total capital stock in 1919; 1.89 per cent in 1920 and 1.89 per cent in 1921. It would be .78 of one per cent on the invested capital in 1919; 1.21 per cent on the invested capital in 1920 and 1.22 per cent on the invested capital in 1921.

The dividends of the Alpha Company on the total capital stock and on the invested capital as reported to the Government were:

	Dividend to capital stock	Dividend to invested capital
1913	1.4 per cent	1.25 per cent
1914	1.4 per cent	1.18 per cent
1915	1.4 per cent	1.09 per cent
1916	3 per cent	2.32 per cent
[fol. 460]		
1917	3.8 per cent	2.91 per cent
1918	3.8 per cent	2.83 per cent
1919	3.8 per cent	2.78 per cent
1920	6.2 per cent	4.34 per cent
1921	4.92 per cent	4.03 per cent

The figures for the Atlas Company are:

	Dividend to capital stock	Dividend to invested capital
1913	.96 per cent	.79 per cent
1914	.96 per cent	.78 per cent
1915	1.62 per cent	1.29 per cent
1916	1.55 per cent	1.33 per cent
1917	1.49 per cent	1.2 per cent
1918	1.43 per cent	1.02 per cent
1919	3.45 per cent	2.35 per cent
1920	5.47 per cent	3.46 per cent
1921	4.47 per cent	3.89 per cent

From 1910 to 1919 the Atlas Company did not pay any dividend at all on its common stock. In 1920 they declared a 50% stock dividend from surplus accumulated on the whole business, east and west.

The figures for the Bath Company are:

	Dividend to capital stock	Dividend to invested capital
1913	2 per cent	1.98 per cent
1914	2 per cent	1.66 per cent
1916	4 per cent	3.06 per cent
1917	6 per cent	4.38 per cent
1919	9 per cent	6.64 per cent
1920	6.53 per cent	4.66 per cent
1921	4.83 per cent	4.41 per cent

[fol. 461] The figures for the Coplay Company are:

	Dividend to capital stock	Dividend to invested capital
1913 No dividends declared.		
1914 No dividends declared.		
1915	.95 per cent	.74 per cent
1916	1.91 per cent	1.59 per cent
1917	2.87 per cent	2.26 per cent
1918	1.91 per cent	1.63 per cent
1919	.95 per cent	.84 per cent
1920	1.91 per cent	1.71 per cent
1921 No dividends.		

The figures for the Dexter Company are:

	Dividend to capital stock	Dividend to invested capital
1913	8 per cent	4.76 per cent
1914	8 per cent	4.41 per cent
1915	9.50 per cent	4.85 per cent
1916	11.66 per cent	6.15 per cent
1917	12.77 per cent	7.25 per cent
1918	18.66 per cent	7.28 per cent
1919	30.75 per cent	15.27 per cent
1920	38.51 per cent	13.02 per cent
1921	8.49 per cent	7.06 per cent

[fol. 462] The Dexter Company had a very low capitalization. In 1919 its capital stock was $400,000. Its invested capital, including surplus, was $1,041,099.57. Its replacement value was $3,233,006.12. It declared a stock dividend in 1920, increasing the capital stock outstanding to $995,440.

The Edison Company did not pay any dividends in any year.

The Giant Company paid no dividends in any year except 1920, when a dividend was paid which represented 2.2 per cent. on the capital stock and 2.44 per cent. on the invested capital.

The figures as to Glens Falls are as follows:

	Dividend to capital stock	Dividend to invested capital
1913	9.33 per cent	5.91 per cent
1914	9.33 per cent	5.42 per cent
1915	9.33 per cent	5.09 per cent
1916	9.33 per cent	5.48 per cent
1917	14.33 per cent	8.49 per cent
1918	10.16 per cent	5.56 per cent
1919	14.33 per cent	7.45 per cent
1920	18.5 per cent	9.24 per cent

Glens Falls capital stock was $600,000. Its invested capital in 1913 was $947,474.56, and in 1921 it was $1,163,397.75.

[fol. 463] The Hercules Company never paid any dividends.

The Knickerbocker Company paid no dividends in 1913, 1914, 1915, 1916 and 1917. In 1918, 1919, 1920 and 1921, it paid dividends as follows: 1918, 3.65 per cent. on capital stock and 4.21 on invested capital; 1919, 3.65 per cent. on capital stock and 3.42 on invested capital; 1920, 3.65 per cent. on capital stock and 3.37 on invested capital; 1921, 3.65 per cent. on capital stock and 3.36 per cent. on invested capital.

The dividends of the Lawrence Company have been as follows:

	Dividend to capital stock	Dividend to invested capital
1913	6 per cent	4.08 per cent
1914	8 per cent	5.31 per cent
1915	9.6 per cent	5.77 per cent
1916	8 per cent	5.44 per cent
1917	9.97 per cent	7.63 per cent
1918	8.61 per cent	7.02 per cent
1919	8 per cent	6.95 per cent
1920	9.34 per cent	6.71 per cent
1921	8 per cent	6.95 per cent

The capital stock of the Lawrence Company prior to 1916 was $1,200,000. In 1916, it was increased by a stock dividend of 25% to $1,500,000.

[fol. 464] The dividends of the Lehigh Company have been as follows:

	Dividend to capital stock	Dividend to invested capital
1913	6.88 per cent	4.42 per cent
1914	6.79 per cent	4.21 per cent
1915	6 per cent	3.4 per cent
1916	8 per cent	4.37 per cent
1917	7.2 per cent	3.34 per cent
1918	4 per cent	2.47 per cent
1919	6.26 per cent	3.73 per cent
1920	6 per cent	3.39 per cent
1921	6 per cent	3.18 per cent

In 1917, the Lehigh Company declared a stock dividend of 50 per cent. out of accumulations from 1898.

The Nazareth Company paid no dividends in 1913, 1914, 1915, 1916 or 1917. The dividends since then have been:

	Dividend to capital stock	Dividend to invested capital
1918	2.86 per cent	1.18 per cent
1919	8.76 per cent	3.38 per cent
1920	5.87 per cent	2.06 per cent
1921	5.91 per cent	1.82 per cent

The Penn-Allen Company paid no dividends in 1913, 1915 or 1920. Its dividends in the other years were:

[fol. 465]

	Dividend to capital stock	Dividend to invested capital
1914	.48 per cent	.40 per cent
1916	3.46 per cent	2.59 per cent
1917	5.21 per cent	3.22 per cent
1918	5.20 per cent	3.08 per cent
1919	10 per cent	5.72 per cent
1921	12 per cent	6.44 per cent

Pennsylvania paid no dividends in 1913, 1914, 1915, 1916, 1917 or 1919. In 1918 it paid 5.29 per cent. on capital stock or 3.82 per cent. on invested capital. In 1920 it paid 7.67 per cent. on capital stock or 4.71 per cent. on invested capital. In 1921 it paid 19.25 per cent on capital stock or 11.43 per cent. on invested capital. In 1921 there was a payment of cumulative preferred dividend of 29% which was included in the figures given.

Phœnix has paid no dividends in any year.

Security paid no dividends in 1913, 1914, 1915 or 1916. Its dividends in the other years have been:

	Dividend to capital stock	Dividend to invested capital
1917	11.7 per cent	9.2 per cent
1918	7.7 per cent	5.8 per cent
1919	7.7 per cent	6.1 per cent
1920	7.7 per cent	6.3 per cent
1921	7.7 per cent	6.8 per cent

[fol. 466] Vulcanite paid no dividends in 1913, 1914, 1915 or 1921. Its dividends in the other years have been:

	Dividend to capital stock	Dividend to invested capital
1916	4.57 per cent	3.67 per cent
1917	6 per cent	4.8 per cent
1918	5.5 per cent	4.3 per cent
1919	6.5 per cent	5.2 per cent
1920	4.2 per cent	2.97 per cent

These charts show the figures.

Put in evidence Defendants's Exhibits D-638 and D-639, A to S printed in Exhibit Book, p. —.

This chart shows the total net income plus interest of the nineteen defendant companies in proportion to the total invested in the business.

Put in evidence Defendants' Exhibit D-356, printed in Exhibit Book, p. —.

This chart shows the profit as compared with the replacement value, less depreciation, plus working capital, plus rock deposits, for all companies for the years 1919 and 1920.

Put in evidence Defendants' Exhibit D-457 and Defendants' Exhibit D-640, printed in Exhibit Book, p. —.

[fol. 467] GEORGE W. GOETHALS, a witness being called on behalf of the defendants, being duly sworn, testified as follows:

I am an officer of the United States Army on the retired list, an engineer engaged in private practice in New York City. I graduated

from West Point in 1880 and became a member of the Corps of Engineers of the United States Army, and as such was engaged on river and harbor improvements and fortification work. I was engaged on that for twenty-seven years before I was assigned to special duty at Panama in 1907. I was there nearly ten years. Shortly after the war broke out I was called again into the active service of the Government, first as general manager of the Emergency Fleet Corporation, then Acting Quartermaster General, then in charge of all transportation and storage for the War Department, then in April, 1918 I took charge of the Division of Purchase, Storage and Traffic, which handled all traffic matters, all storage matters, and the purchase of all standard commodities. After the war was over I went back to my profession as an engineer.

I first came in touch with the cement industry on the Pacific Coast in the construction of the locks on the Columbia River. The cement there was English Portland cement brought in by sailing vessels. At that time we got our Portland cement largely from Europe. The development of its manufacture in this country was in its infancy. I have watched and seen the industry develop. It started in what is known as the Lehigh Valley District in Pennsylvania. The cement made there came into more general use about 1890. Then it developed rapidly, until 1895, although during that period I authorized the purchase of some Belgian cement on the Pacific Coast and used German Portland cement, brought in from [fol. 468] New Orleans, in my own work on the Tennessee River. The strides forward have been very rapid from 1890, the production increasing from about a million barrels per annum to about one hundred million barrels per annum.

In the early stages the Lehigh Valley supplied all the Portland cement made in this country. In 1897 75 per cent of the Portland cement used in the United States came from the Lehigh Valley, now about 26 per cent of the cement used in the United States comes from the Lehigh Valley. The construction of Portland cement mills in other parts of the United States has operated to restrict constantly the market of the Lehigh Valley product.

The use of Portland cement has developed more rapidly than any other manufactured product that is comparable with it.

I am familiar with the sales and quotations for cement that were made for the use of cement in the Panama Canal. We advertised between 1907 and 1908 for relatively small lots of cement. In 1908 we put out an advertisement for all the cement necessary for the construction of the locks, aggregating 4,500,000 barrels, with a possible decrease or increase of 15 per cent of that amount. We received 25 proposals from various companies, 11 of them American companies, 5 Germans, 3 English, and the other scattering foreign bids. We got bids from the Atlas Company, the Alpha Company, the Lehigh Company, the Commonwealth Company of Virginia, the Edison Company, the Western States Company of Kansas, the Santa Cruz Company of San Francisco, and the Pacific Company. Those are the American companies. The prices varied from $1.19

per barrel of the Atlas Company in barrels, or $1.60 per barrel in [fol. 469] bags, with a rebate of 8½ cents a bag for each bag returned, delivering in double bags on account of the moist climate there. The Alpha and Lehigh Companies in a combined bid offered to furnish the total amount at $1.425 in barrels. The Commonwealth Company of Virginia offered to furnish the cement at 88 cents per barrel at their mill in Virginia, the Government to undertake the operation of the mill. We accepted the Atlas Company's proposition, partly in barrels and partly in bags.

In 1912 we asked for new proposals for a million barrels for use on the construction of our terminals and fortification. The Alpha and Lehigh again combined for the total amount required at $1.91 per barrel in bags, double bags, with a rebate of 10 cents per bag returned. The California Cement Company offered it for $1.97. The Atlas Company submitted a letter offering to continue their former contract for all of the cement required at the old figures, so we accepted that company's proposition. On March 18, 1921 we advertised for 5,000 barrels and received 13 bids, some of which were: The Alpha Company $4.00 at Martins Creek, Pennsylvania, $4.38 at the dock at Jersey City. The Edison Company $4.33 at Hoboken, New Jersey, $3.80 at New Village, New Jersey, $5.57 at Cristobal, Panama. The Atlas Company $4.48 at Cristobal, Panama. The Hercules Company $3.41 at Jersey City. The contract was awarded to the Atlas Company.

We had another bid for 10,000 barrels on May 16, 1921. Some of the bids were: The Alpha Company $3.18 per barrel at Jersey City. The Atlas Company $4.00 at Cristobal, Panama. The Edison Company $4.24 at Cristobal, Panama, $3.16 at Jersey City. The Lehigh Company $4.30 at Cristobal, Panama, $3.21 at Jersey City.

[fol. 470] On July 19, 1921, 10,000 barrels were again called for. Some of the bids were: The Coplay Company $4.43 at Cristobal. The Edison Company $4.27 at Cristobal. The Lehigh Company $4.46 at Cristobal. The Vulcanite Company $4.35 at Cristobal. The Atlas Company $3.76 at Cristobal.

I have noticed the development of the standardization of cement. When I was on duty in charge of awards of contracts in the Chief of Engineers Office the specifications came in with all sorts of qualifications required for cement, and in 1901 the Engineering Department of the Army undertook the standardization of specifications and requirements. It was subsequently undertaken by the American Society of Standards. In 1912 various Government bureaus and departments got together with the Bureau of Standards and prepared standard specifications for all Government work, which were made effective by an Executive Order. Subsequent to the issue, in 1912 the requirements were much more severe than the standard of the American Society of Civil Engineers and the American Society of Standards. So those two organizations got together with the Government representatives and prepared the standard specifications of 1917 and they are now the standard specifications.

The standards have given us better cement, the decreased price that

all standardization results in, greater economy, greater safety and more extended use. The movement for standardization was initiated outside of and imposed upon the industry.

[fol. 471] Even before this movement towards standardization began in 1901, Portland cement, speaking generally, was of a rather uniform character and these standards were to increase its strength and give greater safety to the public.

I am familiar with bids for cement and other standard articles in a dealer's market, brick, lime, cement. According to my experience there is in the ordinary quoted market prices in a dealer market for standardized articles like cement where bids are taken for a single large enterprise, no difference in the bids. There is uniformity in the price that has to be paid for the material. The dealer is a trained buyer, he is watching the market prices all the time. He is particularly alert to ascertain any changes or differences in price. That certainly tends towards making the quotations in such a market more uniform than they would otherwise be. I have found them so in my experience. That is true of other commodities besides cement. It is a general principle.

A manufacturer selling his product to a large number of dealers cannot give one dealer a better price than another. If he does, he loses his market entirely. I have had experience in that. I have been handling just that situation. You cannot keep such a thing secret. I have observed the working of that in building materials generally, sand, stone, common brick. We tried it in beaverboard and in roofing.

The price paid for returned bags also tends towards uniformity in the same way as the product itself. I have watched that also in the [fol. 472] case of gypsum and know that it is so. That is the only other one I have had any experience with. In case the same price was not paid you would lose your dealer.

The manufacturer must also allow a differential to dealers in order to sell through dealers. There is an advantage in selling to dealers, and in order to get that you have to give them a differential.

As to statistics, the more information a man has who is engaged in a particular line of business, of all the conditions that affect that particular line of business, including stocks on hand and everything that is going on in that industry, if he properly uses that information, the better position he is in to benefit himself than he would be without it. If he cannot get it in any other way, he will sneak around and get it. Intelligence is necessary in competition. Knowledge of the facts is an advantage to the manufacturer.

War conditions brought about a considerable change in the market for cement in the Lehigh Valley mills. In the first place, the curtailment in fuel supply to the mills by the Government. Subsequent to the war, the failure to revive in the building industry. There has been a curtailment in the use of cement. The railroads have not been building practically since war began. The financial condition of the railroads was such that there was a great check on building in 1914, 1915 and 1916 and in 1917 the Government [fol. 473] took over the railroads. The effect of these different checks

was to decrease the demand for cement. It decreased the production.

In a well organized manufacturing industry, production should follow along with sales. One must keep up with the other. If your production outstrips your selling, you are tying up capital, increasing storage space required and running the danger of deterioration. That is particularly true in regard to cement. Cement is liable to deteriorate.

I have had occasion to compute the amount of cement required in the construction of an ordinary cement house. On the Canal we built a number of cement buildings. The cost of cement averaged about 3 per cent. of the cost of the buildings. We did some figuring on an apartment house here and the cement cost about 1.7 per cent. It was made of hollow cement tile. I had charge of the design and construction of the Brooklyn Army Base. There the cost of cement ran 6.7 per cent. of the total cost.

I have observed the cash discounts for prompt payment. That is done in all business. The discount allowed is and must be uniform between the different manufacturers. Otherwise you lose your dealers, lose your customers.

Cross-examination by Mr. Fowler:

If you do a little better by the fellow than your competitor, you [fol. 474] get that business. If he goes a little better than you, he will get the business. The ultimate result after it was all gone through would be that they will be level again. They are competing. They are getting after the same business. I don't mean to say that where two people are offering exactly the same discount that they are trying to compete with each other so far as discount is concerned.

[fol. 475] EDWARD N. HURLEY, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Stimson:

I am a business man, a manufacturer of electrical supplies at present. I was formerly a locomotive engineer on the railroad. Then I traveled selling metallic packing for about ten years. Then I started in the pneumatic tool business and invented and developed the first pneumatic tool that was ever introduced in this country and in Europe. I retired from business for four or five years. Then at the request of the Secretary of Commerce I made a trip to South America and made a report on the banking conditions in Argentine, Brazil, Chile and Peru. When I came back I was appointed Vice Chairman of the Federal Trade Commission, in January, 1915. The act was passed in the Fall of 1914. I continued as Vice Chairman until July 1, 1916, when I became Chairman. I remained Chairman until March, 1917, when I resigned, being asked by the President to go on the Red Cross War Council to start their drive for the Red Cross. Then the President asked me to go on the War

Trade Board, and I served there until July, 1917, when he appointed me Chairman of the United States Shipping Board. I remained with the Shipping Board until July 31st, 1919, when I went back to private business. I am now Chairman of the Board of the Hurley Machine Company.

[fol. 476] When the Federal Trade Commission was started, the Commission as a whole was told to go into every detail of the acute business situation and see what we could do to relieve it. We started by taking a trip to Boston and the Pacific Coast and learning at first hand the situation. We found things rather demoralized. After we got in touch with the situation, we presented a questionnaire to the business men of the country and endeavored to ascertain the real facts and figures. The cement industry was one of those to which we sent questionnaires and from which we obtained direct information. We got the facts from all the industries. The physical condition of business was very sick. It was in a very bad way all over the country. We found a very large percentage of business men were entirely ignorant as to their costs. There were very few statistics outside of the packing industry and some of the industries that were investigated by the Bureau of Corporations. The Government was furnishing statistics for the railroads and the packing industry—I mean the Agricultural Department and Interstate Commerce Commission. In ordinary manufacture that was not the case. There was no way in which an ordinary manufacturer could get the same kind of statistics that the farmer gets from the Government. We found that there was no place where we could get any statistical data to guide us in the study that we wanted to make, and that is what prompted us to send out the questionnaire. Our work was [fol. 477] directed mainly towards the condition of manufacturing. We had charge of business generally. We found that the manufacturer in general had nowhere that he could get his statistics. We were very anxious to help the small manufacturer and he did not have any facilities for getting that data, so we started to help him. Where we found a large concern that had cost accounting, we asked them for their plan and then we tried to work out a standard form so that the small manufacturer could profit by the large manufacturer's experience in that particular industry. We found that as a result of ignorance of statistics many industries were producing more than the consuming public could take. They had stock on hand and they could not sell it. Their plants were not in operation. They were not running to their capacity and labor was not being employed and, of course, they were not making any money. The banks were carrying them waiting for business to improve.

It is a principle of business that sales should precede production. A manufacturer should first sell his product, plan a selling campaign and work that out in detail, and then manufacture according to the orders received. When the sales organization cannot produce orders, the plant is not operating.

The effect on business as a whole of the ignorance of conditions that I have mentioned, was that the larger manufacturer was faring fairly well, but the smaller manufacturer was suffering. The remedies

[fol. 478] which we took up to meet that situation were: We called in many groups of men in different industries and talked with them about their troubles and why they were working under such adverse conditions, and they made suggestions about what they wanted to do. One of them was, if they could meet with their competitors and find out the cost of manufacturing from them and also the standardization of their product, that they thought that would be helpful to them; and we urged them to do that. We urged them to join trade associations in their respective industries. The question of whether or not these people could properly cooperate—I mean competitors—whether they could properly cooperate without breaking the law, came before us and was frequently discussed. We discussed with these gentlemen proper subjects of cooperative work in these trade associations. The Federal Trade Commission put out a bulletin which was widely circulated through all the trades to whom we sent the questionnaire that I mentioned.

Put in evidence Defendants' Exhibit D-371, printed in part in Exhibit Book, p. —.

I wrote a letter to the Portland Cement Association addressed to Mr. Conn, President of the Giant Company, in his capacity as an officer of the Portland Cement Association.

Letter dated August 2, 1916, put in evidence. Defendants' Exhibit D-372, printed in Exhibit Book, p. —.

[fol. 479] I also took up with trade associations of various industries the standardization of their products. We had a report from Germany on their method of standardization of cement, and I think we gave that to the Cement Association. In one of my public addresses I mentioned that fact, that if they were going to be of service to the country, a real service, they should standardize their product and have one kind of cement, so that we would all have a high-grade product. Standardization reduces the cost of manufacturing the product and should be very helpful to the people that are buying it.

We urged that the trade associations ascertain the facts regarding the credit of their customers and compare notes with each other.

Of course, statistics and stitistical data was one of the main things. We wanted that in the Government offices for the purpose of guiding our work in connection with the development of industries. We encouraged trade associations to take up this question of gathering production statistics.

At the time I was doing this work, I made some public speeches, one in Boston, in March, 1915, another to the Portland Cement Association, on May 10th, 1916. This is the speech that I delivered to the Association.

Put in evidence Defendants' Exhibit D-375, printed in Exhibit Book, p. —.

[fol. 480] Shortly after that I received a visit from two gentlemen who came down and submitted a plan for the proposed Cement

Manufacturers Protective Association. I remember a plan being submitted, but I would not undertake to recall the names of the gentlemen who presented it. I was at that time seeing many other gentlemen on the same errand. I encourged the filing of statistics of the various trade associations with the Federal Trade Commission.

About 90 per cent of all products are distributed through dealers. You must cater to your dealers and you must keep in touch with them. You must be of service to the dealer, considerate of him, and keep him enthusiastic about your particular product. You cannot make any discrimination between dealers to whom you sell your product and stay in business. If you do not treat dealers uniformly, it is only a question of time when that matter becomes public among dealers and you are out of business. Dealers are professional buyers and information goes around among them pretty rapidly.

The cash discount is standard in every industry. It is a practice that has developed. If one manufacturer gives a cash discount and he is a very important factor in that industry, of course everybody follows later and it is the general practice and custom. These discounts tend to be the same over the course of years and the same in any given line of industry. That is general and common in all lines of business.

[fol. 481] Cross-examination by Mr. Fowler:

We are now manufacturing electric washing machines, electric ironing machines, and electric vacuum cleaners. We belong to an association, the Electric Association. For six years we were the only people in the business, so we did not have to have an association. After we got about 40 or 50 competitors, they organized a trade association and we all went in together.

Business had been in a bad condition before the time when the Federal Trade Commission was organized and undertook to look into the situation. I presume people were as ignorant before that time as they were then. Of course, with the margin of profit in the early days they did not have to have as much information as they did when competition got very keen, and the margin of profit became materially reduced. In 1912, there was a pretty good profit in business, and in 1913 and in 1914. Then the war came on in Europe. That was one of the reasons for the disorganization of business, but there were other reasons. Business had been bad and business had been good before there were any trade associations. I helped these trade associations after I became Chairman of the Federal Trade Commission. I am one of the gentlemen who made them. The Hardwood Association was not based largely on my recommendation. I am not responsible for that Association.

[fol. 482] Outside of Mr. Morron, I don't know any of the men connected with the Portland Cement Association. Mr. Morron invited me to make the speech to that Association. I had been mak-

ing speeches before that to other branches. I talked to 180,000 business men in the course of a year and a half. Mr. Morron wrote me a letter asking me to go there, and I was glad to accept his invitation like I had accepted hundreds of others. I have known Mr. Morron for a number of years.

Redirect examination by Mr. Stimson:

On an average any industrial over a period of years ought to earn about 15 per cent on the invested capital, making provisions for their expansion and reserves that they should carry, to make provisions for the coming years. It is a speculative game in an industry of any kind, industrials are, and with the good years and the bad they should average that. I do not mean that that should be the limit in any one year. It might go to 20 or 25, and it might go down to 3 or be in red next year. It is the average over the period.

I did not go into the trade association that I spoke of on cross examination until after I came back from Washington. When I was preaching the benefits of trade associations I had never been a member of one at all.

[fol. 483] Recross-examination by Mr. Fowler:

I only advocate trade associations for the benefit of business and for labor. I do not advocate it as a personal matter. I think it is wrong to say that my ideas were purely theoretical at that time—that they were not derived from practice. We made a survey of the situation and we knew this was the remedy and it was the only thing to do at that particular time. There had been trade associations for 25 years. There had been many trade associations. I did not say there had not been any. I cannot recollect the dates, but it must have been about 1906 or 1908 when they started to organize trade associations. But associations have been existing for years, for example, the American Iron & Steel Institute. These institutions exchanged the character of information which was referred to in my speech. They had good trade associations, and I presume they had some bad ones.

[fol. 484] Letter January 14, 1916, from Lehigh Company to its salesman H. B. Shelly, put in evidence. Defendants' Exhibit D-379, printed in Exhibit Book, p. —.

Letter May 16, 1916, from Assistant Sales Manager of Lehigh Company to its salesman H. A. Swett, put in evidence. Defendants' Exhibit D-380, printed in Exhibit Book, p. —.

Letter May 17, 1916, from Lehigh Assistant Sales Manager to its salesman Houser, put in evidence. Defendants' Exhibit D-381, printed in Exhibit Book, p. —.

Letter May 16, 1916, from Lehigh Assistant Sales Manager to its salesman Houser, put in evidence. Defendants' Exhibit D-382, printed in Exhibit Book, p. —.

Letter July 26, 1916, from Central Office of Nazareth Company

to its salesman Hoover, put in evidence. Defendants' Exhibit D-383, printed in Exhibit Book, p. —.

[fol. 485] Letter September 29, 1916, from Coplay General Sales Manager to its New York office, put in evidence. Defendants' Exhibit D-384, printed in Exhibit Book, p. —.

Letter January 31, 1917, from Lines Company of Meriden, Connecticut, to Allentown Company, put in evidence. Defendants' Exhibit D-385, printed in Exhibit Book, p. —.

Telegram February 1, 1917, from Allentown Company to Lines Company, put in evidence. Defendants' Exhibit D-386, printed in Exhibit Book, p. —.

Letter February 1, 1917, from Allentown Company to Lines Company, put in evidence. Defendants' Exhibit D-387, printed in Exhibit Book, p. —.

Letter September 11, 1916, from Pennsylvania salesman Kraetz to Pennsylvania Company, put in evidence. Defendants' Exhibit D-388, printed in Exhibit Book, p. —.

[fol. 486] Letter September 12, 1916, from Pennsylvania Company to its salesman Kraetz, put in evidence. Defendants' Exhibit D-389, printed in Exhibit Book, p. —.

Letter June 12, 1916, from Vulcanite Manager of Sales to its salesman Nennig, put in evidence. Defendants' Exhibit D-390, printed in Exhibit Book, p. —.

Letter November 14, 1916, from Vice-President of Bath Company to its President, put in evidence. Defendants' Exhibit D-391, printed in Exhibit Book, p. —.

Letter May 16, 1916, from Assistant Sales Manager of Lehigh Company to its salesman Fraker, put in evidence. Defendants' Exhibit D-392, printed in Exhibit Book, p. —.

Letter August 15, 1916, from Pennsylvania salesman Widenor to Sales Manager, put in evidence. Defendants' Exhibit D-393, printed in Exhibit Book, p. —.

[fol. 487] Letter August 16, 1916, from Pennsylvania Sales Manager to its salesman Widenor, put in evidence. Defendants' Exhibit D-394, printed in Exhibit Book, p. —.

Letter October 27, 1916, from Sales Manager of Lawrence Company to its salesman Maloney, put in evidence. Defendants' Exhibit D-395, printed in Exhibit Book, p. —.

Letter July 7, 1916, from New York office of Lehigh Company to its Assistant Sales Manager Fuchs, put in evidence. Defendants' Exhibit D-396, printed in Exhibit Book, p. —.

Letter July 10, 1916, from Lehigh Assistant Sales Manager to its salesman Kunkel, put in evidence. Defendants' Exhibit D-397, printed in Exhibit Book, p. —.

Letter July 15, 1916, from Lehigh salesman Kunkel to its Assistant Sales Manager, put in evidence. Defendants' Exhibit D-398, printed in Exhibit Book, p. —.

[fol. 488] Letter February 5, 1917, from Lehigh Assistant Sales Manager to its salesman Morgan, put in evidence. Defendants' Exhibit D-399, printed in Exhibit Book, p. —.

Letter March 1, 1917, from Allentown office of Lehigh Company

to its salesman Morgan, put in evidence. Defendants' Exhibit D-400, printed in Exhibit Book, p. —.

Letter April 16, 1917, from Allentown office of Lehigh Company to its salesman Swett, put in evidence. Defendants' Exhibit D-401, printed in Exhibit Book, p. —.

Letter April 17, 1917, from Allentown office of Lehigh Company to its salesman Swett, put in evidence. Defendants' Exhibit D-402, printed in Exhibit Book, p. —.

Letter March 12, 1917, from Allentown office of Lehigh Company to its salesman Morgan, put in evidence. Defendants' Exhibit D-403, printed in Exhibit Book, p. —.

[fol. 489] Letter March 29, 1917, from Allentown Office of the Lehigh to its salesman Morgan, put in evidence. Defendants' Exhibit D-404, printed in Exhibit Book, p. —.

Letter April 30, 1917, from Lehigh Company to Anibal & Karg, put in evidence. Defendants' Exhibit D-405, printed in Exhibit Book, p. —.

Letter May 11, 1917, from Lehigh Company to its salesman Morgan, put in evidence. Defendants' Exhibit D-406, printed in Exhibit Book, p. —.

Letter August 6, 1917, from Assistant Sales Manager of Lehigh Company to its salesman H. A. Swett, put in evidence. Defendants' Exhibit D-407, printed in Exhibit Book, p. —.

Letter October 23, 1917, from Allentown office of the Lehigh to Mr. F. E. Smith, put in evidence. Defendants' Exhibit D-408, printed in Exhibit Book, p. —.

[fol. 490] Letter June 28, 1917, from Lehigh Company to Mr. A. E. Smith, put in evidence. Defendants' Exhibit D-409, printed in Exhibit Book, p. —.

Letter May 17, 1916, from Eastern Sales Manager of the Lehigh to its salesman Houser, put in evidence. Defendants' Exhibit D-410, printed in Exhibit Book, p. —.

Letter July 17, 1917, from Allentown office of the Lehigh to its salesman Swett, put in evidence. Defendants' Exhibit D-411, printed in Exhibit Book, p. —.

Letter October 19, 1917, from Eastern Sales Manager of the Lehigh to its salesman Swett, put in evidence. Defendants' Exhibit D-412, printed in Exhibit Book, p. —.

Letter January 2, 1918, from salesman of Nazareth Company to J. A. Horner, Nazareth, Pennsylvania, put in evidence. Defendants' Exhibit D-413, printed in Exhibit Book, p. —.

[fol. 491] Letter February 26, 1918, from Mr. Cover, President of Security Company, to Mr. John K. Barbour, put in evidence. Defendants' Exhibit D-414, printed in Exhibit Book, p. —.

Letter March 28, 1918, from Mr. Donohue of the Glens Falls Company to his company, put in evidence. Defendants' Exhibit D-415, printed in Exhibit Book, p. —.

Letter March 30, 1918, from Glens Falls Company to Mr. Button of Brandon, Vermont, put in evidence. Defendants' Exhibit D-416, printed in Exhibit Book, p. —.

Telegram April 1, 1918, from Mr. Donohue to Glens Falls Com-

pany, put in evidence. Defendants' Exhibit D-417, printed in Exhibit Book, p. —.

Confirmation of telegram April 15, 1918, from John W. Ramsay to the Nazareth Company, put in evidence. Defendants' Exhibit D-418, printed in Exhibit Book, p. —.

[fol. 492] Confirmation of telegram dated April 16, 1918, from Nazareth Company to John W. Ramsay, at Boston, Massachusetts, put in evidence. Defendants' Exhibit D-419, printed in Exhibit Book, p. —.

Letter April 23, 1918, from Nazareth Sales Office to J. B. Vandever, Sales Manager New York Office, put in evidence. Defendants' Exhibit D-420, printed in Exhibit Book, p. —.

Letter April 26, 1918, from Sales Manager of Nazareth Cement Company to S. J. Fehnel, Nazareth, Pennsylvania, put in evidence. Defendants' Exhibit D-421, printed in Exhibit Book, p. —.

Circular letter May 1, 1918, from general offices of Alpha Company at Easton, Pennsylvania, put in evidence. Defendants' Exhibit D-422, printed in Exhibit Book, p. —.

Letter August 22, 1917, from Sales Manager of Lawrence Company to R. A. Pruden, put in evidence. Defendants' Exhibit D-423, printed in Exhibit Book, p. —.

[fol. 493] Letter from Inter-Office correspondence of Atlas Company, from Mr. McConnell, Sales Manager of Atlas Company, addressed for attention of Mr. MacFarland, put in evidence. Defendants' Exhibit D-424, printed in Exhibit Book, p. —.

Letter July 31, 1917, from *from* MacFarland to C. A. Kimball and L. G. McConnell, put in evidence. Defendants' Exhibit D-425, printed in Exhibit Book, p. —.

Letter from inter-departmental correspondence of Nazareth Company, May 20, 1918, from J. W. Watkins to S. J. Fehnel, put in evidence. Defendants' Exhibit D-426, printed in Exhibit Book, p. —.

Letter from inter-departmental correspondence of Nazareth Company, June 6, 1918, from F. M. Hoover, of Philadelphia sales office, to S. J. Fehnel, put in evidence. Defendants' Exhibit D-427, printed in Exhibit Book, p. —.

Letter July 9, 1918, from Vulcanite Company to Mr. George J. Bickel, put in evidence. Defendants' Exhibit D-428, printed in Exhibit Book, p. —.

[fol. 494] Circular letter of Alpha Company, July 15, 1918, put in evidence. Defendants' Exhibit D-429, printed in Exhibit Book, p. —.

Letter January 25, 1919, from Mr. McConnell of Atlas Company to Mr. Holman of the Atlas Company, put in evidence. Defendants' Exhibit D-430, printed in Exhibit Book, p. —.

Letter March 27, 1918, from L. E. Browning, salesman of Lehigh Company, to Mr. Swett, Eastern Sales Manager of Lehigh Company, put in evidence. Defendants' Exhibit D-431, printed in Exhibit Book, p. —.

[fol. 495] THOMAS SEWALL ADAMS, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Stimson:

I am an economist. I hold the Chair of Economy at Yale University. My experience in regard to questions of values and prices has resulted from being engaged in work which calls for that sort of knowledge for a good many years. The first work of that kind was the preparation of tax laws in Porto Rico. From there I went to the State of Wisconsin in 1901, and beginning about 1903 until 1915 was in practically continuous and uninterrupted contact with the Wisconsin Tax Commission and Railroad Rate Commission. For the years 1911 to 1915 I was a member of the Wisconsin Tax Commission. Later I did certain consulting work both for the City of New York and the State of New York. I went then to the Federal Government and served as an economic adviser in the Treasury Department, from 1917 until the close of the year 1921. My work there kept me in constant contact with the large corporations of the country and capital—questions of valuation. I was Chairman of the so-called Advisory Tax Board of the Treasury Department, the statutory board, for part of that time, and in rather constant attendance on the Committee of Ways and Means and the Senate Committee of Finance in the framing of tax legislation. I [fol. 496] was one of their economic advisers, an dafter those laws were framed I remained the economic adviser of the Treasury Department in respect to their administration. I was retained by you approximately the first of March to look into this case, and since that time have given some special study to prices. Even more recently I have been retained by the National Chamber of Commerce, serving on one of their committees on trade associations for a time. The effect of competition on the prices of different classes of commodities at different times and places, has been a subject to which I have given considerable thought and study for a number of years.

A standardized commodity in the usual acceptance is one of uniform quality in which the ordinary purchaser would have no preference for one unit over another unit. He could use them all indifferently. For all practical purposes there is a unanimity of opinion among economists that with a standardized commodity and conditions of effective competition there is the strongest sort of tendency to uniform price. That opinion is practically unanimous. I have made my own observations and also studied the opinions of other authorities. Some of the authorities who hold the view that I have just expressed are:

[fol. 497] John Stewart Mill, the English economist.

W. Stanley Jevons, an English economist who is particularly familiar with this sort of question.

Francis Waker, the American economist who was in charge of the United States Census, President of the Massachusetts Institute of Technology and Professor at Yale.

Professor F. W. Taussig, Professor of Economics at Harvard, formerly Chairman of the Tariff Commission.
Professor E. R. A. Seligman, of Columbia University.
Professor Seager, of Columbia; and many others.

The books which lay down that principle of economics include:

Jevons' "Theory of Political Economy," a standard word, page- 98 and 99.
Taussig's "The Principles of Economics," page- 146 and 147.
Seligman's "Principles of Economics," page- 234 and 235.
Professor Arthur T. Hadley's (of Yale) book on economics, page 82.
John Bates Clark's "Essentials of Economic Theory," page 99.
Francis A. Walker's "Political Economy," page 95.
Gide's "Political Economy," translated by Archibald, page 222.
[fol. 498] Richard T. Ely's "Outline of Economics," page 158.
Also Bullock on "Introduction to the Study of Economics."
Knight on "Risk, Uncertainty and Profit."
Carver on "Principles of National Economy."
Taylor on "Principles of Economy."
Seager on "Introduction to Economics."
Turner on "Introduction to Economics."
A. W. Flux on "Economic Principles."
Mill on "Political Economy."
Fetter on "Economic Principles."

One ground for the principle that with a commodity of standardized grade in the presence or existence of effective competition there is very strong tendency to uniformity of price, is that it is difficult to see how a different result could be obtained. Competition, if it is effective, implies real and genuine knowledge of prices that are being asked by various sellers. If the dealers or buyers take the trouble to acquaint themselves with market conditions and know the prices that are being asked, it is difficult to see why a man should buy at a higher price when he knows he can get a lower price. And except in very exceptional circumstances he will not do it; he will shop around, look, use market reports, use price lists from the companies, until he finds out where the price is cheapest. That brings buyers to something approaching a common determina- [fol. 499] tion and understanding of the situation. The sellers are also getting similar evidence. The consequence of it is that a uniform price tends to be produced.

A second reason is the evidence of what happens on the stock exchanges. It is very evident, there, that in normal days the prices are tending towards a common center and these prices so established are used habitually. I have used them habitually for the purposes of appraisal, for the purpose of inheritance taxation. There is the tendency of prices to become the same and to establish a market price which is used daily in thousands of the most important uses.

Again, these market prices get fixed in the current price publica-

tions, such as Iron Age or the Urner, Barry Market Reporter, and contracts come to be fixed on the basis of these market prices as printed in Iron Age and a great many open contracts are made among many lines of industries which simply provide that the settlement shall be made on the basis of the market price fixed in Iron Age or the Urner, Barry Market Reporter.

All those things tend to confirm the opinion of these economists that where competition is present and active, it will tend to come to a common price.

A uniform price that is fixed on any exchange frequently lasts for but a very short period—at a particular time it may last only a few seconds, perhaps. But where the trade is naturally more stable; where the competition is between dealers, you not only get the same uniform price, but the price is likely to show its uniformity by staying uniform over a period of time—it is more easily seen. A [fol. 500] market which consists predominantly of dealers as the buyers, tends towards a condition of uniformity of price quite as strongly as an open exchange like the stock exchange, and in some cases I sometimes think even more strongly. Dealers are usually alert, usually informed and active, and in the very nature of things prices cannot change so rapidly as they do in a speculative exchange market. The consequence is that this tendency towards a uniformity even shows itself more clearly there than it does on the stock exchange.

Consumers as a rule do not take the trouble to ascertain all the conditions as accurately as dealers, men who have to make their livelihood from selling; they have to buy, in the long run, as favorably as their fellow dealers or competitors.

The tendency towards uniformity is, I should say, rather more often than not disguised. Commodities are sold, for instance, in different shapes and sizes; some of it is sold under contract, some sold spot. There are different terms, according to the industries and the sizes of shipments. Those things are differences in standardization. I mean, for instance, if you have to go to the books of the company at any time to get the prices, there may be a uniform price and you may not see it, because a great deal of the stuff may be going out on contract at a price fixed a long time ago. The difference in size usually affects the compensation.

[fol. 501] There is usually a difference in price for carload lots and less than carload lots. There are a thousand and one things which will disguise the true uniformity.

In industries having a heavy investment in plant or heavy invested capital, that heavy investment tends more certainly to bring about uniformity of price and show it more clearly. It is a commonplace among business men that where there is a very heavy investment and fixed charges, competition is likely to be particularly ruinous at times, particularly harmful—you can start cutthroat price wars. Heavy fixed expenses have to earn interest, and it pays them under heavy competitive struggles, rather than to have no business at all, to cut right down, get any price over what accountants frequently call the prime costs of what they are selling.

The consequence is that in a number of industries where the fixed investment is heavy, the competition has at some time been particularly harmful in the trade, and apprehension of the effect of price wars is a most important element in bringing about price uniformity in many industries. Men dread to upset things, to start a war, for the same reason that, on account of the world war, the world at the present time dreads to start war again—we have had a taste of it. You let a situation stand as it is in order simply that you may not precipitate a conflict which past experience has shown you to be very damaging.

[fol. 502] There are other factors which tend in particular industries to bring about and emphasize and show uniformity. One of those things is the custom or presence in a trade of cancellation, of permitting people to take or reject goods that they have ordered on contract. That will tend to bring about uniformity. That custom exists in a large number of trades. In the garment trade in particular, it is the usual custom to permit the man who has ordered goods on contract to break the contract, practically not to take the goods in case the market goes down. That has a very marked effect in insuring uniformity in prices. Very obviously, if the seller, the producer, the manufacturer, knows that the man who has bought from him can cancel the contract without any penalty, when he discovers that he hasn't got as good terms as he might have gotten from somebody else, it puts a particular pressure on the producer to grant the lowest terms in the first instance. It makes the market more flexible and that flexibility certainly tends to uniformity.

Another very powerful force making towards uniformity is imitation. Men do to a very large extent what their competitors are doing. If the competitor is an influential producer who has considerable means of understanding market conditions, there tends to be the "follow the leader element" there, which tends to bring about imitation wholly apart from anything in the nature of a [fol. 503] conscious agreement among the people. Those are some of the principal factors, I think, that tend to make this principle an actuality.

I have made a study of various industries in which this principle of the tendency towards uniformity at a given time and in a given market is at work. The uniform price is found in many industries. There is a uniform price in the salt market, for instance, in the City of New York. Salt is sold generally in the wholesale market at a substantially uniform price. There is uniformity of price in the sale of crude oil, has been and usually is, in the Kansas-Oklahoma field. In naming those two industries I was rather careful to specify the crude oil industry in the north central states, because I tried to fortify myself on this particular point by getting, for instance, the assurance of studies by the Trade Commission that competition did exist in those industries in those years. In my studies, I have very carefully abstained from mentioning any industry in which I believed there was anything in the nature of agreement or where I believed competition did not exist. There is uniformity

in price in some of the commercial fields—the corn-gluten field in particular, there is almost a complete uniformity of price as a rule. There is uniformity of price as a rule in the sale of wire nails; in [fol. 504] the sale of wood screws, also. There is a uniformity of price in the sale of sulphur, brimstone, crude. There is uniformity which extends even to retail articles, such as a standardized textile, for instance, percale; that will sell at a standardized price not only in the various establishments or stores in many cities, but the price may frequently tend to be uniform as between various cities. This tendency to uniformity will affect the sale of a thing like bread, for instance, so that you will get a uniform price for a so-called large and small loaf for 5 and 10 cents. That is not absolute uniformity—there is no absolute uniformity that I know of—but I suppose 90 per cent of the bread is sold at 5 and 10 cents at least, if not more. Many other industries could be named in which there is a substantial uniformity of price.

I have made a study of trade practices in the various industries. According to my observations there has been an evolution towards similar trade practices in the different industries. The question of trade practices, particularly those trade practices connected with price, is very much like price. The better producers, the better sellers, who are wide awake and alive, know what are good and what are bad trade practices, and if some competitor establishes what is to the producer or seller a favorable trade practice, when market conditions are stable and you are in a seller's market, the other [fol. 505] producers tend to get the same privilege. On the other hand, from the standpoint of a dealer, when you are in a buyer's market, the dealers have their own opinion of what trade practices are favorable to them and try to get the best trade practice that is available. All that tends to bring about uniformity in the same way that competition tends to bring about uniformity of price. This evolution is the result of competition, I think, most distinctly. It may not be. I don't mean to assert that it always is, but there is a tendency through competition towards this evolution.

The question of padded contracts is common. In the wire nail industry, men frequently duplicate their orders for wire nails under contract. They have the right of cancellation or refusing to take, and it is very unusual for an attempt to be made to enforce a contract. A similar situation arises in the garment trade, where a buyer may over-buy with different sellers and it leads to great waste and great abuse—manufacturers are likely to over-produce, produce two or three times to meet the same demand. In times of a good market, high prices, the putting in of duplicate orders or padded orders for flour was common at one time. Its effect is the bringing about of over-production, in the sense of the over-production of a particular order. For instance, in the garment trade it is obvious that if a man buys more than one size and means to cancel, somebody is making up goods that you can't sell and can't use. The [fol. 506] thing is a recognized trade abuse, and I don't think I ever heard anybody attempt to defend it. There have been studies

of the subject by such departments as the Bureau of Foreign and Domestic Commerce; in various reports they have commented on it, the efforts to cure the evil in many trades. Almost any week you will see some effort made to correct these things in the newspaper. Such practices tend to great economic harm and any fair remedy to put an end to them is altogether beneficial.

As to the tendency towards uniformity in trade practices, the harm or benefit depends on the cause of the uniformity. Many of these things start with trade abuses and abuses that would be acknowledged to be abuses by everybody, and those are generally eradicated by important trade practice and by the terms becoming standard by reason of the necessities of the industry. There is the automobile industry, for instance. Most cars almost universally until the recent drop in prices were sold for cash. So in many, many industries terms come to be standard simply by the action of those competitive forces which brings about the uniformity of price in other industries.

Now, I do not mean to say, and I do not want to be understood as saying, that all these uniformities that come around are a good thing. You get uniformities such as espionage, industries prying on one another for information that is necessary for intelligent [fol. 507] action. That is an abuse that may get to be a custom in the trade, and it is a bad custom. But the uniformity itself frequently—not always but frequently—tends to come about in important trade practices by the action of competitive forces, and very, very frequently that uniformity is a helpful and wholesome thing.

The effect from an economic standpoint of knowledge as to the conditions of your competitors, as to statistics particularly, is essential to effective competition, and in general it is highly beneficial, I think, to the trade, bringing about the most effective competition in an industry. Perfect competition cannot exist without a very considerable knowledge of prices, production, and such information is currently published, of course, by practically all governments—published by our Government in considerable detail. For instance, the so-called survey of current business published by the Department of Labor, carries information concerning production and capacity among many industries. I notice, for instance, that as to knit goods they not only publish the statistics of production, sales and shipments, but also accompany that with a comparison with the normal production, and so on. The Department of Agriculture, of course, is constantly getting out information concerning conditions of production, in order that producers may guide themselves intelligently [fol. 508] and not suffer loss through over-production at the wrong moments. That is a function of Government which has been growing universally for the last 20 or 30 years. The great evils which result from lack of information, from instability, from failure to estimate an advanced demand, and that kind of thing, are universally recognized. It exaggerates the entire so-called cyclical movement, the undesirable depression, the feverish activity again. Ignorance of condition accentuates that.

[fol. 509] The relationship between a buyer and seller is one of competition, trying to get the commodity at the lowest price possible. Competition is a rivalry, a race. The information and knowledge needed is knowledge of the conditions of competing sellers and buyers. You have got to get knowledge; you will get it in some way, one way or another, unless you are of the ineffective kind that gets weeded out pretty shortly. Espionage—spying on other people's plants and getting intimate details of their business—comes from the lack of legitimate recognized machinery for getting knowledge that people ought to have. Many of the best trade do not have trade newspapers. Some have and some don't—the condition of information differs in the different trades.

My experience in connection with corporation taxes, both the formulation of the law and its administration after it had been passed, goes back at least to 1904. Even before that time, I was interested in these questions of valuation and prices and had done considerable work in that field. I have given the subject of a fair return on invested capital by industrial and manufacturing companies considerable thought and have had unusual and rather unique opportunities to know intimately the profits that companies earned —I don't know anyone who has had greater opportunity. I have examined intimately and have had important questions to decide with respect to the income accounts, income returns of the larger corporations in the country, for years. I have had great opportunity to test whether the returns made by manufacturing corporations to the Government for the excess profit tax are conservative estimates of the real invested capital of those companies. They are con- [fol. 510] servative and I think for rather obvious reasons. The whole definition of invested capital in the Federal statute is one which makes it necessarily conservative. All the figures, for instance, go back to the original investment. In a study which I made covering thirty to forty thousand manufacturing corporations, the invested capital as returned for the purpose of Federal taxation was only about 91 per cent of their book value. That would practically follow from the language of the statute even though you had no statistics. As to this, invested capital is based upon actual cash paid in for the values of properties at the time they were acquired by the corporations, less depreciation since that time; and as prices have very obviously risen since most of the corporations in this country were organized, it is practically certain that the figures returned for invested capital are very substantially less than the reproduction figures at the present time.

In years in which a manufacturing company is in a position to earn profits it should earn at least 12 per cent on its invested capital —and I want to say that that is based to a considerable extent on the figures that are earned. After all, what corporations earn in the long run and in large numbers is a pretty good indication of what is normal. For instance, national banks in this country for 45 years earned on an average for all of them 8.6 per cent. Now, obviously, with the risks and hazards of the manufacturing in-

dustry a fair return is more than that and I have placed 12 per cent for manufacturing industries as a minimum because quite extensive studies made by me have convinced me that the average [fol. 511] manufacturing company cannot in the average year distribute more than two-thirds of its earnings, and I think in order to keep its securities at par—two-thirds of 12 per cent is 8 per cent—considering all the risks and hazards incident to a business, 12 per cent is a very fair figure. That is confirmed by studies—also pretty wide studies that I have made—concerning actual earnings of corporations in a typical year; and corporations in normal years—not in particularly good years—will earn on the average, those that are earning money at all, typical corporations, 12 and 13 per cent. In the good years we have been having recently manufacturing corporations were averaging, those that were earning money, about 20 per cent before the taxes are taken out, that is something in the neighborhood of 14 per cent after the Federal taxes are deducted.

1914 was not a good year and was a bad year from the standpoint of profit. The net income of the corporations in the country returned for the purpose of Federal taxation went up from something over five billion dollars in 1915 to considerably over eight billion dollars in 1916—it was a rise of something over 60 per cent, taking the country as a whole. The profits of the corporations in this country in 1916 were considerably over twice as much as in 1914. 1916 was one of the best years in the history of the world from a standpoint of profit and business generally.

The index numbers used in the chart in the Federal Reserve Bulletin from about 1825 to 1863 were based upon the index number [fol. 512] that was prepared under my direction about 1907. An index number is simply a very simple device for showing the average change in prices. It has been the usual thing recently to take 1913 as the base year. Suppose you are comparing 1913 and 1920 and suppose the price of wheat between 1913 and 1920 went up 30 per cent. We put that down originally as wheat 1913, 100; wheat 1920, 130, keeping the full percentage. Suppose corn went up 20 per cent in that interval. We would say corn, 1913, 100; corn, 1920, 120. Now the average of corn and wheat there, the average of 30 per cent rise and 20 per cent rise is a 25 per cent rise. So the index number based on those two commodities would be 125 for the year 1920. Of course you don't stop with two commodities. These figures for the most part in recent years have been based upon considerably over 300 commodities. Of course, in taking those percentages, they take the weighted average.

There usually comes with war, of course, great disturbances in money and currency. Those things tend to bring about changes in prices which originate with money. There is a great big fundamental underlying cause tending to change practically all prices, due to increase in the volume of bank credit, increase in paper money, a variety of factors, which rather roughly are referred to as inflation. The essential point about it all is that there is a general funda-

mental factor working on all prices and tending to make them move in one direction. Of course, in particular industries there are forces that work slowly, but there is this big, main cause at work tending [fol. 513] to produce one uniform result. It arises out of those things associated with the financing of wars. The explanation of it really is the raising of enough money. It has to be done by inflation, I think personally.

Cross-examination by Mr. Fowler:

I did not personally have anything to do with preparing the chart Defendants' Exhibit D-285. I do not recall a war in 1844. We had the Mexican War a little later, 1846 or possibly '48. Polk was President, anyway. I don't know that there is anything the matter with the chart Defendants' Exhibit D-285 with reference to that Mexican War. Around 1840, up here (indicating), you got an increase. There is a good deal more increase between 1850 and 1860—some 30 to 40 higher. That war does not seem to have had much effect on inflation. That was not much of a war. The army was in Mexico for some considerable period. I do not recall how long. I should not be surpised if the war lasted something like two years. War is always a burden, but there are comparisons. The Mexican War was not a very heavy burden on the country in comparison with the Civil War. The Mexican War wasn't a very costly war to the United States with respect to the wealth of this country at that time, as wars go. It was enough to have some effects, unquestionably. I think that some of the effects of that are indicated in this rise here (indicating). Moreover, you have got to recall that you were on a strong downward slant from the panic of '37, one of the worst, if not the worst panic this country ever sustained. War did not bring that panic on [fol. 514] at all. I recall no war in Europe that had to do with the panic of 1837. The panic of 1837 was one of the worst panics this country ever passed through—certainly very, very destructive—bad. It is very difficult to determine the exact causes of those panics. We had another panic in 1893. It began in 1893 or the very last part of 1892. We had a war also in 1898. The war in 1898 here (indicating) was simply stimulating the general upward movement that was going on there (indicating) and did take place. Prices were lowest at 1896 and started up before the war came, by their own obedience to general recovery, and were pushed along a little by the Spanish War. In one end of that chart there is the World War and in the other end of that chart there is also practically a World War.

I obtained my information about the earnings of corporations from the records and reports made by corporations to the Treasury Department, largely, and from other sources. Those earnings were based on the original investment, less depreciation, plus all earned surplus accumulated since the organization of the company. They were estimated upon a smaller capital than the corporations claimed the capital to be at the time the payments were made. Still the ratio of their net income, Federal taxes deducted, to their invested

capital, was something over 14%, estimated upon statutory invested capital. I have expressed an opinion that one of these industrial corporations should earn about 15%. I stated that the National banks earn 8.6%. I stated that about all that industrial corporations can distribute as an economic proposition is two-thirds [fol. 515] of the net earnings or net profits, and their dividends would be about 8%. They ought to be able to distribute something like 8% in the years they are earning profits, because there will be some years they cannot do it. Some years there will come depressions in business when they cannot distribute anything. Banks generally declare about the same dividend every year, while the industrials go up and down, and hence if they pay a dividend one year of 8%, the next year it might be 6, or possibly in a real flush year it might run over 8%. So I am averaging it up at about 8%. The character of the information furnished through the Agricultural Department includes information concerning prices, concerning particular perishable products, concerning shipments, amounts on the way to market, stocks on hand, forecasts of future crops, harvest conditions as affecting probable supply in the future, at times even information concerning demand. For instance, there was a recent publication by the Department of Agriculture relating to the watermelon crop, in which the Department advised watermelon planters that it looked as if an excessive amount of acreage was about to be devoted to watermelons and that it would be advisable not to plant so much to watermelons this Spring. They tried to prevent pro- [fol. 516] ducers from overglutting the market and losing money. The Government publishes that to the world, to the purchaser as well as the seller. It gives the information to everyone indiscriminately. The Government makes a special effort to ascertain the conditions of the cotton crop and the information obtained is kept secret until it is given out to the whole world—the cotton producer and the cotton purchaser alike.

I did not mention an effort to get men engaged in the same business to estimate the cost of production properly. The effort is to instruct each individual in order to enable him to make a proper estimate of what it cost him to produce that particular article. I have had practically no experience directly with trade associations. Of course I belong to a sort of trade association, the College Professors' Union, so-called, an association of college professors. There are certain things these trade associations may do that is entirely proper, in my judgment; and there are other things they can do which are entirely improper. If the members of a trade association were to fix prices on the articles they were producing, that would be improper. If either directly or indirectly an agreement is consummated to fix prices, I think that is a very improper and highly unlawful thing. I did not mention the brick industry among those to which I referred in speaking of the trend towards uniformity of price. The brick prices in certain cities, from all the information I have been able to derive, tend to be uniform, and in other cities they [fol. 517] do not. I have heard it asserted that that is because those

brick dealers belong to associations and fix prices. I don't know whether it is true or not. I have become highly distrustful of that kind of thing and have tried to make my examinations careful and in detail. I did not pursue the inquiry into the brick industry, because so far as I was looking for convincing illustrations, I tried to get industries that were free from suspicion. Some of those I mentioned as free of suspicion were the commercial feed industry, the corn-gluten product, fertilizer in the South in certain territories, crude oil in certain territorial markets, and gasoline in certain markets. The Corn Products Refining Company manufactures glucose. It produces a large proportion of the corn-gluten feed that is sold, but then there is the best evidence that there is competition in that industry, live competition. I am speaking of the time since the decision concerning the Corn Products Company in the United States courts. One concern manufactures a large part of the corn-gluten feed, but there is always some largest producer, and I don't think that explains the situation. The fact that one concern manufactures more than half of a certain product does not bring about uniformity of price. For instance, in the steel industry there have been marked differences in prices charged by the United States Steel Corporation and the independents, in some instances. Marked uni-
[fol. 518] formity existed at some times, but disappeared at others. In some parts of the steel industry there is a uniformity of prices in the sense in which I have been speaking. The steel industry is stabilized. I did not have in mind the hollow tile or tile industry specifically. I knew that that Association of the tile industry was under attack and I did not want to introduce that. I did not mention gypsum, and I don't know from my first hand knowledge whether there is a combination there or not. I know it is asserted that there is. I know that in very recent years there are a great many of these industries that have organized themselves into trade associations. Trade associations existed for many years. I have seen some accounts which say there are 7,000 of them. Some of them have been very old. The Stove Founders Association, to my personal knowledge, was in existence much more than 15 years ago. Some of the older associations have had all the activities that have been under discussion. Typothetae, for instance, is quite an old one. It is an association of manufacturers—of printer, and so on. It was in existence in the later nineties and to-day. I know they are under investigation now.

[fol. 519] For standardization, for the purpose of which I was speaking, it is only essential that the article should be of such uniform quality that the purchaser is willing to take one unit or another, so that he has no object in seeking particular kinds, and so on. Corn is sold by grades, so that the individual buyers do not have to get together over particular lots and haggle over that thing, but will take any corn so graded, as a rule. Of course, when goods are standardized then the customer is not particular as to what item he gets, whether one bag of cement or another bag of cement. If a customer can get one bag of cement a little bit cheaper than

another, he will naturally take that one. That is one of the principles of political economy. I would say it is common sense.

The effect of brands is largely to disguise and prevent competition. When you get a standardized article, competition is concentrated on price, and every man has got to meet that price. Business in some lines attempts to disguise competition and get around it by manufacturing all kinds of brands.

Standardization where the quality of the goods is exactly the same, does not mean, of course, that those goods cost the same to produce. One plant may produce an article at much less cost than another plant. One could sell at a less price and still make money. He could do it. He won't do it. Where there are half a dozen manufacturers and one can manufacture at a less price than the others, I [fol. 520] don't think he can sell his goods at a less price so as to sell his entire output. I do not think that is the way the thing works out. He comes in and offers perhaps to sell a little lower than the other people, but that is known and the other fellows have to meet it. If the high man undertakes to meet it down to a point where he cannot stand it, he has to quit. There are always people forced out of industry because they cannot meet the prevailing price. They are not failing every day, but are finding they cannot stand the gaff, cannot meet the competitive price, and are just giving way. That is the natural result when competition is free, I think. In the supposed case of the six manufacturers manufacturing at different costs, they meet together with buyers and eventually, by ways which I have described, a common or uniform price tends to be established. Then everybody who can get within that price gets within it and sells as much as he can. Some can get within that price and sell a great deal, and some cannot sell so much and get within the price. Some think they can get within the price, and because they have poor cost accounting are not really within it, and are losing money, and die in time. So that naturally the price adjusts itself in the long run to cost plus a normal fair profit. The fact that prices are uniform may be evidence of either thing. Occasionally agreement results in uniform prices; occasionally a monopoly and agreement [fol. 521] result in diverse prices. Whether the fact that prices are uniform is evidence of competition, is a question for the lawyers as to what is evidence, but both competition and agreement do tend to result at times in uniform prices. I think, from an economic standpoint, no fair inference can be drawn either way from the mere fact of uniformity in price.

The Court: Do you mean to say that you think from an economic standpoint no fair inference can be drawn either way from the mere fact of uniformity in prices?

The Witness: From the mere prices, your Honor, I do not think any inference can be drawn. You can go back into the circumstances of the industry to determine it.

Q. Let us see about that, doctor. Suppose you know of a number of manufacturers in a certain industry whose cost of production is different, substantially different, and who have the capacity to

overproduce. If they were all running to full capacity there would be a very considerable overproduction, and suppose there is absolute uniformity running for some years through their prices, uniformity in every respect, do you mean to say that does not mean anything at all?

A. I think you forget in your inference the fact that the increasing production in many lines usually means higher costs. That is not an absolutely uniform but a very frequent fact. I should say it is very often the fact. For a given period of time if you increase your produ-tion you may be able to reduce your costs, but the point is reached where if you push your production past a certain point, you increase them.

Q. Take a number of manufacturers in the same industry, man- [fol. 522] ufacturing 90 per cent or more of that particular product, their cost of production is very substantially different.

A. All of them together manufacturing 90 per cent?

Q. That is what I mean. They have a capacity to produce a great deal more.

A. At what cost, sir?

Q. I don't care anything about the cost now.

A. All right.

Q. I say the difference in cost of production by these factories is substantial, and they have the capacity to produce a great deal more than is consumed, and yet suppose their quotations or prices and the prices at which they will sell their products, are exactly the same extending over some years, that their rate of discount is exactly the same, that the price on returned bags is exactly the same, everything is uniform, do you mean to say that does not mean anything?

A. I think it may mean anything. It may mean the most perfect competition. As I see the situation, competition is a game, a race, and races frequently result in dead heats, and the competition is active when they are doing that.

Q. What kind of competition?

A. Competition to get ahead of your competitors.

If no one of them offers to sell his product under the others and yet their costs of production are entirely different, and they can all produce a great deal more than the market will demand, that does not necessarily mean anything. The ordinary fact in commerce that happens a million times a day, is that people with cost of production greatly different are nevertheless going out and offering things at substantially the same prices. I do not offer to sell what I have for [fol. 523] less than somebody else merely because it costs me less than somebody else. When it is necessary to sell his product, a manufacturer may sell under his competitors when he can do it within his costs at times. The only practical question involved is whether the other fellow comes around and meets your price. It will eventually come to an equilibrium. That will be disturbed in time by new factors in the market and changes will occur. In the case of stocks on the stock market, the value of stocks are determined by the prospective prosperity of that particular case, and that gives it a speculative, quivering element that you do not find in some other dealer markets, so called.

Redirect examination by Mr. Stimson:

As to the tendency of prices in cases where the cost of production of the different competitors is different, when the demand in a given market is equal to the supply the price set by the man with the highest costs is the one which regularly governs the market. I have never known cases where a man would sell his goods for a lower price than his competitors offered them where he does not have to, where the demand is sufficient. Of course, I want to make one exception, I think there are times of extremity and distress when the general trend may be to profiteering and a very fine principled man may say, "Here, that is too much." But that is not ordinary.
[fol. 524] Where some concern or individual encounters necessities more severe than those of his competitors, that man may be forced to break a market. He may be running along with the price level and forced to sell an unusual amount and he may reduce the price. He is likely to be followed by his competitors. You get those price changes in all industries. It depends entirely on the character of the market. The necessities of producers always tend to influence their production and selling policy. The elements which enter into the decision of a manufacturer as to what he will do in such a case are his knowledge of what the general situation is and his expectations of what it will be.

Where there is an adequate demand the price is fixed by the producer with highest costs. Everybody else will bring his prices to the same level because he knows that he can sell at that price. That means the more efficient producers will make higher profits. It is commonplace. For instance, the price at which wheat is selling in the New York market is not governed by whether a seller has to pay a dollar a bushel or 50 cents a bushel to get it there. It depends on the market. The man who only has to pay half as much as the other gets that difference.

I do not think there is any doubt that the cooperative efforts of the trade associations are helpful to the small producers. In many trade associations the big producer does not enter at all. He stays out. In cooperative associations the smal man always get assistance, information has to be procured, things done, and he shares the cost with other people.

I am not under the impression that the trade association is an ex-
[fol. 525] ceedingly recent thing. I am under the impression that trade associations have been developing in very considerable numbers in the last 15 or 20 years. I heard of one the other day which celebrated its 50th anniversary.

In regard to the fact that among a number of competitors the man with the highest costs may have to go to the wall or go into bankruptcy, where you bankrupt a big cement factory or a big railroad, it does not go out of existence, it is reorganized. The plant remains, and it may be, and frequently is a competitor of the cut-throat variety while it is in bankruptcy. I do not think any legitimate business men want to put competitors out of business. They do not want to cut their throats. They simply want to get their business. There

is a difference between the kind of competition that is aimed actually to strangle another man and competition which is aimed in good faith at getting the business if you can. There is a very important line there. Competition is an effort to get the other man's business by offering attractive terms. It is the getting of the business that constitutes the principal end of the competition. When you are trying to find out whether two men are competing or not you try to find whether they are down there after the same jobs, the same contracts, whether they are trying to get the same work.

When I spoke of certain matters as of economic benefit or harm, I was speaking primarily from the standpoint of the public of the [fol. 526] general welfare. Instability of business, violent fluctuations in prices and profits mean in the end great losses, which in turn become high costs, and the community and the producer pays for it in the long run.

Letters Defendants' Exhibits D-435 to D-454 put in evidence. Printed in Exhibit Book, p. —.

[fol. 527] RICHARD K. MEADE, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Porter:

I am a chemical and industrial engineer, educated at the University of Virginia and at Lafayette College. My first position in the cement industry was with the Edison Company as Chief Chemist. That was about 1900. I left them to become Chief Chemist and Assistant Superintendent of the Northampton Portland Cement Company. That company has since gone out of existence. From there I went to the Dexter Company as Chief Chemist. I left the Dexter Company to open consulting offices at Allentown, Pennsylvania. While there I had charge of the chemical work of the Allentown Company and advised on various construction problems. I was consulting engineer for the construction of the Tidewater Portland Cement Company at Union Bridge, Maryland, and had entire charge of the construction of that plant. At the completion of that construction work, I was General Manager for a year. I then opened offices in Baltimore as a consulting engineer, making a specialty of lime, cement and plaster work, the design of mills, the operation of the mills, and reporting on deposits of raw material. That was [fol. 528] about 1912. Since then I have acted in a consulting capacity for various companies, Alpha, Bath, Hercules, Giant, Kosmos, Louisville and Clinchfield.

I have been frequently called upon to estimate replacement costs or costs of construction of cement mills and plants in many respects similar to cement mills, and I have frequently made appraisals of cement plants. In addition to my experience with certain of the defendant companies as a consultant, I have within the last few months personally inspected all the mills of the defendants in this case.

The raw material of the Dexter and Nazareth Companies is particularly well adapted to the economical manufacture of cement, in that the rocks just as they are taken from the quarry are of suitable composition, by proper blending, to make Portland cement without the addition of any other material except the gypsum, which is added after the cement is burned. A great many of the other cement companies have to bring in limestone to mix with their cement rock. The companies which have to employ shale use limestone. These conditions have a very appreciable effect on the cost of manufacturing. The cost of manufacture at the Nazareth and Dexter mills is less than at many other mills.

The usual basis used in appraising the value of rock deposits of [fol. 529] cement companies is the number of barrels of cement that can be made from a given deposit. From half a cent to a cent a barrel is a conservative value.

If a cement mill is well built, its value can be determined with approximate accuracy from its capacity. The Government's Exhibit No. 387 is an estimate of the capacity of the defendants' mills made by me. The estimate is based upon a 300 day operation.

I have made an estimate of the value of the defendants' properties in this case, in the year 1919, taking into account the value of the plant, the raw material and the working capital. The working capital I took was that shown in Defendants' Exhibits Nos. 277 A to S. The value of the rock deposits I took from Defendants' Exhibits Nos. 275 A to S. This sheet shows the estimate that I made of the value of these properties in 1919.

Put in evidence Defendants' Exhibit D-455. Printed in Exhibit Book, p. —.

The total value, as shown by the exhibit, was $151,662,256.09. That figure compares with the total invested capital as reported to the Government in Defendants' Exhibits 271 A to I, of $73,974,732. In my estimate, I included only the mills of the defendants mentioned in this indictment and allowed 25 per cent from the replacement value in 1919 for accrued depreciation. The three items entering into that value were, separately, value of the plant $117,-[fol. 530] 771,960, working capital $15,837,232.09, value of rock deposits $18,053,064. I used three-quarters of a cent per barrel in putting that value on the rock deposits.

In valuing the plants, I multiplied the capacities shown in Exhibit D-387 by a unit figure. This unit figure represented the cost of building a cement plant of the same general character in the year 1919. From that figure I deducted 25 per cent for depreciation. The unit figure I used was $3.79 per barrel annual production, before deducting depreciation, or $2.84 with the depreciation off. That figure of $3 79 was arrived at from data showing the prices of labor, material, machinery and other items entering into the expense of constructing the plant, and from estimates and so forth which we had. It is quite a common method of estimating the value of a cement plant.

In estimating the capacity of these plants, I based the estimate on

the size of the kilns as shown in Defendants' Exhibits 276 A to S. A kiln of a certain size, under average conditions, will produce so much cement, and capacity means capacity under those average conditions. Under other conditions that kiln may produce more or less. If the rock is a very good rock, you may be able to burn more. If the rock is hard, you may be able to burn only a smaller quantity. My estimate of capacity based on the size of kilns also assumes that the mill is a balanced mill.

[fol. 531] The figure of 25 per cent depreciation that I used was arrived at after my personal inspection of all these mills. I think it is a conservative average figure. Some mills ought not to be depreciated as much as 25 per cent, and some ought to be depreciated more.

Cross-examination by Mr. Fowler:

As to the value of rock deposits shown in Defendants' Exhibits 275 A to S, I don't know the number of acres. The exhibit does not show that. The exhibit does not show how thick the deposit is. The exhibit shows the number of barrels that will be produced from that deposit. It takes approximately 4 cubic feet to make a barrel of cement. That means that 4 cubic feet of rock will make a barrel of cement. That would be about 7 barrels to the cubic yard. I made no investigation whatever as to the extent of these rock deposits. That information was furnished me on that exhibit. Approximately, 1 acre for each foot in depth will make 15,000 barrels of cement. 50 feet in depth would be fifty times that. The depth varies in different deposits. You may have some deposits that are only 6 feet deep, and you might have some that are 600. The geological estimation of the Lehigh Valley cement rock is 600 feet deep. I do not know how much the Lehigh actually paid for the land it bought. I don't know how many acres they own. I don't know a thing about that. I don't know of any deposits that are for sale. I know where the Lehigh land is located—a great deal of it. I have not made explorations to see how far these deposits extend. I know from explorations in similar plants in the Lehigh Valley that the rock goes to quite a depth.

[fol. 532] The area of the Lehigh Valley extends from about Reading, Pennsylvania, to Martin's Creek. Geologically, the cement rock is a transition rock between shales of the north and the Kittatinny limestone and part of the Trenton formation on the south. At some places it is very much thicker than others, and some places it pinches out altogether. You cannot go forward between Reading and Martin's Creek and pick it up. Some of it may be on the other side of the river. There are some deposits outside the lands of these particular companies, but I don't know of a high grade deposit that is not owned by the cement companies. You can explore it with a drill. I have explored two or three of them up there for them. The method of exploring is to take a drill such as you drill wells with, or a diamond drill, and bore a hole down through the rock, and take samples every four or five feet and analyze them.

I prepared this valuation of the rock deposit shown in the defendants' exhibits.

Put in evidence Government's Exhibit No. 387, printed in Exhibit Book, p. —.

I am not prepared to testify as to what is embraced in the term "working capital". Certain data was furnished to me and I accepted it.

In valuing these plants on their productive capacity, I didn't make an inventory of their several plants. I estimated the capacity and multiplied that by $2.84. I did make an examination to ascertain the condition of the machinery and deducted 25% for [fol. 533] depreciation. I paid no attention to whether they were in fact running to full capacity or not. The number of days that a plant operated would have nothing to do with its value, as I estimated it. I have given no testimony as to the market value of a plant as a going concern. In valuing a plant as a going concern, the amount of money a man can make out of it would be considered.

Q. If you were going to buy that plant, you would not pay the full theoretical value as you have estimated it, would you; wouldn't you consider how much money you would make out of it?

A. Certainly.

Q. And wouldn't that depend on the number of days in a year that it would operate?

A. No, I do not think so.

Q. Isn't that one of the elements that enter into it?

A. I do not think I would take that into consideration at all.

Q. That is, you wouldn't care whether it operated two days or a whole year; you wouldn't consider that at all?

A. As a going concern, yes.

Re-direct Examination by Mr. Porter:

If I were going to estimate the value of a going concern, I would take into account the good-will, brand value, and all those other things, the amount of earnings the plant was making and had made, the number of days it operated. In the estimate of value I have given, I have taken the physical value of the machinery required [fol. 534] to produce a certain amount of cement in a certain time, if operated to capacity. My valuation is a physical valuation and takes into account what it would cost to replace the plant, allowing for depreciation.

[fol. 535] Joseph G. Breaznell, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Dorr:

I have been associated with Mr. Fernsler in the preparation of the charts used in this case. I plotted the figures on the charts and

the coloring and so forth has been done under my supervision. This chart is based on computations from Defendants' Exhibits D-271 A to I, inclusive, the financial sheets of the defendants, and correctly charts the figures from them and from the statement of Professor Adams concerning the ratio of the net income of manufacturing corporations to their invested capital after deducting Federal taxes was something over 14 per cent.

Put in evidence Defendants' Exhibit D-456, printed in Exhibit Book, p. —.

[fol. 536] Report of Lehigh salesman, dated August 31, 1918, put in evidence. Defendants' Exhibit D-458, printed in Exhibit Book, p.—.

Report of Lehigh salesman, dated January 4, 1919, put in evidence. Defendants' Exhibit D-459, printed in Exhibit Book, p.—.

Report of Lehigh salesman, dated August 24, 1918, put in evidence. Defendants' Exhibit D-460, printed in Exhibit Book, p.—.

Printed circular of Lehigh Company, October 5, 1918, put in evidence. Defendants' Exhibit D-461, printed in Exhibit Book, p.—.

Inter-departmental letter, October 15, 1918, from John W. Ramsay of Nazareth Company to Mr. J. A. Horner of the Nazareth Company, put in evidence. Defendants' Exhibit D-462, printed in Exhibit Book, p.—.

[fol. 537] Memorandum of Nazareth Company to Mr. Hoover, Sales Manager of Philadelphia office, dated March 27, 1919, put in evidence. Defendants' Exhibit D-463, printed in Exhibit Book, p. —.

Confirmation of telegram, April 10, 1919, from Mr. J. A. Horner to John W. Ramsay, put in evidence. Defendants' Exhibit D-464, printed in Exhibit Book, p. —.

Letter January 8, 1919, from Mr. MacAllister of Pennsylvania Company to Mr. H. A. Moore of Pennsylvania Company, put in evidence. Defendants' Exhibit D-465, printed in Exhibit Book, p. —.

Letter June 7, 1919, from W. G. Grosvenor of Allentown Company to R. L. Cope, Manager of Sales of Allentown Company, put in evidence. Defendants' Exhibit D-466, printed in Exhibit Book, p. —.

Letter August 1, 1919, from F. W. Douglas, Manager of New Jersey District of Lehigh Company, to Lehigh Portland Cement Company at Allentown, put in evidence. Defendants' Exhibit D-467, printed in Exhibit Book, p. —.

[fol. 538] Letter August 7, 1919, from Charles H. Cox to Mr. Preston E. Bradlee, Brookline, Mass., put in evidence. Defendants' Exhibit D-468, printed in Exhibit Book, p. —.

Letter September 16, 1919, from Mr. Floring of the Knickerbocker, put in evidence. Defendants' Exhibit D-469, printed in Exhibit Book, p. —.

Salesman's report of Lehigh Company, dated June 28, 1919, put in evidence. Defendants' Exhibit D-470, printed in Exhibit Book, p. —.

Circular letter of Lehigh Company, dated September 5, 1918, put in evidence. Defendants' Exhibit D-471, printed in Exhibit Book, p. —.

Enclosure dated November 25, 1918, addressed "To Lehigh Customers", put in evidence, Defendants' Exhibit D-472, printed in Exhibit Book, p. —.

[fol. 539] Circular letter of Lehigh Company, dated March 4, 1919, put in evidence. Defendants' Exhibit D-473, printed in Exhibit Book, p. —.

Letter January 12, 1920, from Charles H. Cox of Phoenix Company to Mr. Preston E. Bradlee, Brookline, Mass., put in evidence. Defendants' Exhibit D-474, printed in Exhibit Book, p. —.

Circular letter of Lehigh Company, dated May 31, 1918, put in evidence. Defendants' Exhibit D-475, printed in Exhibit Book, p. —.

Circular letter of Lehigh Company, dated November 16, 1918, put in evidence. Defendants' Exhibit D-476, printed in Exhibit Book, p. —.

Circular letter of Lehigh Company, dated June 27, 1919, put in evidence. Defendants' Exhibit D-477, printed in Exhibit Book, p. —.

[fol. 540] Circular advertising sheet of Lehigh Company, dated August 5, 1919, put in evidence. Defendants' Exhibit D-478, printed in Exhibit Book, p. —.

Circular letter of Lehigh Company, dated July 8, 1919, put in evidence. Defendants' Exhibit D-479, printed in Exhibit Book, p. —.

Letter January 8, 1920, from Local Manager at New York City of Knickerbocker Company to Mr. Naylor, put in evidence. Defendants' Exhibit D-480, printed in Exhibit Book, p. —.

Letter January 10, 1920, from Mr. Naylor of Knickerbocker Company to Mr. Floring and Mr. Stinson of Knickerbocker Company, put in evidence. Defendants' Exhibit D-481, printed in Exhibit Book, p. —.

Letter November 4, 1920, from G. M. Clukas to Mr. Alker of Pennsylvania Company, put in evidence. Defendants' Exhibit D-482, printed in Exhibit Book, p. —.

[fol. 541] Reply letter November 4, 1920, from Mr. Alker to G. M. Clukas, put in evidence. Defendants' Exhibit D- 483, printed in Exhibit Book, p. —.

Telegram April 7, 1920, from Nazareth Company of Nazareth to Nazareth Company of Boston, put in evidence. Defendants' Exhibit D-484, printed in Exhibit Book, p. —.

Letter October 24, 1920, from Mr. Abbott to Mr. Naylor, of Knickerbocker Company, put in evidence. Defendants' Exhibit D-485, printed in Exhibit Book, p. —.

Letter October 23, 1920, from Phoenix Company to Mr. Bradlee, at Brookline, Mass., put in evidence. Defendants' Exhibit D-486, printed in Exhibit Book, p. —.

Letter September 20, 1920, from Mr. Cox of Phoenix Company

to Preston E. Bradlee, Brookline, Mass., put in evidence. Defendants' Exhibit D-487, printed in Exhibit Book, p. —.

[fol. 542] Salesman's report of Lehigh Company, dated April 3, 1920, put in evidence. Defendants' Exhibit D-488, printed in Exhibit Book, p. —.

Salesman's report of Lehigh Company, dated March 6, 1920, put in evidence. Defendants' Exhibit D-489, printed in Exhibit Book, p. —.

Report of C. S. Wheat of Richmond office of Lehigh Company, dated July 5, 1919, put in evidence. Defendants' Exhibit D-490, printed in Exhibit Book, p. —.

Letter August 27, 1920, from Mr. Alker of Pennsylvania Company to H. C. Merritt, Tuckahoe, N. Y., put in evidence. Defendants' Exhibit D-491, printed in Exhibit Book, p. —.

Circular of Security Company, dated June 3, 1920, put in evidence. Defendants' Exhibit D-492, printed in Exhibit Book, p. —.

[fol. 543] Letter September 10, 1920, from Carolina Building Supply Company, of Wilson, North Carolina, to Mr. S. N. Peters, General Sales Manager of Giant Company, put in evidence. Defendants' Exhibit D-493, printed in Exhibit Book, p.

Letter September 13, 1920, from Giant Company to Carolina Building Supply Company, put in evidence. Defendants' Exhibit D-494, printed in Exhibit Book, p. —.

Letter April 10, 1920, from York Paint and Hardware Company to Dexter Portland Cement Company, put in evidence. Defendants' Exhibit D-495, printed in Exhibit Book, p. —.

Letter December 3, 1920, from Nazareth Portland Cement Company to Mr. Ramsay, Sales Manager of the Boston office, put in evidence. Defendants' Exhibit D-496, printed in Exhibit Book, p. —.

Letter November 18, 1920, from Mr. Floring, in charge of sales of Knickerbocker Company, to Mr. Feeks, put in evidence. Defendants' Exhibit D-497, printed in Exhibit Book, p. —.

[fol. 544] Letter January 14, 1921, from J. B. Vandever of Nazareth Company to Mr. Fehnel of Nazareth Company, put in evidence. Defendants' Exhibit D-498, printed in Exhibit Book, p. —.

Letter June 19, 1920, from George P. Davis of Alpha Company to Mr. Dyer, put in evidence. Defendants' Exhibit D-499, printed in Exhibit Book, p. —.

Letter January 27, 1921, from Mr. Moore of Pennsylvania Company, Philadelphia office, to Mr. Alker of Pennsylvania Company, put in evidence. Defendants' Exhibit D-500, printed in Exhibit Book, p. —.

Letter February 3, 1921, from Mr. H. B. Warner to Mr. H. S. Rayner of Security Company, put in evidence. Defendants' Exhibit D-501, printed in Exhibit Book, p. —.

Letter February 2, 1921, from Mr. Rayner to Mr. Warner, Sales Manager of Security Company, put in evidence. Government's Exhibit D-502, printed in Exhibit Book, p. —.

[fol. 545] Letter February 1, 1921, from Lawrence Portland Cement Company to its salesmen, put in evidence. Defendants' Exhibit D-503, printed in Exhibit Book, p. —.

Letter February 16, 1921, from Lawrence Company to its salesmen, put in evidence. Defendants' Exhibit D-504, printed in Exhibit Book, p. —.

Letter March 1, 1921, from Mr. Smith of Lawrence Company to his salesmen, put in evidence. Defendants' Exhibit D-505, printed in Exhibit Book, p. —.

Letter February 15, 1921, from Mr. Meech of Pennsylvania Company to the company, put in evidence. Defendants' Exhibit D-506, printed in Exhibit Book, p. —.

Reply letter February 16, 1921, from A. J. Stanford of Pennsylvania Company to Mr. Meech, put in evidence. Defendants' Exhibit D-507, printed in Exhibit Book, p. —.

[fol. 546] Letter February 10, 1921, from Mr. Floring of Knickerbocker Company to Mr. Feeks, put in evidence. Defendants' Exhibit D-508, printed in Exhibit Book, p. —.

Letter March 8, 1921, from Nazareth Company to Mr. John W. Ramsay, Sales Manager at Boston, put in evidence. Defendants' Exhibit D-509, printed in Exhibit Book, p. —.

Letter March 28, 1921, of Pennsylvania Company, put in evidence. Defendants' Exhibit D-510, printed in Exhibit Book, p. —.

Letter March 26, 1921, from Charles H. Cox of the Phœnix Company to Mr. Bradlee of Boston, put in evidence. Defendants' Exhibit D-511, printed in Exhibit Book, p. —.

Letter May 2, 1921, from Mr. Floring of Knickerbocker Company to Mr. Naylor of Knickerbocker Company, put in evidence. Defendants' Exhibit D-512, printed in Exhibit Book, p. —.

[fol. 547] Letter May 2, 1921, from Mr. Smith of the Lawrence to their salesmen, put in evidence. Defendants' Exhibit D-513, printed in Exhibit Book, p. —.

Letter April 28, 1921, from Mr. Tileston of Glens Falls Company to Mr. George F. Bayle, President of Glens Falls Company, put in evidence. Defendants' Exhibit D-514, printed in Exhibit Book, p. —.

Letter April 29, 1921, from Mr. Bayle of Glens Falls Company to Mr. Tileston, put in evidence. Defendants' Exhibit D-515, printed in Exhibit Book, p. —.

Letter June 9, 1921, from Mr. Naylor, President of the Knickerbocker, to Mr. Stinson, Manager, put in evidence. Defendants' Exhibit D-516, printed in Exhibit Book, p. —.

[fol. 548] ALBERT R. JUBE, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Porter:

I am a member of the Bar of the State of New York, employed in the office of Porter & Taylor and have been in general charge of preparing an exhibit showing the trade practices of the defendant companies. In preparing the exhibit the trade practice reports of the committee on trade practices were examined and analyzed and

each of the trade practices treated in the reports was given a number and put under a separate heading. Each of the companies designated a man in their employ who collected the documents, records, correspondence, files and so forth, of his company, showing whether it had complied with the recommendations of the committee and at what time his company adopted the practice recommended if it had adopted it. Each of these men, together with his records and documents, came to me and I went over these documents and formulated the answer under each one of the trade practices. The exhibits, thus, are a summary of the various documents these men brought over. The documents were given to the Government some time ago under the stipulation and the exhibits are a summary statement of the contents of the documents.

19 exhibits put in evidence Defendants' Exhibits D-517 A to S. [fol. 549] In that exhibit I divided the recommendations of the trade practice report into 37 different heads; then stated the practice of each company as far back as its documentary records could be traced as to each of those 37 heads. Then I prepared a chart showing in more graphic form and for more convenient reference whether or not each of the companies had changed its practice to conform to the recommendation of the committee in each and all those 37 particulars. This chart, consisting of four sheets, correctly summarizes the statements of the trade practice exhibits in evidence.

The charts put in evidence, Defendants' Exhibits D-518 A to D. In these charts the black in each square indicates that the company under which it appears conformed its practice to that recommended in the committee report. That is, if there was a change in that company's practice after the report was issued, so that the new practice was the same as the report recommended, it was put in black. The red indicates that the company did not follow the practice recommended in the report or that it did not change to conform to the practice recommended. If a company had been for some years before following a certain practice and the report recommended that practice but the practice was not changed, then it would be in red. The first row of figures at the side of the chart represents the number which I have given the particular trade practice in the trade practice [fol. 550] exhibit in evidence. The second column headed 1915 shows the section of the report of 1915 in which that practice was considered. The columns headed 1916, 1918 and 1919, show the sections in the reports of those years in which the practice was treated. The next column, headed practice, is really a brief reference to the particular trade practice without stating the full substance of it.

Taking the 37 practices mentioned in the committee's reports:

1. As to mentioning a time limit for acceptance in trade quotations, 13 of the companies changed their practice so as to make their quotations for immediate acceptance; 2 of the companies followed the recommendation in their form quotations but not in their letter quotations; 2 of them followed the practice when they began selling in 1917; and 2 of the companies have never followed the practice recommended.

2. As to limiting trade quotations to shipment within 15 days from the date of the order, 14 of the companies changed their practice to follow that recommendation; 1 of them followed it in its form quotation, but not in its letter quotations; 2 of them adopted the practice when they began selling in 1917; and 2 have never followed the recommendation.

For instance, the Alpha Company in 1916 changed its practice so that its trade quotations were limited for immediate acceptance and for shipment within 15 days from the date of order. The Alpha Company's quotations in 1915 before the committee's report were limited to shipment within 10 days, without any definite time limit [fol. 551] as to how long the quotation remained in effect, so that if the company had sent out a quotation its obligation was only for 10 days and it could stop the running of that within 10 days. After 1915 its obligation was extended because its quotations then read for shipment within 15 days, but since the extension was in line with the practice recommended in the committee report I have marked their answer on the chart, Yes.

3. As to specifying a quantity limit in trade quotations, 11 of the companies adopted the practice recommended; 2 adopted the practice when they commenced selling in 1917; 1 had always followed the practice; 3 companies have not followed the practice.

4. As to cash discount within 10 days, the words "time no" in the chart mean that the 10 day period was not adopted after the trade practice report came out. The words "rate yes" mean that there was a change in the rate of discount after the report came out. The red stars mean that the companies so marked in practice do not enforce the 10 day limitation, but allow a discount on payments in more then 10 days. There was no recommendation in the trade practice report of a cash discount of 10 cents a barrel. In the latter part of 1915, most of the companies allowed 5 cents a barrel, and during 1920 most of them began to allow 10 cents a barrel. The 10 cent rate was adopted by the Pennsylvania Company on June 10, 1920, and by the Knickerbocker Company in September, 1920. [fol. 552] 15 companies have not strictly enforced the 10 day period, 4 of the companies have.

5. As to the practice of not quoting or selling cement except including packages, one company adopted the practice when it commenced selling in 1916 after a shutdown. That was the Edison Company. The Hercules Company adopted it when he began business. All the other companies had been following that practice prior to the time of the trade practice report since the various dates indicated, running back to 1901.

6. As to the recommendation that invoices should be dated on the day shipments are made, none of the companies changed their practice after the report came out. They had all followed that practice before the report came out.

7. As to the recommendation that a clause should be inserted in all contracts exempting the company from liability for loss or damage

in transit, 10 of the companies changed to follow the practice recommended; 4 had always followed that practice; one adopted the practice when it commenced selling in 1917; 4 of the companies Glens Falls, Hercules, Dexter and Pennsylvania never followed the practice.

8. As to the recommendation in the report that quotations should contain a provision that orders entered for shipment on a certain date should be shipped on that date unless sooner ordered out by the customer, 4 of the companies adopted the practice recommended; 5 of them put it in the quotation but did not enforce it; 2 adopted the practice when they commenced selling in 1917 and one of them dropped it almost immediately after adopting it; 1 has always followed the practice; and 7 have never followed the practice.

[fol. 553] 9. As to the recommendation that quotations for specific work should not be made an unreasonably long time before bids were submitted, none of the 19 companies has conformed to this recommendation. All of them since the report came out have continued a practice directly opposed to that recommended in the report.

10. As to inserting a time limit for acceptance of specific job quotations, the 1915 report recommended a 30-day limit for acceptance, the later reports recommended 15 days. 13 of the companies adopted the practice of specifying 15 days for acceptance; 2 adopted the practice when they commenced selling in 1917; one has followed the practice since 1913; 3 have never followed the practice.

11. As to the recommendation that after a specific job quotation had been accepted the company should require the execution of a formal contract, 8 companies adopted the practice recommended, 1 adopted it when it commenced selling in 1917, 3 companies had always followed the practice, and 7 companies never followed the practice and do not now follow it. The Allentown Company used the contract until 1916 and then dropped its use.

12. As to the recommendation that when a specific job contract was entered into with the dealer, the company should require a written contract between the dealer and the consumer, 4 of the companies adopted the practice recommended, but one of these dropped it in 1916 and another in 1918; 15 of the companies never adopted the practice and do not follow it now.

13. As to the recommendation that the companies should not enter into specific job contract with the dealers before they arrange [fol. 554] for the sale of cement to the consumer, 2 of the companies adopted the recommendation when they commenced selling in 1917; 1 company had followed the practice in 1915 before the report came out and abandoned it in 1916 and then resumed it again in 1920; 13 of the companies had always followed the practice; 3 of the companies have never followed it.

14. As to not entering into specific job contracts until the work was ready to proceed, 1 company adopted the practice when it com-

menced selling in 1915; 1 company had always followed the practice; and 17 companies never followed it and do not now follow it.

15. As to the recommendation that the minimum quantity sold under a specific job contract should be one carload, none of the companies changed their practice in that particular. Most of the companies have always limited their specific job contracts to a carload or more. The Vulcanite Company has sold the specific job contracts less than one carload.

16. As to the recommendation that specific job contracts should be for a specific amount of cement with a permissible variation of 10 per cent, 3 companies adopted the practice and one of them dropped it in 1919; 14 companies had followed the practice before the report recommended it and 2 of these dropped it in 1916 right after the report recommended it; 2 have never followed the practice.

17. As to the recommendation that in specific job contracts there should be a limitation on the maximum amount of shipments that [fol. 555] can be called for in any one month, 5 of the companies adopted that practice; 2 adopted the practice when they commenced selling in 1917; 7 companies had always followed the practice. The Lehigh Company dropped the practice in 1916, after having used it since 1912.

18. As to the recommendation that the company should require a signed monthly report from the dealer holding a specific job contract, showing his deliveries on the job, 5 companies adopted the practice; 1 had always followed the practice; 13 companies never followed the practice.

19. As to the recommendation that the practice of making blanket contracts is a pernicious one and should be abandoned, 2 of the companies gave up making blanket contracts after the report came out; 3 of the companies had always refused to make blanket contracts; 14 of the companies have never followed the recommendation and still continue to make blanket contracts.

20. As to the recommendation that railroads should be sold only on specific job contracts or for 15 day delivery, 6 of the companies adopted the practice after the report came out; 13 of the companies did not adopt*ed* it and have never followed it.

21. As to the similar recommendation concerning sales to industrials, 7 of the companies followed the practice after the report came out; 2 had always followed it; 1 has made no sales of this kind; and 9 have never followed the practice.

[fol. 556] 22. As to the similar recommendation concerning sales to manufacturers of concrete products, 7 of the companies adopted the practice after the report came out; 1 adopted it when it commenced selling in 1917; 5 had always followed the practice; and 6 have never followed the practice.

23. As to the recommendation that an order blank be signed by the customer, 1 company adopted the practice after the report; 3 had always followed it; 15 have never followed it.

24. As to the recommendation of the report concerning a charge for bin tests, which was that a charge should be made commensurate with the actual additional cost, prior to the report in the Fall of 1915 most of the companies had been charging 5 or 6 cents per barrel. A few months before the report came out the Alpha and one or two of the others had reduced their charge to 3 cents. The report recommended from 3 to 10 cents, according to the actual cost. After that practically all of the companies reduced their charge to 3 cents. Later on, early in 1921, practically all of the companies had abandoned the charge entirely and none of the companies has made any charge since. The Dexter Company abandoned the charge in 1920, the Vulcanite Company also abandoned it in 1920.

25. As to the recommendation against assuming the expense of commercial laboratory tests, none of the companies changed their practice to conform to that recommendation. Most of them have never borne the expense of such tests. 4 companies have borne such expenses since the report came out.

[fol. 557] 26. As to the recommendation that cloth sacks should not be repurchased unless in serviceable condition, 1 company adopted the practice when it commenced selling in 1917; 5 had always followed the practice; 13 have never followed the practice.

27. As to the recommendation that a company should not sell at the dealer's price to dealers for shipments to towns other than the dealer's home town, none of the companies has changed its practice to comply with the recommendation. 2 had always followed the practice, 17 have never followed the practice.

28. As to the definition of a dealer in the report, none of the companies has conformed to that definition in its sales to dealers at its dealer's price, except Pennsylvania.

29. As to the dealer's differential, before 1916 most of the companies had been allowing 5 cents a barrel, the report recommended 10 cents and with few exceptions all the companies thereafter allowed 10 cents. The Edison Company from the Spring of 1916 until June 1, 1920, had no established differential, allowing from between 2 and 3 cents a barrel to as high as 25 cents a barrel, depending on the dealer and his location. On June 1, 1920, the Edison Company adopted a dealer's differential of 10 per cent, which remained in effect until June 26, 1921, when it went back to its old practice of having no regular differential. The Pennsylvania Company has never had a uniform practice as to dealers's differential, varying from 5 to 25 cents, according to the locality in which the dealer was situated.

[fol. 558] 30. As to the recommendation against allowing commissions to dealers on cement sold directly to consumers, 1 company

conformed to that recommendation; 3 companies had not paid commissions to dealers; 15 companies have continued to pay commissions to dealers in such cases since the report came out.

31. As to the recommendation against paying special concessions to buyers to induce sales, 8 of the companies had made it a practice not to pay such concessions before the report; 11 of the companies since the report have continued to pay such special concessions.

32. As to the recommendation against mixing waterproof compounds with cement at the mills, 5 of the companies followed the recommendation and the others did not.

33. As to the recommendation against giving advance notice of change in price, none of the companies have ever done that except the Edison Company, which frequently does so.

34. As to the recommendation against inserting in specific job contracts a clause guaranteeing against a decline in price, the Glens Falls Company has always had in its contracts a written guarantee against decline in price; none of the other companies ever had a form of clause of that kind in their contracts before 1919. Since 1919, or in the case of Pennsylvania, 1918, all of the companies have had such a clause guaranteeing against decline in their contracts, except that during 1920 some of the companies did not use such a guarantee.

[fol. 559] 35. As to dealers selling below the consumers' price, practically none of the companies have made any effort to prevent that.

36. As to the recommendation that dealers be required to state in their bids the brand on which they are bidding, none of the companies ever followed that recommendation.

37. As to the recommendation that manufacturers should not be members of dealers' organizations, 11 of the companies gave up membership in dealers' organizations, following the report.

[fol. 560] Government Exhibits No. 571 to 589 are the specific job contract forms of the 19 defendant companies. Government Exhibit 590 purports to show the points of similarity between those contract forms. I have made up a statement of the points of difference between those contract forms.

The report of the Trade Practice Committee recommended that specific job contracts should be for an estimated quantity with a permissable variation of 10 per cent. Of the 19 specific job contracts in evidence, 3, Giant, Knickerbocker and Nazareth, contain this clause, and the others do not.

The Committee's report also recommended that the contract should contain a clause limiting the quantity that could be called for shipment in any one month. Of the contracts in evidence, 7, Alpha, Bath, Coplay, Edison, Lawrence, Lehigh and Penn-Allen, do not contain such a clause.

The Committee's report recommended that contracts should contain a clause exempting the company from liability for damage in transit. 5 of the contracts in evidence, Dexter, Pennsylvania, Glens Falls, Hercules and Lehigh, do not contain this clause. 3, Glens Falls, Hercules and Lehigh, contain a clause recognizing the company's liability upon the presentation of certain documents.

[fol. 561] The Committee recommended that contracts should require a dealer to notify the company each month of the amount of cement used on the job in the preceding month. 5 of the contracts in evidence, Atlas, Dexter, Giant, Glens Falls and Pennsylvania, contain such a clause. The other 14 do not contain such a clause.

The Committee's report recommended that an additional charge should be made for bin tests. 7 of the contracts, Allentown, Coplay, Giant, Glens Falls, Pennsylvania, Penn-Allen and Vulcanite, contain such a clause. The other 12 do not contain such a clause.

10 of the contracts contain a clause that if the cost of new sacks increases or decreases, the cement company may increase or decrease the contract price. 9 of the contracts, Bath, Knickerbocker, Lehigh, Nazareth, Phœnix, Security, Glens Falls, Hercules and Vulcanite, do not contain such a clause.

3 of the contracts, Atlas, Allentown and Giant, provide that if the company cannot get cloth sacks, shipments may be made in paper sacks. The other 16 contracts do not contain such a clause.

9 of the contracts contain a clause guaranteeing the price against decline, Alpha, Coplay, Knickerbocker, Lawrence, Lehigh, Nazareth, Glens Falls, Giant and Vulcanite. The other 10 contracts do not contain such a clause.

[fol. 562] I have examined the trade quotations, Government's Exhibits 611 to 627, and compared them with the chart Government's Exhibit 628, purporting to show whether those trade quotations agreed with the recommendations of the report of the Trade Practice Committee. I found 16 errors in Exhibit 628. In the first column, which refers to limiting quotations to one carload, the Alpha Company and the Knickerbocker Company have no such provision. The Alpha was explained by a special form of trade quotation put in afterwards as Government's Exhibit 629, but I included that as one of the 16 errors because it did not appear in the trade quotations from which the chart was made. The Knickerbocker Company has no such provision, although it is stated in the chart that it has. Column 2 deals with trade quotations being made for immediate acceptance. The trade quotations of the Giant and Knickerbocker Companies are not made for immediate acceptance, although the chart Government's Exhibit 628 states that they are. Column 3 deals with 15 days' shipments. The Knickerbocker trade quotation is not for 15 days' shipments, although the chart states that it is. Column 5 relates to the route being prescribed by the seller. The Coplay, Giant and Hercules trade quotations have such a clause, although the chart Government's Exhibit 628, by a cross, indicates that they have not. The chart shows that the [fol. 563] other companies have the clause, but the Dexter, Edison, Lawrence and Security do not have it. In the next column, to the

effect that bill of lading is conclusive as to quantity and good condition on loading, I found the quotations of the Atlas and Lawrence Companies do not have the clause, although the chart Exhibit 628 says they do. In the column concerning the clause to the effect that the buyer is responsible for damage in transit, I found that the Dexter and Lawrence quotations do not contain such a clause, although Government's Exhibit 628 shows them as containing it. And I found that Glens Falls and Hercules quotations affirmatively admit their liability for damage in transit, although they are merely starred in Government's Exhibit 628 as not containing any provision. As to the final clause, to the effect that shipments in bags at buyer's risk, I found that the Committee's report recommended that shipment in paper bags should be at the buyer's risk and did not refer to shipment in the ordinary bags that the companies use. None of the companies have a limitation in their trade quotations, or otherwise, providing that shipment in bags generally is at buyer's risk. Apparently the chart Government's Exhibit 628, in this particular, refers to the clause limiting liability for loss in shipment in paper bags. So amending the heading, I found that the Lawrence Company does not have the clause in its quotation, although this chart states that it does.

[fol. 564] Cross examination by Mr. Fowler:

In the trade practice chart, Defendants' Exhibit D-518, No. 14, which reads "declining to enter into specific job contracts before construction work was ready to proceed," I have "No" under 17 of the companies. That means that they never did comply with the recommendation of the Committee's report. Under Lehigh I have "Always No." That means that their practice was always that which the Committee's report subsequently recommended. When I say "Always No," in the chart, I mean that the company never changed its practice. "Always No" simply means it has never changed and that the practice recommended was followed by the company prior to the recommendation. If the company's practice has not been the practice recommended, then I have plain "No". "Always No" means that after the report was made the Lehigh continued the same practice and did not change—that it had always followed the practice recommended and did not change to that practice after the Committee's report. Where I have "1915, No," I mean that in 1915 that company adopted that practice, before the Committee's report came out, and that there was no change after that. Under No. 16, Allentown always did pursue that practice; Alpha and Atlas under whose names is the word "No," never did follow that practice. Bath, marked "1916, Yes," in black, changed their practice in 1916, in line with the recommendation in the report, and dropped the practice in 1919.

[fol. 565] As to the first practice, limiting trade quotations to immediate acceptance, 17 of the companies have stated in their trade quotations that they were for immediate acceptance. Knickerbocker and Pennsylvania have never done it.

As to practice No. 4, which relates to cash discounts, since the

dates mentioned in the chart, 14 of the companies have had a rate of discount which was the same, but they have not observed the 10 day period. They all charged a 5 cent discount on the dates mentioned in the chart. This chart refers simply to the change in 1915, and does not attempt to set forth the change in 1920, which was to 10 cents. The chart refers simply to the change in 1915, or thereabouts, to 5 cents. In 1917, 1918, 1919 and 1920, all the defendants charged the same rate of discount, except for some deviation in 1920.

With reference to the 10 day period for cash discount, all the companies used that period, both before and after the Committee's report. The actual practice was a variation in most cases. They would permit the taking of the discount long after the 10 day period had expired. There was no special limit. In some cases, it went over 30 days. I have every one of those marked as being uniform so far as the 10 days is concerned, because their trade quota-[fol. 566] tions stated that the period during which the cash discount could be taken was 10 days. The quotations were the same in that respect, but the practice varied.

As to the fifth practice, selling cement at a price including packages, they all pursued that policy during the entire time, both before and after 1916.

As to practice No. 6, the dating of invoices, they have all always been doing the same thing with reference to that practice.

As to the seventh practice, with reference to assuming responsibility for loss in transit, 12 companies have been pursuing that practice since 1916; another, Edison, has pursued it in form since 1917; Dexter has not pursued it except in a few instances in 1916; another, Lehigh, has pursued it from 1915; another, Lawrence, adopted it in 1921; and 3 have not adopted it.

As to No. 10, time limit for acceptance of specific job quotations, 10 companies have followed that practice since 1916; 4 since 1917; 1 since 1918; 1 since 1920; and 3 have not followed it.

According to my chart, 8 companies have followed the practice designated No. 11 since 1916, but that does not imply that they had not been following that practice before that. Hercules has followed the practice since 1917; Bath since 1919; Phœnix and Vulcanite adopted it in 1920; Allentown dropped it in 1916; it has not been followed by the other 6 companies.

[fol. 567] No. 13 has been practiced by 13 companies, in the period since 1916. Hercules and Phœnix have practiced it since 1917. Security practiced it in 1915, before the Committee's report came out, dropped it in 1916, and resumed it in 1920. Glens Falls, Lawrence and Pennsylvania have not pursued the practice. Glens Falls and Lawrence did follow practice No. 11.

As to practice No. 24, making a separate charge for bin tests, Dexter dropped the charge in 1920. Hercules, Penn-Allen and Phœnix adopted it in 1917, the first two dropping it in 1921. Coplay adopted it in 1919 and dropped it in 1921. Vulcanite dropped it in 1920. The other 13 companies followed the practice in the period from 1916 to 1921.

As to practice No. 29, dealer's differential in price, 13 companies have followed that practice since 1916; 4 have pursued it since 1917; 2 have not adopted it at all.

As to practice No. 34, guaranteeing against decline in price, there was no such provision written in the contracts of the companies, until or except as follows: Glens Falls always had such a provision written in its contracts. In 1918, Pennsylvania began to write such a provision in its contracts. In 1919, 14 other companies began to write that provision in their contract. In 1920, another company did so. In 1921, 2 other companies did so.

Two letters dated April 1, 1919, from Knickerbocker Cement Company, put in evidence. Government's Exhibits Nos. 802 and 803. [fol. 568] One of them is printed in Exhibit Book, p. —. The other is exactly the same.

Letter November 5, 1920, from Mr. Cox of Phœnix Company to Mr. M. J. Frostholm, Syracuse, New York, a salesman, put in evidence. Defendants' Exhibit D-540, printed in Exhibit Book, p. —.

Letter December 8, 1920, from Mr. Alker, Sales Manager of Pennsylvania Company, to Mr. H. A. Moore, put in evidence. Defendants' Exhibit D-541, printed in Exhibit Book, p. —.

Letter November 11, 1920, from Phœnix Company to Mr. Frostholm, put in evidence. Defendants' Exhibit D-542, printed in Exhibit Book, p. —.

Letter November 6, 1920, from Mr. Alker of the Pennsylvania to Mr. G. M. Clukas, put in evidence. Defendants' Exhibit D-543, printed in Exhibit Book, p. —.

[fol. 569] Letter December 13, 1920, from The H. Wales Lines Company to Dexter Company, put in evidence. Defendants' Exhibit D-544, printed in Exhibit Book, p. —.

Reply letter December 18, 1920, from Dexter Company to The H. Wales Lines Company, put in evidence. Defendants' Exhibit D-545, printed in Exhibit Book, p. —.

Report of Lehigh salesman, dated December 18, 1920, to the Lehigh Company, put in evidence. Defendants' Exhibit D-546, printed in Exhibit Book, p. —.

Telegram February 3, 1921, from Mr. Speights, salesman of the Pennsylvania Company, to Pennsylvania Company, put in evidence. Defendants' Exhibit D-547, printed in Exhibit Book, p. —.

Reply letter February 3, 1921, from Pennsylvania Company to Mr. Speights, to the Philadelphia office, put in evidence. Defendants' Exhibit D-548, printed in Exhibit Book, p. —.

Letter February 4, 1921, from Pennsylvania Company to Mr. Speights, put in evidence. Defendants' Exhibit D-549, printed in Exhibit Book, p. —.

[fol. 570] Letter January 28, 1921, from Mr. W. L. Sperry, president of The Cumberland Hydraulic Cement and Manufacturing Company, to the Lawrence Company, put in evidence. Defendants' Exhibit D-550, printed in Exhibit Book, p. —.

Letter February 8, 1921, from the Edison Company to salesmen Mathesius, Wight, Furbush, Bigbie, Kahn, Thon and Swett, put in

evidence. Defendants' Exhibit D-551, printed in Exhibit Book, p. —.

Letter February 2, 1921, from H. B. Warner, of Security Company, to Mr. Rayner, put in evidence. Defendants' Exhibit D-552, printed in Exhibit Book, p. —.

Letter January 28, 1921, from Mr. H. A. Moore, District Sales Manager of the Pennsylvania Company, at Philadelphia, to Mr. E. P. Alker, put in evidence. Defendants' Exhibit D-553, printed in Exhibit Book, p. —.

Report of salesman of Lehigh Company, dated February 5, 1921, put in evidence. Defendants' Exhibit D-554, printed in Exhibit Book, p. —.

[fol. 571] Memorandum from the Nazareth Sales Office, at Nazareth, to John W. Ramsay, Sales Manager, at Boston, put in evidence. Defendants' Exhibit D-555, printed in Exhibit Book, p. —.

Memorandum of Nazareth Company, dated March 7, 1921, from Mr. Ramsay to Mr. Fehnel, at Nazareth, put in evidence. Defendants' Exhibit D-556, printed in Exhibit Book, p. —.

Letter March 8, 1921, from Edison Company to its salesmen, put in evidence. Defendants' Exhibit D-557, printed in Exhibit Book, p. —.

Letter March 9, 1921, from Erie Contractors' Supply Company, to Dexter Company, put in evidence. Defendants' Exhibit D-558, printed in Exhibit Book, p. —.

Reply letter March 16, 1921, from Dexter Company to Erie Contractors' Supply Company put in evidence. Defendants' Exhibit D-559, printed in Exhibit Book, p. —.

Letter March 28, 1921, from Edison Company to its salesmen, put in evidence. Defendants' Exhibit D-560, printed in Exhibit Book, p. —.

[fol. 572] Circular of Edison Company, dated March 29, 1921, put in evidence. Defendants' Exhibit D-561, printed in Exhibit Book, p. —.

Memorandum of Edison salesman to Edison Company and the Edison's Company's letter concerning the Alabama Produce Company, put in evidence. Defendants' Exhibit D-562, printed in Exhibit Book, p. —.

Letter April 8, 1921, from H. Wales Lines Company to Dexter Company, put in evidence. Defendants' Exhibit D-563, printed in Exhibit Book, p. —.

Reply letter April 12, 1921, from Dexter Company to H. Wales Lines Company, put in evidence. Defendants' Exhibit D-564, printed in Exhibit Book, p. —.

Letter April 9, 1921, from Mr. Naylor of Knickerbocker Company to Mr. White, a salesman, put in evidence. Defendants' Exhibit D-565, printed in Exhibit Book, p. —.

Letter May 5, 1921, from Mr. Naylor, president of Knickerbocker Company, to Mr. Floring, assistant to president of Knickerbocker Company, put in evidence. Defendants' Exhibit D-566, printed in Exhibit Book, p. —.

[fol. 573] Letter May 5, 1921, from Mr. Naylor to Mr. Stinson,

manager of Knickerbocker Company, Boston, put in evidence. Defendants' Exhibit D-567, printed in Exhibit Book, p. —.

Letters bearing on freight rates put in evidence. Defendants' Exhibits D-568 to D-582, inclusive, printed in Exhibit Book, p. —.

[fol. 574] JOHN R. MORRON, called as a witness on behalf of the defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Stimson:

I am one of the defendants. I am president of the Atlas Portland Cement Company. I have been president of that company since November, 1910. There has not been any understanding or agreement between me and any of the other defendants as to any of the matters you mention, namely, lack of competition as to prices, as to discounts, as to charges for bags, as to credit allowances for bags returned, as to charges for bin tests, or as to customer dealers. There has been no understanding or agreement between me and any of the other defendants as to any of these matters at any time. There has not been any understanding or agreement between the Atlas Company and any of the others, or, so far as I know, between any of the different corporations as to those subjects. As a matter of fact, the Atlas Company has carried on its business with great competition as to prices and as to all the other matters you have mentioned. We have not sold our cement at non-competitive prices. We have sold it at competitive prices. There has not been any agreement whatever among the defendants as to the quantities at which we would sell. We have had no agreement whatsoever as to prices.

Before I became president of the Atlas Company I had been a manufacturer of glue for 17 years. In November, 1910, when I became its president, the Atlas Company was in rather bad condition [fol. 575] financially and I thought without much of an organization. I found that the yard-stick that the Atlas Company had to measure their happiness with was the amount of cement they had manufactured per day, to a great extent. That is not according to my ideas of good merchandizing. They had a very deficient selling organization. I devoted my efforts to increasing the sales of cement and then producing as much cement as we could possibly sell with a reasonable profit. One of the first things I did was to employ more salesmen. I divided the business into departments so that — could have closer attention that it had had before. We began to look into new ways of advertising. We began to strengthen ourselves with the dealers as much as possible because our business is dependent upon dealers, and we took the usual methods of increasing sales—trying to—and succeeded to some extent. It had not been the policy of the Atlas Company up to that time to have an organization to force the sales as much as I believed in when I came there. What I did all comes in under what I stated enlarging the sales force. I did open an office in Chicago, a very large organization,

and it is there today—there are more men there now that there were last year. It is the policy of the organization. The details comprise employing salesmen, cracking the whip once in a while; commending them when they do well—all that tends to increase the sale of cement.

80 to 90 per cent of our business is done through dealers, and, of course, when I increased the sales force it was for the purpose of strengthening our position with the dealers through whom we do most of our business. As a result of our policy we built up a larger dealer clientele.

[fol. 576] We have a service bureau that promotes the use of cement for the Atlas Company alone, and in addition to that, of course, the main promotional work for the industry comes through the Portland Cement Association, the so-called National Association.

When I came with the Atlas Company it was not a member of the National Association. I thought it good policy to join it and did join it and was very much interested in the development of the cement industry through that association. The thing that I took the most interest in, of course, was the result and effect of the association upon the cement business and the promotional work was the work I was most interested in. It was not only extending the various uses to which cement could be put, but good roads were coming up to some extent then. You know you can furnish god cement on a road to a contractor and yet you can get a very poor road. Now when the road business started it was a very necessary thing that we chaperone the use of the cement; that is, we put engineers out there at great expense to see that a road was put down well—that was more necessary in those days than it is to-day—and we looked after the building of those roads to see that the proper aggregate was put in, and to see that they were built as they should be, and things of that kind. You could carry that through all kinds of promotion work—silos on farms and various other ways that cement is used. I think you can get your result without questioning me very much by just looking at the development of the industry itself—a great percentage of that is due to that kind of work. The work of the National Association led to an enormous development in the use to which cement can be put. It is an aid in that and has been one of the chief instruments.

[fol. 577] As to the letter, Exhibit No. 748, referring to a meeting at luncheon with Mr. Gowan and several other gentlemen back in 1915, I have looked it up to see what the meeting was about. The only reason I remember is because I looked it up. I could not remember that far back without looking it up. There was a meeting held to change the manager or recommend the change of the manager of the National Portland Cement Association. There was a man at the head of it who managed it, by the name of Percy Wilson, a pretty good man, good enough for what we did when we started in that association, but the association grew, it developed, and we had to have a man who was able to handle that sort of thing, a bigger man, and it had been suggested that the Universal Portland Cement Company had in their employ a man by the *man* of Beck who would

make, it was thought, a particularly good man for that work. Mr. Gowan had seen me in regard to this, spoken to me of Beck, and I had agreed with him that Beck would probably make a good man, but I was insistent that Gowan should not approach Beck until after he had seen the Universal's president to see whether he would release him—he was a little liable to go off half-cock on that sort of thing and I wanted to hold him down on it. So Gowan went over to Chicago—he had seen me here, not this meeting that you speak of, but some other meeting shortly previous to that—and at the time he sent me this telegram, he had evidently seen the president of the Universal Company because, as I found in looking back at this correspondence, he sent me a wire and wanted to know if I would meet [fol. 578] him. The whole purpose of that meeting was to suggest to Mr. Percy Wilson, in a way which would offend his feelings as little as you could when you put a man out of a job, that he resign, and suggest to Mr. Beck that he take his place in the organization. The reason I wanted Beck in there was because I thought he would be more effective in promotion and other work of the association. He was a promotion and advertising man. The purpose was to get him to put a little ginger into the promotion work and to develop more steadily, not just a spurt, keep going. Beck went in and developed that work splendidly. I believe he was an engineer.

The cement industry is an industry in which the demand varies according to the seasons of the year. They build more at certain times of the year on account of the weather, and inasmuch as that is the only way that cement is used, it is obvious. The winter months, November, December, January and February, are the quiet season. The active demand for shipments starts in March usually, in this part of the country. That is not to stock up for the summer. They stock up for as short a time as possible. It is their first car in the Spring. Of course, the business being seasonal, as you put it, means that we have got to go on producing a limited quantity of cement and accumulating it during the months that we are not shipping out as much as we make. We cannot ship out in the Winter; they don't take the stuff and we must accumulate it. But the main thing is that you have got to take into consideration and have foresight on the cost at the beginning of the year so as to cover almost the entire year. You sell stuff even in the four months when [fol. 579] cement is not being shipped, and to a greater extent later on, that is not going to be made and delivered until later in the year. Now you sell that on these specific jobs that have been talked about; you sell that at a given price, and we for instance, and most people, guarantee against decline even; we can't get more than that price. When I say guarantee against decline, I mean the price to the dealer can't go up and he gets the benefit of it going down. You have got to take on those contracts. You have to have foresight on those contracts too, because the cost may be entirely different at the end of the year. It makes it necessary in the first place to estimate during the winter what the demand will be in the coming season, to govern your manufacture. That is one uncertainty. Then it makes it also necessary that you estimate the costs, the prices of cement, during the com-

ing season. That is a very important factor. Both of those uncertainties affect what you have to do in order to run your business successfully.

There is a very good thermometer of prospective conditions in our business, and that is permits and awards. Permits are permits to build that are taken out. Awards are the awards of contracts carrying out the permits. Sometimes they have permits before the awards, but you take them both together. Take it now, you have seen in the paper time and again here lately that there are more awards being let for contracts throughout the country. I saw a record the other day where in 104 cities, I think, there was over a hundred per cent increase in awards. That is being reflected now in the shipments of cement today. But we knew about it, or thought [fol. 580] we knew about it some time ago, as these permits and awards preceded the actual building. When we find there is a large percentage of permits and awards being made, we anticipate a big demand even when the market is slack at the time; and if the permits and awards are small in number, we anticipate a slack demand.

About 60 or 65 per cent of all our business goes to dealers and into their warehouses and they sell it out in wagon load lots, or something of that kind. That is the daily business, the steady outgo of our cement. Then we place 25 to 30 per cent more business through the dealers on these specific jobs. Together that makes close to 90 per cent sold through dealers. The fact that we dispose of so much of our cement through dealers, of course necessitates a uniform price to dealers. We cannot discriminate between the different dealers in our prices. It is impossible to give one dealer a more favorable price than another. If we adopted any other policy there would be a riot. That is obvious. You cannot quote one dealer one price and another dealer another on a commodity like ours. The fellow would hear about it and we would lose him, we would not have him for a customer. It would end up pretty promptly.

When I came into the Atlas, the Atlas had its main mill in the Lehigh Valley. It also had a mill up at Hudson. There were some other mills at Hudson too, either there or across the river, but the main bulk of the mills were in the Lehigh Valley. At that time [fol. 581] there was not any basing point at Hudson. All of the cement was sold at prices based upon the Lehigh Valley, so far as that part of the country was concerned.

The custom of selling cement f. o. b. point of delivery was a custom which was in practice long before I became president of the Atlas Company.

Letter dated June 3, 1901, from Mr. Navarro, vice-president of the Atlas Company, to certain dealers, put in evidence, Defendants' Exhibit D-538, printed in Exhibit Book, p. —.

That letter was some nine years before I went in as president of the Atlas Company. This selling of cement f. o. b. point of delivery is a matter of convenience to the customer. No other system

is possible practically. We sell cement through a great many thousand towns and at a great many different freight rates. You saw how long it took the Government man here to determine rates the other day, and if we sold any other way except f. o. b. point of delivery, the building season would be over, I guess, by the time they figured out their rates, most of them. It would be very inconvenient. The customer could not figure out his own freight in a great many cases.

[fol. 582] The convenience to us, or our men, of basing prices on the Lehigh Valley, when all prices were based on the Lehigh Valley, was that when the base price at Northampton in the Lehigh Valley is known—for instance, a dollar at Northampton—and it is known what the freight is to the place that they are selling cement, they take the base, add the freight and the other things that go with it, the bags, and so forth, and then they know the price. In order to tell any of our salesmen the price at which our cement is to be sold at any town all we have to give him is the base price and a book containing the freight rates. We do not have to tell him the price at each particular place. If we change our price, all we have to do is to tell him to change one price, the base price, an then he knows exactly how much that cement is sold for everywhere in the district. He only has to add the freight and he has the whole thing. That is all there is to it.

As to the effect of introducing another basing point to that situation, at the time I came into the industry there was another basing point at Universal, near Pittsburgh. None of the Lehigh Valley companies has a mill there, but there was a mill there of another company, the Universal. I based on Universal also. That means this: If there was a line drawn here (indicating on map) between Lehigh Valley and Universal, and all places on this side of the line were freightwise nearer the Lehigh Valley (so that the freight to them from the Lehigh Valley was less than the freight to them from Universal), and on the other side of the line the points were all freightwise nearer Universal, then if I went across that line and [fol. 583] sold cement over in the territory which was freightwise nearer Universal, I would have to meet the Universal competition of course—I would have to meet their price. To do it I would take the Universal base, their Universal base, and the freight from their mill, to the place where they were selling the stuff, add them together, and that would be the price we would have to sell for. But that is not the price that we get. We would have to absorb the freight going into the territory, the freight going over that line we are talking about. If I wanted to sell any cement at a place freightwise nearer Universal, I would have to sell it at the price at which Universal could reach it from its mill. To do that I would have to pay the freight all the way from my mill over to that delivery point. That would reduce the amount that I would get for it.

When there was not any base at Hudson we sold all of our cement anywhere around northern New York and New England at

the price which it would bring at our base price in Lehigh Valley, plus freight to the delivery point, and if we delivered any of that from Hudson we made that much more money. In the beginning the Hudson group of mills was a comparatively insignificant group. As the years went on a base was put in at Hudson. It was after I became president of the Atlas Company. I think it was in December, 1914. The effect of putting in the so-called basing point at Hudson was that, generally speaking, of reducing the price of cement sold up in that neighborhood, New England and around Hudson. Thereafter, when we sold cement up in that neighborhood, instead of charging the buyer the price of the cement in the Lehigh Valley, plus the freight rate to the delivery point up around Hudson, we charged him the price at Hudson, plus the freight from [fol. 584] Hudson to the delivery point. The base price at Hudson was not always the same as the base price at Northampton in the Lehigh Valley. The cost of production at Hudson was somewhat higher than it was in the Lehigh Valley. The base price at Hudson was quite a little bit higher than the base price in the Lehigh Valley. But the net result was to reduce the price in the entire territory that Hudson catered to.

The mills down in the Lehigh Valley which did not have any mills up at Hudson are making a row and bringing suits all the time to get a lower rate from the Lehigh Valley up into this New England territory, to go after us. The Hudson mills have the advantage of the short haul and the lower rate to the point of destination in New England. The Lehigh Valley mills which did not have any Hudson mills found themselves at a disadvantage for that reason. That is one reason we went to Hudson, to get that advantage over them. After they found we had that advantage they tried to neutralize it by going to the Interstate Commerce Commission and trying to get the rates from the Lehigh Valley reduced or our rates raised so we would not have such a big advantage. They are doing that all the time. They have such a case on now—very decidedly.

In December, 1914, a trade war began in the cement industry. Before it commenced the Atlas Company had a good dealer clientele. The Government's Exhibit 675 shows that before that trade war started the price was about 90 cents a barrel. During that war prices kept going down. Our company did not lead in putting [fol. 585] them down and we didn't lead in putting them up either. They went down to 60 cents. Atlas did not go below 65, except in rare instances. The occasion of that war was something that concerned our company. This is my opinion, my best judgment of it, and a little embarrassing for me to state it, too. The idea and purposes that I had in mind in taking the action that I took at that time was this: I have always thought that that was an attack principally by the Lehigh Company on the Atlas Company to take away its dealers—I have to apologize to Colonel Young (of Lehigh) for thinking that, but I do—did and do now. A dealer is probably the most valuable asset that we have. I don't believe that they looked upon the Atlas Company as being in particularly strong financial shape, and they commenced to drop this price and they kept going

5 or 10 cents at a time—I think mostly 5, as I recall it. It was a ruinous situation; I mean there was not anybody making money, everybody was losing when they got down and it was even below mill cost—our mill cost; I don't know what their mill cost was. They were selling considerably below the general commercial cost. If you include the selling cost, it was even lower. We met it as quickly as they got down, unti we got down to 65 cents, and we could not go any lower. And another thing, I think we beat them out a little at that, when our price got down to 65 cents and they were 60, I notified our salesmen to go to the trade—the trade knew that cement was being sold at less then cost just as well as I did—I told our salesmen to go to the trade and tell them that the Atlas Company was going to be in business right along; that we could not sell cement at 65 cents and we certainly would not sell below; that we would not go [fol. 586] below 65, no matter what the other fellow, did, and we thought it was good business for them to stay with the Atlas Company; that it was only a question of time; nobody could sell a product below what it costs except temporarily—except with one result—and we got a good deal of business at 65 as against those other fellows at 60, and held it. You see a 5 cents difference in price when things are abnormal and below cost is not effective, where it would be at any other time. I think they got tired of staying down at 60 pretty quickly. I think the low price was in February, 1915, and they started to go up in May, 1915. When they began to go up I rejoiced. I followed them up mighty quick. There was no agreement whatever by which that trade war was stopped. They went up and we followed. As to the effects of that trade war, we didn't get the bad effect of that wiped off—the war debt was not paid—for a long time, of course. There were a great many contracts for future delivery taken while the price was low. The effect lasted through the year. The average price realized by the Atlas Company that year was 72. The advance started in June and by July 15 the price had gotten back to 90 again. But the amounts we had shipped and contracted for at the old prices brought the average for the year to only 72, although the price got back to 90 in July.

Our company went in to the Cement Manufacturers Protective Association, when it was organized in January, 1916. There were several benefits that I thought our company could get from that association. One of the main advantages that I thought would accrue to the Atlas Company, and it has accrued, was the exchange of statistics of production, shipments, stock on hand, of our [fol. 587] competitors. I think that is the kind of information that is necessary intelligently to run a business. I always have thought so and I still think so. Then there was the reporting of these specific job contracts. The idea is that two companies ought not to be held liable for the same contract to a dealer or contractor, either one, so that when the price goes up, he can call on both of us for the cement. You have gone through that here. That was decidedly an evil at the time and had been for a great many years. Our obligations were very uncertain. We never knew just what they were. The reporting of specific job contracts was for the purpose of identifying the duplicated contracts.

The third activity was the freight rates, the freight rate books. I think that was a convenience to the Atlas Company, although, of course, it did not affect the Atlas Company as it did the smaller companies, because we have a large and expensive railroad department that we can afford to keep up. The publication of a book of freight rates was mainly for the benefit of the small companies. We already had a freight rate department. But it was a convenience for us, too.

As to the fourth activity regarding credits, I know very little about the credit end of the business. I should say it affected us advantageously. When there was a man who continually did not pay his bills for cement—it doesn't make any difference where he gets it—and that information can be exchanged between competitors—I should say it was a benefit to know that, but I can't go into detail [fol. 588] on that. The principal activities that influenced me in joining the association were decidedly the first two I mentioned. [fol. 589] I used the statistics of production and shipments of the Cement Manufacturers Protective Association to guide me in running the business. The letters addressed by me to my salesmen and sales managers, for instance, Defendants' Exhibit D-32, refer to the facts that I got from those statistics. I was always anxious to get those statistics, especially the shipments—they came to me twice a month—to see just how we were doing as compared to others. If others were getting more business and getting business away from us, if we were going down and they were going up, I would know it by those figures. It gave me a chance to crack the whip a little with our own men in a nice way. These letters were cracks of the whip. We commended them when they did well. But, of course, the figures were for use in just that thing, that's what they were for, they were of benefit to me in that way. I used them to stimulate me into getting more business and then passed it on to the sales managers and salesmen.

In regard to the reports of specific job contracts reporting the prices at which the contracts were taken, the main benefit to me of the prices on those contracts was checking our own men, I mean my own salesmen. It is not an uncommon thing for a salesman, as you know, to go to a purchasing agent and try to get his order and come back and report that he didn't get it because some fellow cut the price; giving that as an excuse for his not getting the order—the [fol. 590] salesman not getting the order. Of course, there was rarely much information in this report in regard to a contract being lost to the Atlas Company; I think those reports came in a week or so after the thing happened, and we were on the job long before that, of course. But when these prices came in that you were asking me about—if a report came in, for instance, that the New York Central had placed an order with a competitor for 10,000 barrels at $1.25, and $1.25 was our price, it would naturally make me think that the reason we lost the order was because the other fellow had a better salesman. It was a question of checking up the salesmanship with me more than anything else. The prices would not be of any use in giving me a line on current prices. We got current prices

instantaneously from dealers. We got those over the telephone. These prices through the Protective Association came in about a week afterward. I had all the price information that I needed long before these contract reports ever came in.

In entering this Protective Association, I had no purpose whatsoever in my mind to fix or affect prices in any way.

Prices were just as uniform long before the Association as they were after it was in operation. Look at your trade war—I mean what do you want better than that?

[fol. 591] I have determined the price policy of the Atlas Company under the different conditions of the market. To tell how I do it is a pretty large order. I can answer in a way. It depends altogether upon conditions. There is a factor that might be prevalent any time there that would cause me to consider a price change, and that is the price change of a competitor. We automatically have to take care of that. I mean if a sufficient quantity of cement is offered at a less price than the Atlas price, within a reasonable time we have to meet that of course. If a competitor who has been furnishing a sufficient amount of cement lowers his price, we have to meet it, especially when he is trying to get the dealers. There is a marked difference between the different companies in that respect. Some of the companies have more of a dealer's policy than others. Some of them have a small enough output so that they don't have to have a fixed policy with the dealers such as the Atlas has. Take a fellow who has a million barrels of cement, he can do anything he wants with his million barrels of cement; it might be a special job for a million barrels of cement and he can sell it at cost if he wants to, right on that one job; that is all the cement he has got, a million barrels, and he can place that right out. The Atlas Company manufactures a large quantity of cement and 90 per cent. of its business goes through dealers. We are dependent upon the dealers. We have got to have a fixed policy with those dealers, because they [fol. 592] are dealers. Therefore, if a company like the Alpha, or the Lehigh, or Universal, or any of those companies went down in their price, that would be a thing that would make me consider going down awful quick. But, of course, you can't say that your business is run entirely on what some other fellow makes you do; you have got to take into consideration the laws of supply and demand; you have got to figure over these permits and awards that I was telling you about. I think it is the different digestion of the facts by companies that makes them a comparative success. It is foresight. I can imagine a condition where other people might do things which would not affect me at all; I would let them get through doing what they wanted and I would get the business afterwards. I would let them fill up, try to get them to fill up; that is part of this game. Now that works the other way; that works when a competitor goes up in price. Very often a competitor goes up in price in order to load me up with business, or some other fellow, so that he can't ship when the dealer wants it, and you get back to the same thing again; he is trying to take your dealer away. It is not a question of money; the dealer is the permanent asset.

They might flood you with orders, then if you do not ship the stuff, Mr. Jones over there would go to the dealer and say, "That is all right, you can always get a lower price from the Atlas Com-
[fol. 593] pany, but you don't get the cement." It is an obvious thing. I don't see why we talk so much about this thing. You have got to run your business that way.

The first change in price after the Protective Association was formed, an increase from $1.05 to $1.15 per barrel, was in October, 1916, according to Government's Exhibit 675. This letter, D-25, I don't remember specifically, but it is the way we learned of price changes all the time. I had no knowledge that anybody was going to raise the price until the information came, as indicated in that. It refreshes my recollection that the costs of manufacturing cement were going up in the Fall of 1916, not in detail, however, but, of course, they did go up. All you have to do is to look at the selling price of cement and you can usually tell when the costs are going up—when the selling price is going up. On that change of price three of the other companies went up before we did. I did not know anything about their going up until we got word from the dealers. It is always so; you do not have to ask me that. I don't mean to say that invariably somebody else puts the price up and we do not, but I mean invariably we get our information in regard to a price going up from the trade.

In 1917, when this country went to war, the War Industries Board was formed. Mr. Baruch was the Chairman of that Board and an old friend of mine. He wrote to me and asked me to give him the
[fol. 594] names of important cement men in different locations in the United States, from which he could select a committee to work with his Board and the Government. I did it and he appointed a committee and made me Chairman of it. The Government and this committee fixed the price of cement which the Government purchased during that period of the war. The Government did not have all their own say about it. We gave them costs and discussed what would be a fair price; it changed you know. But at different periods we would go to them and there was a price fixed, which the Government would pay for the cement. Other than the cement which the Government took, the use of cement was restricted to essential uses by the Government. The Government also cut down the supply of coal that we were allowed to have. It discussed with us as to what our price to the public should be. They said they would approve a certain price and would take action in case we sold to the outside fellow for a lot more money. They virtually fixed a maximum, and we did not go beyond that maximum, but I don't believe I could say they fixed it. They controlled it—put it that way. That price was 15 cents over the Government's price. It lasted through the war.

Then in the Spring of 1919, after the war was over, there was a committee known as the Peek Committee, which asked me to call together my old committee which Mr. Baruch had appointed, in order to take up the question of a reduction of prices to help the re-
[fol. 595] establishment of industry. As a result of that, the price was reduced from $1.90 to $1.75.

I wrote this letter in January, 1920. It fairly shows the situation at that time.

Letter dated January 24, 1920, from Mr. Morron to Mr. Burch, of the Atlas Company, put in evidence. Defendants' Exhibit D-539, printed in Exhibit Book, p. —.

Cross-examination by Mr. Fowler:

I had not been in the cement business before 1910, when I became President of the Atlas Company. At that time the Atlas did not belong to the National Association. I think we joined about a month or a few months after that. That Association sent out statistics of production. I think the Association held meetings twice a year and I attended a number of them. I have been a member of the Executive Committee. You have a record here of what that Association did concerning trade practices. I don't consider that important. At the time I became connected with the cement industry there was no Association here in the East.

When I came here, the Atlas was operating under a license agreement and continued to operate under it a couple of months after I came in. There was no association in this eastern section for a time after that license agreement. There was a dinner that I gave September 26, 1912, to thirty or forty cement manufacturers, at the Knickerbocker Hotel. I wanted to meet—I knew very few cement men, and I wanted to give this dinner to meet them. To be perfectly candid, I think the Atlas Company had had a reputation of being a little bit autocratic. That is not according to my policy. [fol. 596] I wanted that understood. That was the purpose of the dinner. It was not for the cement men to get together. It was for me to meet the cement men. I did not know them. I got acquainted with them there. We did not talk about the prices of cement. I can recall no talk about that.

On November 7, 1912, the Eastern Association was organized. It was after that dinner, because it was not formed before. We did not talk about the organization of an association at the dinner. I have been trying to refresh my mind on that, but I do not think anything was said about an association at that time. I was President of the Eastern Association. It stayed together for two or three months, or three or four months, and then disbanded. Then there was no association in this eastern section until the Protective Association was organized in 1916.

On December 29, 1913, I wrote Mr. George F. Baker, enclosing a copy of a speech that I had delivered at a meeting of the National Association, Government's Exhibit 516. When in the course of that speech I said that should each manufacturer "continue to violate the eleventh commandment, he will force others into the same position, by the eleventh commandment I referred to "Thou shalt not be a hog." I was present at the organization meeting of the Protective Association. I was not one of the promoters of it. I think every- [fol. 597] body promoted it. I do not know who made the first sug-

gestion, but I have a sort of an idea that Mr. Lober did, of the Vulcanite. I know I was in thorough accord with it, and I might just as well have promoted it as not; I had nothing against promoting it, but I do not think I did. The first meeting was held in some hotel, here, I think. I do not remember whether I was on a committee in connection with it or not. My company joined the Association. I have been in thorough accord with the movement. It cost to run it, for all the companies, about $60,000 a year, I think. As soon as we went into the Protective Association we began reporting specific job contracts and receiving reports of specific job contracts. Every day we have given and received them. I doubt very much whether all the specific job contracts were reported by the companies. I have always thought that some of them may not have reported all their specific job contracts. I doubted them to that extent. The report was delivered every morning, but those specific contracts were taken about eight days before, as I recall it. The question of price in those reports did not mean anything to us at all, so far as as the specific job contracts were concerned, because we got our prices from the dealers, as I told Colonel Stimson. But I was glad to have the prices of specific contracts reported on that sheet for the purpose of checking up our own salesmen, to find out whether we were losing business because they were not good sales-
[fol. 598] men or because of the fact that they misrepresented conditions to us and told us somebody was cutting the price.

I would feel very much ashamed to have to sell cement at less than anybody else. I did not want to do it, certainly not. I should hate to think that we were spending hundreds of thousands of dollars in advertising and building up the business of the Atlas Company, and then have to sell, because of lack of ability of the President, for less than the same kind of commodity was being sold for. As to whether my competitors felt the same way, you cannot ask me about my competitors, because I don't know.

We reported our production and our shipments twice a month. The other members sent like reports to the Association, and the Association sent them to me. I could glance at that information and tell exactly the status of production, both of clinker and cement, but don't talk about clinker, there is very little of it produced other than cement. To a great extent clinker is non-perishable, while cement is perishable.

That information was used for our guidance in business, but I don't know as I would call it private. I would have given it to anybody who wanted it. I did not because they did not want it, probably. I never had any occasion to give it to anybody, but if the public wanted to have it, they could have had it, because I think it would have been a good thing to give it to them. As a matter of fact, it was not given to the public.

[fol. 599] Our rate books were in use when I came to our company in 1910.

We would have to absorb some of the freight when we shipped into our competitor's territory. We met him by quoting the same price to the fellow that he sold to, but not realizing the same price

ourselves. We quoted to that fellow at that delivered point exactly the same price that our competitor was quoting. That is so everywhere. There were times when the Atlas went under. I remember one time when we quoted under him. I can't tell you when, but I can explain to you. If we had to absorb the freight, and the other fellow did not have to absorb the freight and he was paying the same cost for production, he could get more money. He could not undersell us and still make as much money as we did. He couldn't undersell us more than 24 hours. You bet we came down to him. That is exactly what we did. He could not come to a point where he would lose money and we would make money. The reason for that is that if we were absorbing freight and he was not, our commodity would not be sold in the district where that absorbing freight made us lose money. You can't do that. We have a high priced business in another territory that will give us a little nutriment while such competition is going on down there. Our business is not made up of isolated transactions. It is made up of a combination of small business. There is nothing to the fact that [fol. 600] every sale is a transaction within itself. Of course, every time we bill a man a carload of cement, it is part of a whole, it is a unit.

I can't give a specific instance where we had to absorb the freight and our competitor did not have to absorb the freight when he sold under us. I don't go around carrying instances in my pocket. I can explain it so that you can understand it, if you want to. If you want me to give you a hypothetical case, I will do it. Take it down around Universal. It makes no difference whether Universal does or does not belong to this Association, it is the same thing. If the Universal, for instance, should have a certain mill base and we would have to absorb freight in shipping to the point that Universal was shipping to, by shipping from our Northampton base, and Universal should reduce their mill base, then everybody would right away come to Universal.

Whether when one of the companies belonging to the Protective Association went down or went up, I would follow, depends upon the company that *when* down or up. I would follow one quicker than I would another. We wouldn't allow a fellow with a million barrels to set a price on our entire output.

I did not designate the cement committee connected with the War Industries Board. I gave a list of names from which Mr. Baruch chose. I don't think the committee was there to look after the in- [fol. 601] dustry, commercially speaking. There was just a little sentiment about that all through this whole committee; the cement people did things for the Government that they never would do for the trade. The price was not fixed by the committee, it was fixed by the Government. I don't think you want to be too technical on this thing, I can't tell you whether it was the War Industries Board, but it was what they called the Price Fixing Committee. I think it was a sub-division of the War Industries Board. It was not our committee, but a price-fixing committee of the Government. The object of our committee was to furnish information to that Gov-

ernment committee and to advise with them. They had the Federal Trade Commission on that price-fixing committee; the Federal Trade Commission had a representative and he checked over all of our costs and everything so as to arrive at what they thought was a fair price for the Government to pay for cement. That price was not a maximum price, it was the actual price. The maximum price that I spoke of was the price charged to the public. That was the maximum that we charged the public. They told us that if we abused our privilege they would take it in hand and control it, see that an order was issued.

[fol. 602] J. FRANCIS SMALL, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Porter:

I am in the appraisal business. Since the early part of February I have been connected with George W. Goethals & Company. Before that I was in the appraisal business with Coates & Burchard, in Chicago, for four years. They have been in business about 25 years, making appraisals of industrial plants all over the country extensively. In the latter part of 1919, I arranged for an appraisal by that firm of the properties of the Lehigh Portland Cement Company. The cost of making that appraisal was $70,000. We made complete drawings of all the plants and quarries, took the properties as we found them, beginning with the cost of excavation, and replaced the buildings; that is, we figured the cost of replacing the buildings by parts and quantities, replacing the equipment, depreciating it for obsolescence, wear and tear, and also established the net sound value. The volumes on the table there are the volumes for one plant. I think there are nine Lehigh plants here in the east involved in this suit. In that appraisal we also appraised the value of the rock deposit. From these 20 or 25 large volumes of detailed appraisal, I have prepared a summary showing the total of [fol. 603] the reproductive value of the Lehigh Company's mills which are involved in this suit, and also the sound value of the rock deposits, and added to that the amount of working capital as shown on Defendants' Exhibit D-277. This is the summary.

Put in evidence Defendants' Exhibit D-583, printed in Exhibit Book, p. —.

Cross-examination by Mr. Fowler:

In such an appraisal, we first figure what it would cost to reproduce the building new, and then take off the depreciation for the condition in which we find it. After we figure on replacing a property based on new materials, we depreciate them from observation for obsolescence and wear and tear, and determine the sound value. Obsolescence is a condition in which the property is found; it might be used for one purpose and no longer of value for that purpose, or it is rapidly arriving at a condition when it is of no value, so

obsolescence takes place, and more particularly in machinery. For instance, a machine may be going out of date and more effective machinery for doing the same work may be developed. Therefore, the former is more or less obsolete. Wear and tear we figure from the use to which the machine has been put. It is wearing out and [fol. 604] so it has depreciated for the service it has already rendered. The difference between the reproductive value and the sound value is here about $5,300,000 or a little more. That is the total depreciation of buildings and equipment, for obsolescence and for wear and tear. The rock deposits are a separate item. There are separate appraisals for the rock. The sound value of the plant and the rock deposits would be added together to arrive at the total value. My total sound value is $21,950,458.26. That is the sum of the sound value of the plant's working capital and rock deposits. The word "sound" could just as well be left out, and say total value.

I cannot tell you why that appraisal was made. We never ask a client why they wish an appraisal made. We make appraisals for various purposes, so as to place insurance risks accurately, and in case of loss by fire to prove a claim; for authoritative statements for banks to use in bond and stock issues; for mergers, and various other reasons when it is desired to have knowledge of the full plant value.

When I make an estimate of the value of a plant I compute labor and material at the prices prevailing at the time. This particular valuation is based on the prices of labor and material during the latter part of 1919 and the early part of 1920.

It took us about a year to make the report, which is dated August 20, 1920. I have never engaged in the cement business, and do not know anything about the manufacture of it, except what I happened to notice there casually.

[fol. 605] Owen H. Hess, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Cox:

I reside at Nazareth, Pennsylvania; am Superintendent of Dexter Portland Cement Company, and have been a little over 21 years. As Superintendent, I have charge of the operation of the plant and am in direct charge of the production of cement. I act under instructions of the executive office. Those instructions have been to produce as much cement as I possibly could. I have tried to carry out those instructions. Since the war restrictions of 1918, I have produced as much as I possibly could—every barrel.

A cement kiln cannot operate 24 hours a day for 365 days in the year. Disregarding the shutting down for making repairs, laying those aside, according to my observations and experience, a cement kiln can be run on an average about 22 hours. That, in my judgment, is a perfect, normal operation, without any allowance for repairs. We can't run 24 hours, because you have to shut down sometimes for heating the kiln, and sometimes for flushing

the cement, and other little things that happen that you can't prevent. You have to shut down for patching the lining. The cement [fol. 606] kiln is bricked out with fire-brick, and we give a coat of raw material on the fire-brick, and sometimes where it is not properly packed it drops out and we have to stop that kiln and put in a new pack. That is what is called packing with raw material. It does not refer to relining with fire-brick, but merely to recoating with the raw material. If you don't do that promptly, the fire-brick will burn out. By flushing, I mean that the feed of raw material is interrupted for some reason. Sometimes we get low in the stock boxes of the raw material and the kiln don't hold it and it flushes in. These and similar interruptions, without regard to repairs, according to my experience, take up on an average about 2 hours a day for each kiln. I call 22 hours a perfect run.

Then in addition to that, you have to shut down from time to time for actual repairs. Those repairs result from something breaking or having to reline the kiln, or something of that kind. The time it takes to reline a kiln depends on how far we have to line. Sometimes we have to line for 8, 10, 15 or 20 feet of the fire-brick. The further you have to line the longer it will take. These shut-downs for repairs are just as they happen. There is no general rule.

The raw material which we have at our quarry in the Dexter plant is cement rock. We get the proper mix by taking it from two places in the quarry. We don't have to bring anything in. When it is hard we add clay, which we get right on the plant. Ordi- [fol. 607] narily the rock itself is in the right proportions to make Portland cement.

According to my experience, machinery at our plant wears out and in order to keep up we have to add more machinery. We have been doing that right along. For instance, when we started at the quarry we used trucks that took about 2,400 or 2,800 pounds, then we got 2½ tons, then 4 tons, and now we have 6 ton cars. The old trucks weer worn out and scrapped. We keep things repaired as long as we can, and then there comes a time when we have to get new ones. That happens right along with all the machinery in the plant.

Cross-examination by Mr. Fowler:

A cement mill runs night and day as long as you can, if nothing happens to a machine. The kiln is down sometimes for repairs. It does not crack your kiln when it cools. We could let it cool off over Sunday and start up again. It could be done. We don't though. We run it night and day, Sundays and every day in the week.

In estimating the capacity of the mill in the year, 365 days would be the basis, if they run continuously 365 days. It would be the basis theoretically, but it would not practically. We could not run everything continually and make 500 barrels a day every day in the year; we could not do that.

[fol. 608] Our kilns are six by seven feet in diameter and a hundred feet long, and they are a little different from other kilns.

Some mills have the same kilns. We figure on about 400 barrels in a kiln a day, That is about my experience. We have six kilns. 2,400 a day would be our capacity if we run it continually. I should judge we would produce 2,400 barrels a day for 360 days. Some days, of course, we shut down. We have been running our mill for the past three years all we possibly could. I should judge that it would hold out pretty near to making 2,400 barrels every day for 360 days for the last three years, with the exception of the repairs of the kilns, which will happen right along. We actually run about 360 days in the year, but we cannot run all the kilns. We have to line the kilns. I don't know how many days we would knock off during the year for repairs. I have never thought about that.

I mean to say positively that the last three years I have got out of that mill every barrel of cement that I could under what I consider proper operation.

I did not help make any of those figures that have been turned over to you, or know anything about them.

We have almost perfect cement rock right in the quarry, and if it is too high in lime we add clay, which is right there on the property. Our mill is in Nazareth, in the Lehigh Valley. I would not say that our mill is about the cheapest operated mill among them all. I don't know.

[fol. 609] LESTER C. HAWK, called as a witness on behalf of the Defendants, being first duly sworn, testified as follows:—

Direct examination by Mr. Cox:

I live at Nazareth, Pennsylvania, and am the head chemist of the Dexter Portland Cement Company. I have been head chemist since 1909. Before that I was assistant chemist for three years under Richard K. Meade.

A few years ago we put in waste heat boilers at the Dexter plant, and I have had charge of observing their operation since that time. On account of that, I have given particular attention to the operation of the kilns of the Dexter Company. We began operation of those boilers in October, 1918. Since then, or say beginning with the beginning of 1919, I have kept for my purposes in connection with those waste heat boilers the kiln hours of each individual kiln, and also the total number of kiln hours throughout the plant. I have accurate summaries of just the extent to which the kilns have been run during that period.

I think that 22 hours a day on an average, represents the best that can be done in operation. That is the way I figured it at the Dexter plant by average hours per day. During the year 1919, the Dexter kilns ran 82 per cent on a 365 day year. The average day run per kiln would be 82 per cent of 24 hours or about 19.7 hours out of the 24. That means productive hours. It does not

include the period while you are heating up before you can produce after a shut-down. It includes simply the productive hours.

[fol. 610] In 1920, the kilns ran 72.1 per cent. At the beginning of 1920, that is during January, February and March, there was a shortage of cars and we also began remodeling our stock house. At the end of March, we were 51,000 barrels behind in our orders. Then in April, we shipped as much as we were able to produce. In May we did just about the same. But at the beginning of May there was a coal shortage which cut down our production. It was causes of that kind which resulted in our falling a little behind the record of the year before.

In 1921, we ran 76.6 per cent. That is about 18.4 hours per day for each kiln, for the whole 365 days in the year. At the close of the year 1920 we were short of labor, and for that reason the mills and the kilns were not kept in very good repair, so at the beginning of 1921 it was necessary to do a good deal of repairing and also relining, and that resulted in temporary shut-downs and the lowering of our record.

In all of those three years we produced every barrel we could under the circumstances. That has been true of the Dexter mill ever since I have been with the Dexter.

[fol. 611] Morris Fortuin, called as a witness on behalf of the defendants, being first duly sworn, testified as follows:—

Direct examination by Mr. Cox:

I reside at Nazareth, Pennsylvania, and am mill manager of the Pennsylvania Cement Company. As mill manager I have charge of the operation of the plants. I have been mill manager of that company for 17 years. The company has a plant located at Bath, Pennsylvania. Bath is 5 miles from Nazareth. At the plant we have stone and cement rock. The rock in the Pennsylvania's quarry is of the right composition to make cement without getting material from the outside. In one part of the quarry we have high lime stone and in another part we have low and we mix the two together to get the proper proportion without going off our own property.

At our plant we have what we consider very good facilities for storing both finished cement and clinker. It is exceptionally large storage for the size of the plant. We have facilities for grinding the clinker into finished cement in excess of our burning. That is, we can grind more than we can burn in the kiln. Consequently, if we have considerable quantity of clinker stored, we can make large shipments by grinding up that surplus clinker and also all that is coming out of our kilns.

I keep a record of our kiln hours and monthly figure out the actual hours we operate in kiln hours. In other words, we have six kilns and we take the total number of hours that each kiln

[fol. 612] operated and compare that with the number of hours in the month, and we take that percentage as the operation.

The production is really left entirely to myself. I have never had instructions as to production. We have a policy as to that. The policy has always been that I should make more than I had been making. We always try to make all we can, but the officers feel we ought to make more.

I have a record of how much we have produced, compared with the amount that we would have produced if we could have run every hour of every day, all through the year. Beginning with the first year I have here, we ran 85.7 per cent for the year 1917. The hundred per cent would be the total number of hours in the whole year, that is 52,560 hours. Of those total hours in the year our kiln operation was 45,062 hours. That gives you 85.7 per cent operation. In 1918 we ran 72.3 per cent. In 1919, 85 per cent. In 1920, 78.3 per cent. In 1921, 91.2 per cent.

The fact that we got a better result in 1921 that in the former years is due to the fact that previous to 1921 we used to load our stone by hand and it was impossible to get enough stone up, in the winter months particularly, to keep our kilns going. We then put in electric shovels, which permits us now to keep our kilns supplied. In some of those earlier years, for instance, 1918, our production was more or less interfered with by conditions beyond our control. This percentage between our actual productive running of the kiln and the 100 per cent is accounted for by the fact that it is impossible to run every minute out of the 24 hours. We have done exceedingly well, I think, to run 85 per cent out of the pos-
[fol. 613] sible hours in the year. I think that is exceptionally good—far better than we ever expected we could run.

Cross-examination by Mr. Fowler:

The total capacity of our mill per annum, if you base it on what we produced in 1921, would be about 1,400,000 barrels. That is 91 per cent and that is an extremely high percentage of operation. We produced more in 1921 than in 1920. We did not increase the capacity of the plant, but we produced more than we ever did before. We have six kilns. I don't know exactly what the Dexter has. Our plant is four miles away from the Dexter plant. I did know, but they are changing there, so I could not tell you at the present time whether they have more kilns installed or not.

I consider our mill one of the comparatively small ones, but we are about the largest of the group in that particular district of ours.

Our kilns would produce more than 400 barrels per day. It all depends on the size of your kiln as to what it will produce. We have three 7 feet 6 inches in diameter, 125 feet long, and then we have three kilns 9 feet in diameter, 125 feet long. Those larger kilns will each produce with good operating conditions, good coal, possibly 850 barrels a day. The smaller ones will each produce about 550.

In 1918 the company gave me a $10,000 stock bonus. In 1919

they did not give me any stock bonus. I can't remember whether I got any cash bonus in 1919. As to 1920, let me see, 1920, I really don't know without figuring it out. I am not positive. I have been with Pennsylvania for 24 years.

[fol. 614] JAMES W. LAUDER, called as a witness on behalf of the defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Cox:

I reside at Nazareth and am superintendent of the mill of the Nazareth Company, located there. I have been superintendent of the Nazareth Company about 14 years. The plant is in a triangle formed by two railroads, with a quarry behind it. As a result of that location of the plant, our practical capacity is limited by the room for the storage of clinker. We can store about 80,000 barrels. When our storage is full we have to stop running the plant.

Since the war, 1918, we have run the plant about 85 per cent, as nearly as I can recollect. I have not received instructions to shut down the plant at any time in the last 5 or 6 years, unless it was on account of the stock houses and clinker storage being full. Sometimes we have shut down on account of all the storage space being taken up. On those occasions I have conferred with the general manager and told him the conditions, that we would only be able to run a certain length of time, and we have run that length of time and then we had to stop. The stopping always came from me as the man in charge of the production. We made all that it was possible to make.

Cross-examination by Mr. Fowler:

We are in the Lehigh Valley district, possibly two miles or a mile and a half from Dexter and within about four miles of Pennsylvania. [fol. 615] We can run from 3,700 to 4,000 barrels per day. We have a somewhat larger capacity than Dexter. I don't know what Pennsylvania's daily capacity is. Our rock is almost a perfect cement rock. It is of the same character as the Dexter rock. As to cheapness of manufacture, of course the quarrying of the rock is not the whole cost.

I don't own any of the stock of the Nazareth Company. I am just an employee.

[fol. 616] Letter September 16, 1919, from Edison Company to Mr. Robert Cope, sales manager of Allentown Company, put in evidence. Defendants' Exhibit D-584, printed in Exhibit Book, p. —.

Invoice from Edison Company to Allentown Company, and letter September 18, 1919, put in evidence. Defendants' Exhibit D-585, printed in Exhibit Book, p. —.

Invoices of Security Company to Tidewater Company, dated November, 1918, put in evidence. Defendants' Exhibit D-586, printed in Exhibit Book, p. —.

Invoices of Hercules Corporation to Bath Company, put in evidence. Defendants' Exhibit D-587, printed in Exhibit Book, p. —.

Letter July 8, 1918, from Bath Company to Mr. Franks of Bath Company, put in evidence. Defendants' Exhibit D-588, printed in Exhibit Book, p. —.

Letter July 22, 1918, from J. F. Twamley, of the Bath Company, to Mr. Franks, of the Bath Company, put in evidence. Defendants' Exhibit D-589, printed in Exhibit Book, p. —.

[fol. 617] Letter December 22, 19119, from Mr. Weaver, of Allentown Company, to Mr. Breerwood, president of Acme Corporation, put in evidence. Defendants' Exhibit D-590, printed in Exhibit Book, p. —.

Letter December 23, 1919, from Acme Corporation, Catskill, N. Y., to Allentown Company, put in evidence. Defendants' Exhibit D-591, printed in Exhibit Book, p. —.

Lettes August 4, 1920, from Acme Cement Corporation to Mr. Fuller, president of Allentown Company, put in evidence. Defendants' Exhibit D-592, printed in Exhibit Book, p. —.

Letter dated August 28, 1919, from Knickerbocker Company to Mr. Swett, of the Lehigh Company, put in evidence. Defendants' Exhibit D-593, printed in Exhibit Book, p. —.

Reply letter dated August 28, 1919, from Lehigh Company to Knickerbocker Company, put in evidence. Defendants' Exhibit D-594, printed in Exhibit Book, p. —.

[fol. 618] Letter dated August 30, 1919, from Lehigh Company to Knickerbocker Company, put in evidence. Defendants' Exhibit D-595, printed in Exhibit Book, p. —.

Letter dated September 12, 1919, from Mr. Swett of Lehigh Company to Mr. Daniels of Knickerbocker Company, put in evidence. Defendants' Exhibit D-596, printed in Exhibit Book, p. —.

Letter October 2, 1919, from Knickerbocker Company to the Lehigh Company, put in evidence. Defendants' Exhibit D-597, printed in Exhibit Book, p. —.

Letter October 16, 1919, from Lehigh Company to Mr. Naylor, of Knickerbocker Company, put in evidence. Defendants' Exhibit D-598, printed in Exhibit Book, p. —.

Letter January 9, 1920, from Giant Company to Sorco Pipe & Supply Company at Johnstown, Pa., put in evidence. Defendants' Exhibit D-599, printed in Exhibit Book, p. —.

Letter February 2, 1920, from Edison Company to The Clarksburg Coal Sales Company, Clarksburg, West Virginia, put in evidence. Defendants' Exhibit D-600, printed in Exhibit Book, p. —.

[fol. 619] Letter January 30, 1920, from the Clarksburg Coal Sales Company to the Edison Company, put in evidence. Defendants' Exhibit D-601, printed in Exhibit Book, p. —.

Letter February 4, 1920, from the Edison Company to Mr. Benjamin Bissel of the Century Coal Company, Baltimore, Maryland, put in evidence. Defendants' Exhibit D-602, printed in Exhibit Book, p. —.

Telegram March 10, 1920, from Edison Company to a long list

of coal companies, put in evidence. Defendants' Exhibit D-603, printed in Exhibit Book, p. —.

Telegram February 23, 1920, from Edison Company to various coal companies, put in evidence. Defendants' Exhibit D-604, printed in Exhibit Book, p. —.

Telegram February 25, 1920, from Edison Company to Bixler Coal & Coke Company, Pittsburgh, put in evidence. Defendants' Exhibit D-605, printed in Exhibit Book, p. —.

Letter March 9, 1920, from Edison Company to the Operators' Fuel Company at Philadelphia, put in evidence. Defendants' Exhibit D-606, printed in Exhibit Book, p. —.

[fol. 620] Letter March 8, 1920, from the Edison Company to Fisher-Summit Coal Company at Clarksburg, West Virginia, put in evidence. Defendants' Exhibit D-607, printed in Exhibit Book, p. —.

Letter March 24, 1920, from the Edison Company to Moore & Company, Incorporated, Philadelphia, Pa., put in evidence. Defendants' Exhibit D-608, printed in Exhibit Book, p. —.

Letter February 19, 1920, from the Giant Company to Philadelphia & Reading Railroad Company, put in evidence. Defendants' Exhibit D-609, printed in Exhibit Book, p. —.

Circular letter of Security Cement & Lime Company, dated February 21, 1920, put in evidence. Defendants' Exhibit D-610, printed in Exhibit Book, p. —.

Letter February 23, 1920, from Giant Company to American Hardware & Equipment Company at Charlotte, North Carolina, put in evidence. Defendants' Exhibit D-611, printed in Exhibit Book, p. —.

[fol. 621] Telegram March 1, 1920, from the Phœnix Company to Commonwealth Fuel Company, put in evidence. Defendants' Exhibit D-612, printed in Exhibit Book, p. —.

Letter March 1, 1920, from J. E. Long Coal Company to Penn-Allen Company, put in evidence. Defendants' Exhibit D-613, printed in Exhibit Book, p. —.

Letter March 3, 1920, from Giant Company to Mr. W. P. Rogers, of Springer & Rogers, 112 South Broadway, New Philadelphia, Ohio, put in evidence. Defendants' Exhibit D-614, printed in Exhibit Book, p. —.

Letter March 3, 1920, from Giant Company to the Thomas Hardware Company at Statesville, North Carolina, put in evidence. Defendants' Exhibit D-615, printed in Exhibit Book, p. —.

Telegram March 6, 1920, from Phœnix Company to Mr. George Paull, of the Commonwealth Fuel Company, at Pittsburgh, put in evidence. Defendants' Exhibit D-616, printed in Exhibit Book, p. —.

Letter March 17, 1920, from Giant Company to Mr. F. T. Brinkley, Division Freight Agent of the Norfolk & Western Railway, Winston-Salem, North Carolina, put in evidence. Defendants' Exhibit D-617, printed in Exhibit Book, p. —.

[fol. 622] Letter March 18, 1920, from Bath Company to George

W. Pack & Son, Inc., at Syracuse, New York, put in evidence. Defendants' Exhibit D-618, printed in Exhibit Book, p. —.

Letter March 17, 1920, from George W. Pack & Son, to Bath Company, put in evidence. Defendants' Exhibit D-619, printed in Exhibit Book, p. —.

Letter March 18, 1920, from the Giant Company to Mr. William C. Mallonee, of Robert G. Lassiter & Company, Norfolk, Virginia, put in evidence. Defendants' Exhibit D-620, printed in Exhibit Book, p. —.

Confirmation of telegram dated March 18, 1920, put in evidence. Defendants' Exhibit D-621, printed in Exhibit Book, p. —.

Letter April 17, 1920, from Bath Company to Hendrickson & Dilatush at Robbinsville, New Jersey, in reply to letter of Hendrickson & Dilatush dated April 16, 1920, to the Bath Company, put in evidence. Defendants' Exhibits D-622 and D-623, printed in Exhibit Book, pp. ——.

[fol. 623] Telegram April 24, 1920, from Bath Company to Mr. C. T. Kingsburg, of the Rosslyn Steel & Cement Co., Woodward Building, Washington, D. C., put in evidence. Defendants' Exhibit D-624, printed in Exhibit Book, p. —.

Letter May 3, 1920, from Bath Company to Mr. W. J. Kenlon, put in evidence. Defendants' Exhibit D-625, printed in Exhibit Book, p. —.

Letter May 1, 1920, from Walter J. Kenlon of the Bath Company to Mr. Dutton of the Bath Company, put in evidence. Defendants' Exhibit D-626, printed in Exhibit Book, p. —.

Telegram May 3, 1920, from Giant Company to C. R. Capps, First Vice-President of the Seaboard Air Line Railway Company, at Norfolk, Virginia, put in evidence. Defendants' Exhibit D-627, printed in Exhibit Book, p. —.

Telegram May 4, 1920, from Mr. Capps to Giant Company, put in evidence. Defendants' Exhibit D-628, printed in Exhibit Book, p. —.

Telegram May 5, 1920, from Mr. George Paull, of the Commonwealth Fuel Company at Pittsburgh, to Mr. L. C. Morton, of the Phœnix Company, put in evidence. Defendants' Exhibit D-629, printed in Exhibit Book, p. —.

[fol. 624] Reply telegram, May 6, 1920, Mr. Morton to Mr. Paull, put in evidence. Defendants' Exhibit D-630, printed in Exhibit Book, p. —.

Telegram May 6, 1920, from Mr. George Paull to Mr. L. C. Morton, put in evidence. Defendants' Exhibit D-631, printed in Exhibit Book, p. —.

Telegram May 7, 1920, from Commonwealth Fuel Company to Mr. L. C. Morton, put in evidence. Defendants' Exhibit D-632, printed in Exhibit Book, p. —.

Telegram May 10, 1920, from Mr. George Paull to Mr. Morton, put in evidence. Defendants' Exhibit D-633, printed in Exhibit Book, p. —.

Telegram May 12, 1920, from Commonwealth Fuel Company to

Mr. L. C. Morton, Vice-President of the Phœnix, put in evidence. Defendants' Exhibit D-634, printed in Exhibit Book, p. —.

Letter May 18, 1920, from Bath Company to Ohio Coal & Supply Company, put in evidence. Defendants' Exhibit D-635, printed in Exhibit Book, p. —.

[fol. 625] Letter May 22, 1920, from First Vice President of the Bath Company to Mr. Louis Rafetto, President of Bath Company, put in evidence. Defendants' Exhibit D-636, printed in Exhibit Book, p. —.

Circular of Alpha Company, dated May 24, 1920, put in evidence. Defendants' Exhibit D-637, printed in Exhibit Book, p. —.

[fol. 626] C. Raymond Hulsart, a witness called on behalf of the defendants, being first duly sworn, testified as follows:

Direct examination by Mr. Cox:

I reside at New Rochelle and am vice-president of the Cement Manufacturers Protective Association. I am a civil engineer; a member of the American Society of Civil Engineers; was faculty lecturer on certain engineering subjects at New York University; I got my degree June, 1905; engaged in engineering work, principally construction, until April, 1917; then I went into the army; was in command of the first American troops who took part in a general engagement in the World War; the first American casualties were in my command; our Government gave me a Distinguished Service Crosst for my services in the war; the British Government gave me its Military Medal; I became vice-president of the Cement Manufacturers Protective Association on March 1, 1920, and have been its vice-president continuously ever since.

My duties have been the general supervision of the association's activities and in particular the technical work involved in directing the activities of investigating contracts, directing the activities of the engineers who do that work and supervising their reports and the transcript that goes to the company. That is with a view to making them as accurate as possible, especially estimates of quantities in-
[fol. 627] volved. I was also responsible for the annual report of the association which was put in evidence.

I have followed out in the reports of the Protective Association the contract investigations which were made in 1920 which are referred to in the annual report of the association for that year. During the year 1920 the Protective Association investigated 2,305 contracts. Of this number 1,392 contracts were found to be padded, the padding amounting to 3,552,865 barrels. That is the amount estimated in the contracts exceeded the amount actually required to complete the specific job by 3,552,865 barrels.

Of those 1,392 contracts, the companies holding those contracts, wholly or partially, cancelled after the receipt of the association's report, 978 contracts, the amount of cancellations involving 2,104,653

barrels. Of those 1,392 contracts wherein the estimated amounts exceeded the requirements, there were 414 contracts so reported that were not canceled by the companies holding the contracts, and those 414 contracts involved 1,448,212 barrels of excess cement over the requirements.

The time which elapsed on the average between the date of our report on the contract and the date of the cancellation or reduction of the amount averaged for all of those contracts 86 days per contract.

I have put together at your request a collection of about a thousand instances where the specific job contract reports, Form 10 of the Protective Association, show contracts reported as made on approximately the same date for the delivery of cement at the same delivery [fol. 628] point and at different prices. This is the collection.

Put in evidence Defendants' Exhibit D-641, printed in Exhibit Book, p. —.

These begin in January, 1919 and go through June, 1921. The first sheet contains contracts taken on approximately the same time and at the same delivery point, but at a different price from the contract report as of January 1, 1919. On the first page of that contract report, for instance, the Lehigh Company has a contract at Buffalo, New York, dated August 7, 1918, at a price of $2.55. On the same page the Nazareth Company has a contract at Buffalo, New York, dated August 5, 1918, at a price of $2.68, a difference of 13 cents.

In bringing together this collection, I did not make use of any cases where the difference in price was exceptional as due to different prices to the dealer and the purchaser. In many instances from the contract report it is practical to tell whether the price is to a dealer or consumer by the notation that the purchaser builds, or something of that kind. I did not use any instances that could be accounted for by the difference in prices to the dealer and to the consumer.

From the records of the association I have ascertained how long a time on the average elapsed between the making or closing of these specific job contracts and the date when the report of the contract reaches the association. That average elapsed time between the date of the cement contract and the receipt of the company's report in the association office is 8½ days. At the association we send it out to the companies the following day.

[fol. 629] Cross-examination by Mr. Fowler:

Immediately after I came out of the army I was employed in the New York office of the National Association about a year. I was not at their headquarter. I was in the New York office in connection with their local promotional work.

In making this collection, Exhibit D-641, I used less than half of the monthly contract reports. The period I covered was less than half the period.

Every time a fellow made a contract he reported it after a certain length of time. It averaged 8½ days.

Redirect examination by Mr. Cox:

A portion of the contracts that are reported in the report of one month or one quarter are different contracts from those reported in the succeeding month or succeeding quarter. A contract stays in these successive reports just as long as the contract is active; that is, until it is completed or otherwise becomes inactive. So a report for one month or one quarter would be very largely the same as the report for the succeeding month or the succeeding quarter. The report in each succeeding month will show the shipments during the other months and the balance outstanding. It keeps account of the progress of the contract.

[fol. 630] Letters put in evidence. Defendants' Exhibits D-642 to D-817, inclusive. Printed in Exhibit Book, pp. —, with the exception of the following, which are not printed by consent: D-655, D-684, D-696, D-774, D-783, D-790 and D-803.

[fol. 631] Walter Lewis, recalled as a witness for the Government in rebuttal, testified as follows:

Direct examination by Mr. Fowler:

I prepared this chart from a monthly supplement issued by the Department of Commerce, giving a survey of current business as of March, 1922. It is to illustrate how much the prices of the various commodities have receded in percentages.

Put in evidence Government's Exhibit No. 806, printed in Exhibit Book, p. —.

These pages represent data used in making the chart.

Put in evidence Government's Exhibits Nos. 804 and 805, printed in Exhibit Book, p. —.

The chart shows that by December, 1921, the price of anthracite coal had receded least of all. Cement had then receded in price the next smallest amount.

Cross-examination by Mr. Dorr:

Cement appears to be the commodity which advanced least in price towards peak prices, with the exception of rubber and cattle beef; and having gone up practically the least, it didn't have so far to come down as those which had gone up more.

Govt Ex. No. 3

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

UNIVERSAL
UNION BRIDGE
LEHIGH VALLEY

TO POINTS IN THE STATE OF

PENNSYLVANIA

ISSUED BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 3.

PENNSYLVANIA

	Universal	Union Bridge	Lehigh Valley
Aberdeen	53	43	45
Abrams	53	43	37
Academy	53	43	41
Academy Corners	49	49	49
Ache Junction	35	49	53
Acheson	25	49	53
Ackermanville	61	53	22
Acorn	53	43	37
Acosta	35	49	51
Adah	35	49	53
Adams (Somerset Co.)	35	49	51
Adamsdale	53	45	37
Adamsville	37	55	59
Adelaide	33	49	53
Ajax	41	49	53
Akeley	43	49	53
Akron	53	43	39
Aladdin	27	49	53
Alba	49	49	43
Albany	53	49	39
Albert	53		37
Albion	37	55	59
Alburtis	53	49	31
Alden	53	49	37
Alderson	53	51	41
Aldham	53	43	45

[The balance of this Exhibit, which contains one hundred and thirty-five (135) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court.~~]

Consent

637½

Govt Ex. No. 4

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

UNIVERSAL
LEHIGH VALLEY

TO POINTS IN THE STATE OF

NEW JERSEY

ISSUED BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 4.

NEW JERSEY

	Universal	Lehigh Valley
Absecon	80	53
Ackerson	61	39
Agasote	61	37
Albion	72	49
Aldene	61	35
Allaire	80	47
Allamuchy	61	33
Allendale	61	43
Allenhurst	80	47
Allens	82	61
Allenwood	80	47
Alloway	72	51
Alloway Junction	72	51
Allwood	61	37
Alpha	61	27
Alphano	61	33
Amclay	61	39
Ampere	61	31
Ancora	72	51
Andover	61	35
Andrews	72	49
Anglesea	80	57
Annandale	61	37
Arlington	61	31
Asbury (Glou. Co.)	72	49
Asbury Park	80	47
Ashbrook	61	35

[The balance of this Exhibit, which contains thirty-five (35) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court~~ counsel.]

638½

Govt Ex. No. 5

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

UNIVERSAL
UNION BRIDGE
LEHIGH VALLEY

TO POINTS IN THE STATES OF

MARYLAND
DELAWARE
AND
DISTRICT OF COLUMBIA

ISSUED BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 5.

MARYLAND

	Universal	Union Bridge	Lehigh Valley
Abell's (St. Mary's Co.)	1.23	1.02	1.19
Aberdeen	53	41	45
Adamstown	49	31	49
Admiral	61	47	59
Aikin	53	41	45
Airey	61	57	57
Alberton	49	31	49
Alesia	49	25	45
Alexandria Jct.	49	35	47
Allegany	41	41	51
Allen's Wharf (Wicomico Co.)	1.08	86	1.04
Altamont	41	45	53
Ammendale	49	37	47
Andrews	61	57	57
Annapolis	63	47	57
Annapolis Jct.	49	37	47
Antietam	49	31	61
Arbutus	49	35	47
Arcadia	49	25	45
Ardwick	49	35	47
Arlington	49	20	45
Arnold	63	47	57
Arnold Street	49	20	45

[The balance of this Exhibit, which contains thirty-eight (38) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court.~~ counsel]

639½

Govt Ex. No. 6

FREIGHT RATES ON CEMENT

IN CENTS PER BARREL COTTON

FROM

LEHIGH VALLEY
ALSEN, N. Y.
HUDSON, N. Y.
UNIVERSAL, PA.

TO POINTS IN THE STATE OF

NEW YORK

Govt. Ex. No. 6.

NEW YORK

	Universal	Alsen	Hudson	L. V.
Abbots Road	30	40	40	36
Accord	48	32	37	35
Adams	48	38	38	44
Adams Basin	34	32	32	36
Adams Centre	48	38	38	44
Adams Crossing	63	40	22	45
Addison	40	34	34	34
Adrian	40	34	34	34
Afton	44	32	32	33
Akron	34	30	30	36
Akron Falls	34	30	30	36
Alabama	34	30	30	36
Alba	48			30
Albany	48	11	10	34
Albertson	59	46	46	46
Albion	34	32	32	36
Alden	34	36	36	36
Alder Creek	48	37	37	42
Aldrich (N. Y. C.)	55	46	46	52
Alexander	34	32	32	36
Alfred	34	36	36	36
Allegany	30	36	36	36
Almond	30	36	36	36
Alpine	40	34	34	33
Alsen	48		24	40
Altamont	48	22	22	34
Altmar	44	32	32	38

[The balance of this Exhibit, which contains seventy-five (75) printed and one typewritten page pasted on inside back cover, ~~will~~ not ~~be~~ printed by ~~order of the Court.~~ consent]

640½

Govt Ex. No. 7

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

UNIVERSAL, PA.
ALSEN, N. Y.
HUDSON, N. Y.
LEHIGH VALLEY

TO POINTS IN THE STATES OF

MAINE
NEW HAMPSHIRE
VERMONT
MASSACHUSETTS
RHODE ISLAND
CONNECTICUT

ISSUED BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 7.

MAINE

	Universal	Alsen	Hudson	L. V.
Abbot Village	1.18	92	92	1.04
Adaline	1.49	1.21	1.21	1.31
Agamenticus	81	57	57	65
Albion	1.30	1.02	1.02	1.14
Alfred	81	57	57	65
Allan's Mill	1.26	1.02	1.02	1.10
Allens	95	67	67	78
Alna Center	1.26	98	98	1.10
Alton	1.14	92	92	98
Annabessacook	95	67	67	84
Anson	1.13	74	74	1.00
Arey	1.14	92	92	94
Ashland	1.46	1.23	1.23	1.29
Auburn	89	61	61	72
Augusta	95	67	67	78
Ayers Junction	1.26	1.02	1.02	1.10
Bakers	1.25	1.00	1.00	1.08
Bald Mountain	1.25	1.00	1.00	1.08
Bancroft	1.11	84	84	1.08
Bangor	95	68	68	78
Bangs	95	68	68	84
Bar Harbor	1.30	1.19	1.19	1.37
Baring	1.26	1.02	1.02	1.10
Bar Mills	81	57	57	65
Barnjum	1.81	1.57	1.57	1.64
Basin Mills	95	68	68	84
Bath	89	61	61	70

[The balance of this Exhibit, which contains seventy-six (76) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court~~. Counsel]

64 1/2

Govt Ex. No. 8

FREIGHT RATES ON CEMENT

IN CENTS PER BARREL COTTON

FROM

LEHIGH VALLEY
UNION BRIDGE, MD.
UNIVERSAL, PA.

TO POINTS IN THE STATES OF

MARYLAND
DELAWARE
DISTRICT OF COLUMBIA

Govt. Ex. No. 8.

Rates to left of Universal apply from Manheim, West Virginia. ~~(Letter of Cement Mfg. Asso. of Feb. 7th, 1917.)~~

MARYLAND

		Universal	Union Bridge	Lehigh Valley
Abell's (St. Mary's Co.)		66		63
Aberdeen		40	28	33
Adamstown	33	36	19	36
Admiral		46		46
Aikin		40	28	33
Airey		48	44	44
Alberton	33	36	19	36
Alesia		36	14	33
Alexandria Jct.	33	36	23	34
Allegany	24	28	28	38
Allen's Siding		48	44	44
Allen's Wharf (Wicomico Co.)		66	56	63
Altamont	16	28	32	40
Ammendale	33	36	25	34
Andrews		48	43	44
Annapolis		49	34	43
Annapolis Jct.	33	36	25	34
Antietam	33	36	18	48
Appolds		48		48
Arbutus		36	23	34
Arcadia		36	14	33
Ardwick		36	23	34
Arlington		36	07	33
Arnold		49	34	43
Arnold Street		36	07	33

[The balance of this Exhibit, which contains thirty-eight (38) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court.~~ Conant]

642½

Govt Ex. No. 9

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

UNIVERSAL, PA.
ALSEN, N. Y.
HUDSON, N. Y.
LEHIGH VALLEY

TO POINTS IN THE STATES OF

MAINE
NEW HAMPSHIRE
VERMONT
MASSACHUSETTS
RHODE ISLAND
CONNECTICUT

ISSUED
FEBRUARY, 1921
BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 9.

MAINE

	Universal	Alsen	Hudson	L. V.
Abbot & Cleaves.....	2.72	2.35	2.35	2.56
Abbot Village	1.66	1.29	1.29	1.45
Adaline	2.07	1.70	1.70	1.84
Adams	1.90	1.53	1.53	1.59
Agamenticus	1.14	79	79	79
Albert	2.41	2.04	2.04	2.11
Alvion	1.88	1.48	1.48	1.53
Alfred	1.14	79	79	90
Allan's Mill	1.78	1.45	1.45	1.55
Allen Brook	1.33	1.27	1.27	1.10
Allens	1.33	93	93	99
Alna Center	1.82	1.42	1.42	1.48
Alton.....	1.66	1.29	1.29	1.37
Annabessacook	1.33	93	93	1.17
Anson	1.62	1.04	1.04	1.41
Arey	1.64	1.29	1.29	1.31
Aroostook Farm	2.11	1.74	1.74	1.80
Ashland	2.11	1.74	1.74	1.80
Ashland Mills	2.27	1.90	1.90	1.98
Attean	1.41	1.79	1.79	1.95
Auburn	1.25	85	85	1.01
Augusta	1.33	93	93	1.10
Austin Junction	1.70	1.37	1.25	1.47
Avon	2.23	1.86	1.86	2.07
Ayers Junction	1.78	1.45	1.45	1.55
Bakers	1.74	1.41	1.29	1.51
Bald Mountain	1.74	1.41	1.29	1.51
Bancroft	1.62	1.18	1.18	1.46

[The balance of this Exhibit, which contains eighty-three (83) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court.~~ consent]

643½

Govt Ex. No. 10

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

UNIVERSAL, PA.
ALSEN, N. Y.
HUDSON, N. Y.
LEHIGH VALLEY, PA.

TO POINTS IN THE STATE OF

NEW YORK

ISSUED BY

Cement Manufacturers' Protective Association

19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 10.

NEW YORK

	Universal	Alsen	Hudson	L. V.
Accord	61	45	49	47
Adams	61	51	51	57
Adams Basin	47	45	45	49
Adams Centre	61	51	51	57
Adams Crossing	76	53	35	59
Addison	53	47	47	47
Adrian	53	47	47	47
Afton	57	45	45	45
Akron	47	43	43	49
Akron Falls	47	43	43	49
Alabama	47	43	43	49
Alba	61			43
Albany	61	23	22	47
Albertson	72	59	59	59
Albion	47	45	45	49
Alden	47	49	49	49
Alder Creek	61	49	49	55
Aldrich (N. Y. C.)	68	59	59	65
Alexander	47	45	45	49
Alfred	47	49	49	49
Alleghany	43	49	49	49
Almond	47	49	49	49
Aloquin	53	49	49	47
Alpine	53	47	47	45
Alsen	61		35	53
Altamont	61	35	35	47
Altamar	57	45	45	51

[The balance of this Exhibit, which contains seventy-five (75) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court.~~ consent]

644½

Govt Ex. No. 11

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

KINGSPORT
UNIVERSAL
FORDWICK
UNION BRIDGE
LEHIGH VALLEY

TO POINTS IN THE STATE OF

VIRGINIA

ISSUED BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 11.

VIRGINIA

	Kingsport	Universal	Fordwick	Union Bridge	Lehigh Valley
Abert		61	37	59	80
Abilene	90	72	53	74	82
Abingdon	45	98	67	74	1.10
Acca	70	61	33	47	53
Accotink Station		57	43	47	59
Adams Grove	78	82	68	72	82
Addington	47	1.12	86	94	1.31
Adsip	1.00	72	53	74	82
Afton		61	27	59	68
Agnor		61	33	59	82
Aiken Summit	82	98	53	88	98
Akers (N. & W.)	61	86	53	68	1.06
Alberene		73	55	68	78
Alberta	98	72	53	74	82
Alco		61	39	59	82
Alexanders	70	76	37	67	76
Alexandria		49	37	41	53
Alexandria Jct.		61	53	57	68
Algren	86	61	41	57	61
Alleghany Sta.		61	31	78	96
Allens Creek		61	43	59	84
Allisonia	63	88	53	68	1.06
Alms House	70	74	43	76	86
Alpha		72	43	70	78
Alpine		61	33	59	82
Alrich		82	63	68	74

[The balance of this Exhibit, which contains fifty-seven (57) pages, will not be printed by ~~order of the Court~~ Consent.]

645½

Govt Ex. No. 12

FREIGHT RATES

INCLUDING WAR TAX ON

CEMENT

IN CENTS PER BARREL COTTON

FROM

KINGSPORT
UNIVERSAL
FORDWICK
UNION BRIDGE
LEHIGH VALLEY

TO POINTS IN THE STATE OF

WEST VIRGINIA

ISSUED BY
Cement Manufacturers' Protective Association
19 WEST 44TH STREET, NEW YORK

Govt. Ex. No. 12.

WEST VIRGINIA

	Kingsport	Universal	Fordwick	Union Bridge	Lehigh Valley
Abbotts		68	53	84	90
Abney	70	80	59	1.00	1.02
Accoville		72	47	98	86
Ackerman		41	70	41	53
Acme		68	55	82	94
Ada	57	92	63	68	1.06
Admiralty		68	49	92	1.00
Adrian		49	61	61	76
Affinity	70	80	55	1.00	1.00
Albright		41	78	70	53
Alderson		61	39	84	1.00
Aldridge		49	49	37	49
Alemma		76	47	96	96
Algonquin (N. & W.)	59	80	67	74	1.00
Allingdale		61	84	70	76
Alkire		53	57	45	53
Alpoca	63	80	63	92	1.00
Altman		68	53	88	98
Alton		61	84	70	76
Alum Creek		65	53	82	98
Amherstdale		72	47	98	86
Anawalt	65	94	72	74	1.10
Angerona		57	70	92	90

[The balance of this Exhibit, which contains sixty-one (61) pages, ~~will~~ not ~~be~~ printed by ~~order of the Court~~. consent]

[fol. 632] RUSSELL HARDY, called in rebuttal, testified as follows:—

Direct examination by Mr. Fowler:

I prepared this chart from the Survey of Current Business of the Department of Commerce, as of September, 1921. The publication was for September and shows the situation in August, 1921.

Chart put in evidence. Government's Exhibit No. 807, printed in Exhibit Book, p. —.

[fol. 633] Memorandum January 26, 1920, from Mr. Burch of the Atlas to Mr. Boeye, Mr. Conkling and Mr. McKenna, put in evidence. Government's Exhibit No. 808, printed in Exhibit Book, p. —.

Memorandum June 4, 1920, from Mr. Burch to Mr. MacFarland, put in evidence. Government's Exhibit No. 809, printed in Exhibit Book, p. —.

Memorandum June 24, 1920, from Mr. McConnell of Atlas Company, put in evidence. Government's Exhibit No. 810, printed in Exhibit Book, p. —.

Letter October 20, 1920, from Mr. McConnell to Mr. McKenna, put in evidence. Defendants' Exhibit D-820, printed in Exhibit Book, p. —.

Four contracts showing how instructions contained in letter of October 20, 1920 from Mr. McConnell to Mr. McKenna were carried out, put in evidence. Defendants' Exhibits D-821 to D-824, inclusive. Not printed by consent.

[fols. 634 & 635] Statements showing number of officers, their total salaries, and bonuses allowed by the defendant companies during years from 1916 to 1921, put in evidence. Government's Exhibits Nos. 811 to 829, inclusive, printed in Exhibit Book, p. —.

(Here follow Government's Exhibits Nos. 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, marked side folio pages 636-646, inclusive.)

[fol. 646½] GOVT. EX. No. 13

Revised to January 1st, 1921

Outline of Plan for a Protective Association of Cement Manufacturers

Conspicuous among the evils from which every manufacturer of Portland Cement has long suffered have been certain notorious abuses arising from what amounts to fraudulent misrepresentation. The most common and flagrant instances are those which have to do with misrepresentation concerning contracts (known as "specific job contracts"), competitors' acts, and financial responsibility.

Although these abuses are too well known to require elaboration,

it may be desirable to look at an illustration of each, with a view to determining whether it is practicable in a measure to correct them:

(1) It has become common, for example, in cases of jobs in fact involving the use of, say, a thousand barrels of cement, for purchasers to contract with each of several manufacturers for, say, two thousand barrels of cement to be used on that specific job. This pernicious practice results in purchasers obtaining what, as a practical matter, amounts to an option extending over a long period; and, in in the aggregate, such options induced by, and based on misrepresentation, impose on the manufacturer one-sided, uncertain obligations [fol. 647] covering a considerable portion of his output, frequently curtailing his business and resulting in loss.

It is apparent that such abuses could not exist if the truth were known. If the manufacturer knew the facts concerning the job, the amount of cement needed, whether his or some other cement was being used thereon, he would obviously be in a position to escape the disastrous consequences of such misrepresentations. The plan hereinunder outlined is designed to make the truth available and thus defeat such misrepresentations and their consequences.

(2) The second form of misrepresentation is illustrated by the common experience of every manufacturer of Portland cement with statements made to him not only by dealers but often by his own salesmen concerning competitor's practices, with the result that the manufacturer is deceived and imposed upon. In the following plan it is not proposed to provide the fullest relief against such misrepresentations, because reports of outstanding or active offers or quotations may be objectionable, but it is proposed to give the manufacturer an opportunity of checking the representations of dealers and salesmen by including with the information as to specific contracts, the price at which these past transactions have been closed, so that false statements may become less frequent.

(3) As to that kind of misrepresentations which have to do with credits, the plan explains itself. Here, again, the correction of the evils resulting from the misrepresentation is to be sought in making the truth available.

[fol. 647½] (4) In addition to the correction of these abuses by meeting misrepresentations with the truth to the extent indicated, the plan contemplates the giving of certain statistical information concerning the past, which has heretofore been available in less convenient form and is included because it may be included without much additional inconvenience to anyone.

(5) The plan further contemplates the compilation and publication of freight rates to relieve each manufacturer of the great burden of keeping track of this necessary information.

The mechanism contemplated consists of reports by members, handled by a Secretary, with sufficient clerical help, under control of the Association.

Meetings are to be held to deal with the business of the Association as outlined herein. To prevent any possible misconception concerning the nature or activities of the Association, all its proceedings at such meetings will be stenographically reported and preserved, with its records and correspondence, so that the whole truth concerning the Association can at any time be made plain.

[fol. 648] Constitution

Article I

Name

The name of the Association shall be Cement Manufacturers Protective Association.

Article II

Members

Section 1. Any corporation, firm or individual engaged in the manufacture of Portland cement is eligible for membership.

Section 2. Any corporation, firm of individual eligible for membership may become a member of the Association upon being proposed by two members and elected by a majority of the members.

Section 3. Any member may resign at any time upon first discharging any indebtedness to the Association.

Section 4. Application for membership and resignations from membership must be transmitted in writing to the Secretary.

Section 5. Any member may be expelled for failure to pay any assessment within thirty days after payment is due or for failure to conform to the Constitution and By-Laws of the Association by the [fol. 648½] vote, expressed by secret or open ballot, of two-thirds of the members of the Association, provided two weeks' notice of the proposed action and an opportunity to be heard shall have first been given.

Article III

Objects

The objects of the Association are the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information concerning the matters following, to wit:

(a) Information concerning credits.

(b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manu-

facturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, stocks of cement and clinker on hand, and shipments.

Article IV

Meetings

Section 1. The regular meetings of the Association shall be held [fol. 649] the third Thursday of each month or at such dates and such places as the Association shall name. Due notice of meetings shall be sent to each member at least five days in advance.

Section 2. A majority of the members when present at any meeting shall constitute a quorum. Each membership shall have one vote.

Section 3. The meeting held in the month of January, in each year, shall be the Annual Meeting of the Association.

Article V

Officers

Section 1. The officers shall be a President, Vice-President, Secretary and Treasurer.

Section 2. All officers, except the Vice-President and Secretary, shall be elected at the Annual Meeting by the majority of the votes of those present and shall hold office for one year, or until their successors have been duly elected.

The Vice-President and Secretary shall be elected by the Association for such term as it may determine and may receive a salary, fixed by the Association.

Article VI

Expenditures and Funds

Section 1. The Association shall have power to employ such persons, incur such indebtedness, and fix such assessments, as may [fol. 649½] appear necessary to carry out the objects of the Association. All assessments shall be distributed among and paid by the members pro rata according to shipments during the preceding year from or into the territory covered by the service of the Association.

Article VII

Amendments

Section 1. This Constitution may be amended as follows: All proposed amendments must be in writing, signed by at least three members, and presented to the Secretary at least two weeks before the next meeting of the Association. In the notices of this meeting, the proposed amendment or amendments shall be presented. At the meeting, the proposed amendment or amendments may be discussed or amended. They shall then be sent out to letter ballot. If two-thirds of the total membership shall, by letter ballot, vote in favor of the amendment or amendments, it or they shall be adopted.

Article VIII

Freedom of Trade

No member of the Association shall enter into any arrangement, agreement or understanding of any nature or kind whatsoever, the object of which is to restrain trade, limit competition or accomplish any purpose contrary to the spirit or letter of the law or contrary to the objects of the Association, as set forth in this Constitution, [fol. 650] and membership in the Association shall be recognized as implying that the member is absolutely free to conduct his business exactly as he pleases in every respect and particular.

Full and complete minutes of all matters discussed at any meeting of the Association shall be kept and such minutes, together with all records, files and correspondence of the Association, shall be preserved and held open at all times to any public official or other person who may have any legitimate reason for desiring to be completely informed concerning any or all the activties or transactions of the Association.

By-Laws

Section 1. President.—The President shall preside at all meetings of the Association, and, in case of the equal division of the members voting on any question, cast the deciding vote. He shall also have power to call the Association together at such time and place as he may select and, upon the written request of five (5) members, he shall call a special meeting of the Association.

He shall see to the enforcement of the provisions of the Constitution and By-Laws and shall carry into execution all resolutions of the Association.

Section 2. Vice-President.—The Vice-President shall perform such duties in connection with the collection and dissemination of the information which it is the object of the Association to accomplish as may be assigned to his office by the Association.

[fol. 650½] Section 3. Treasurer.—The Treasurer shall perform the duties of the President in the absence of the latter, collect and receive all moneys of the Association and deposit the same in a depository to be designated by the Association, authorized to make payment from the funds of the Association on deposit with it as directed by resolutions of the Association. He shall keep proper books of account, which shall be open at all times to the inspection of the members of the Association, and at the close of his term of office he shall deliver to his successor all moneys, books, papers and other valuables belonging to the Association which shall be in his custody or possession.

Section 4. Secretary.—The Secretary shall keep a careful, full and complete record of all the meetings, discussions and transactions of the Association, give notice of all meetings of the Association, examine all bills, conduct the correspondence, collect, prepare and distribute the information contemplated by the Constitution as prescribed by these By-Laws, and perform such other duties as may be assigned to his office by the Association.

Section 5. Provision of Funds.—All assessments shall be fixed by majority vote of the Association and distributed among and paid by the members pro rata according to shipments during the preceding year from or into the territory covered by the service of the Association.

[fol. 651] Section 6. Voting Power.—At all meetings, each membership shall have one vote. Members may be represented at any meeting by authorized delegates, who shall be entitled to full rights and privileges of the members they represent, but only one vote shall be cast on behalf of each member.

Section 7. Meetings.—The Association shall meet monthly, the time and place of each meeting to be fixed by the Association. Special Meetings may be called whenever the President shall deem it necessary or upon request of five (5) members. A majority of all the members shall constitute a quorum. The order of business shall be as follows:

1. Roll Call.
2. Minutes of last meeting.
3. Election of new members.
4. Reports.
5. Unfinished business.
6. New business.
7. Election of officers.

Section 8. Collection and Distribution of Information.—On or before the fifth day of each calendar month, each member shall forward to the Secretary the following:

(1) A statement of all accounts outstanding sixty (60) days or more and unpaid, giving the name and address of the debtor, total amount unpaid, and the time overdue specified by months.

[fol. 651½] A statement of all bills receivable on hand, giving name of purchaser, amount, date payable, and detail of account covered by note.

A list of accounts in attorneys' hands for collection.

(2) A statement of contracts which have been made and are in effect on the last day of the preceding calendar month, giving the following information with respect to each contract, namely, date of contract, the purchaser, the consumer, a full description of the work upon which the cement is to be used, the amount contracted for and amount yet to be delivered, the price, and the expiration date of contract. In addition to the foregoing monthly statements of contracts, as contracts are made during the month, the Secretary shall be notified as soon as possible.

(3) A statement of all contracts cancelled or reduced in amount during the preceding month.

(4) A statistical statement of production and shipments during the preceding calendar month and stock of cement and clinker on hand on the last day of the month.

Upon the receipt of the foregoing monthly statements, the Secretary shall forthwith put all the information contained therein in convenient form as directed by the Association and distribute the information thus prepared to the members reporting.

The Secretary shall also transmit the information thus prepared to the person performing corresponding duties in any other Association, collecting and distributing like information within the pur-
[fol. 652] view of the Constitution, and receive and distribute to the members of this Association such information transmitted from such other Association, as may be from time to time directed by this Association.

The Secretary shall prepare and distribute among the members a complete schedule or schedules of freight rates, on cement, giving the rates for rail, water and rail and water shipments. Each member shall from time to time notify the Secretary of all changes of other facts of importance connected with such rates. The Secretary shall immediately advise all members of changes in freight rates by issuing supplements, revisions or otherwise, as may be most convenient.

Section 9. Amendment of By-Laws.—Amendment to these By-Laws may be proposed at any regular or special meeting of the Association, provided that it has been presented to the Secretary, signed by three (3) members, and a copy sent to each member in the notice of the meeting, and such proposed amendment may be discussed at such meeting and adopted by a two-thirds vote of those present, if it is in accord with the Constitution of the Association.

[fol. 652½] GOVT. EX. No. 14

Form 20

From —— —, 192-.
Contract No. —. Dated —— —, 192-.
Purchaser: —— ——.
Address: —— ——.
Work: As described on the back hereof.
Location: ——.
Contractor: —— ——.
No. bbls.: —. Price: —. Del. pt.: —.
Date of Exp'n: —— —, ——.

Give full and complete description below of the work, viz.—if a building give dimensions, character of construction, etc. If paving state what kind, giving yardage, thickness, mix, etc. Give exact locations and make description specific.

[fol. 653] GOVT. EX. No. 15

Form 21

Company: ——.
Contract Number: —. Date: —— —, ——.
Delivery Point: ——.
1. Completed —— —, ——.
2. Cancelled — Bbls.
3. Decreased — Bbls.
4. Increased — Bbls.
5. Leaving balance due, — Bbls.
6. Date of expiration extended to —— —, ——.

(Over)

Instructions

First. Whenever entire amount of contract has been shipped, check only (√) in space opposite "Completed" (Line 1).

Second. If entire amount due on contract is cancelled enter number of barrels cancelled on Line 2.

Third. If portion of contract is cancelled, state number of barrels cancelled on Line 3 and balance still due on Line 5.

Fourth. If amount of contract is increased state number of barrels of increase on Line 4, and balance still due on Line 5.

(Here follow Government's Exhibits Nos. 16 and 17, marked side folio pages 654 and 655)

654

Govt Ex. No. 16

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
CONTRACTS RECEIVED FEBRUARY 23RD, 1921.

Sheet #2365 — FORM 7

New York 7198	A. Lyth & Sons Co., Buffalo, N. Y.	Depew, N. Y.	Construction of New York State Highway known as road #1334, part 1, Depew, N. Y. (The People's Paving Company, Inc.)	Lehigh	2- 8-21	9- 1-21	3750*	3.41 C
1249	Douglas Dickson Co., Johnson City, N. Y.	Johnson City, N. Y.	150 houses, sidewalks, etc., Broad, Baldwin, Olive and Taber Sts., C. Fred Johnson Tract, Johnson City, N. Y. (Owner Builds)	Penna	2-19-21	10-31-21	5000*	3.54 H
1250	Douglas Dickson Co., Johnson City, N. Y.	Johnson City, N. Y.	Development work, Union and Ackley Streets, Riverside Drive for Terrace Land Company, Johnson City, N. Y. (Owner Builds)	Penna	2-19-21	10-31-21	2000*	3.54 M
1251	Yonkers Bldrs. Sup. Co., Yonkers, N. Y.	Nepperlian, N. Y.	Hudson Tire Co. Bldg., Nepperlian, N. Y. (J. Mitchell, Inc.)	Penna	2 21-21	9- 1-21	5000*	3.40 F
1015	G. B. Raymond & Co., Long Island City, N. Y.	Richmond Hill, N. Y.	For use in construction of foundations for 15 houses, Richmond Hill, N. Y. (Frank Soverio)	Hercules	2-18-21	12-31-21	1500*	3.40 H
MT-11342	John P. Kane Co., New York City.	New York City.	To complete requirements for Mail & Express Bldg., Lexington Ave. & 46th St., N. Y. C. Owners—N. Y. Central R. R. Co. (Traitel Marble Company)	Atlas	2-19-21	9-30-21	1500*	3.40 J
MT-11341	John P. Kane Co., New York City.	New York City.	To complete requirements for Mail & Express Bldg., Lexington Ave. & 46th St., N. Y. City. Owner—N. Y. Central R. R. Co. (Bldrs. Matl. Supply Company)	Atlas	2-19-21	9-30-21	3500*	3.40 J
D-503	Thomas Cox Co., Inc. Niagara Falls, N. Y.	Niagara Falls, N. Y.	Three story concrete bldg., Corner 19th & Park Ave., for the Niagara Falls Heating & Eng. Co., Niagara Falls, N. Y. (Owner Builds)	Alpha	2-17-21	7- 1-21	600*	3.41 F
D-504	Thomas Cox Co., Inc., Niagara Falls, N. Y.	Niagara Falls, N. Y.	Foundations Cellars & Walks for eight houses, on Portage St. & Robinson Court, Niagara Falls, N. Y. (Allen & Smith Company)	Alpha	2-17-21	7- 1-21	400*	3.41 H
Philadelphia 3261-781	Chas. V. Walsh, Philadelphia, Pa.	Philadelphia, Pa.	Constr. 47 concrete houses, Allman Street, between 65th & 66th Sts., Philadelphia, Pa. (Charles White)	Penn Allen	2-21-21	10- 1-21	2500*	3.53 H
Connecticut SB 10259	Sturges & Son, W. Cornwall, Conn.	W. Cornwall, Conn.	Construction of a residence and out buildings, on the Martin Estate at W. Cornwall, Conn. (F. H. Wakeham)	Atlas	2-16-21	12- 1-21	4000*	3.82 H
Vermont P-1133	D. M. Miles Coal Co., Barre, Vt.	Barre, Vt.	Street paving, North Main St., City of Barre, Vt. (Work to be done by Owner)	Giant	2-11-21	12-31-21	2500*	4.04 K
Maryland VA-163	E. B. Pritchard & Co., Frostburg, Md.	Allegheny, Md.	Factory bldg. for the Big Savage Fire Brick Co., Alleghany, Md. (Owner Builds)	Alpha	2-21-21	12-31-21	5000*	3.37 F

Govt Ex. No. 17

655

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS JANUARY 11TH, 1921.

FORM 8

Company	Contracts Closed Since January 1st Report: Number of Contracts Today	Number of Contracts to Date	Total Contracts in Bbls. Today	Total Contracts in Bbls. to Date	Contracts Cancelled Since January 1st Report: Number of Contracts Today	Number of Contracts to Date	Total Contracts in Bbls. Today	Total Contracts in Bbls. to Date	Reinstatements and Increases Today	Reinstatements and Increases to Date	Decreases Today	Decreases to Date
Allentown	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alpha	.....	2	.....	3,400	.....	75	.....	427,333	.....	4,000	.....	.....
Atlas	.....	7	.....	26,173	.....	17	.....	20,702	.....	.....	.....	.....
Bath	.....	.....	.....	.....	3	16	22,618	75,598	.....	.....	.....	.....
Coplay	1	5	2,000	6,500	1	24	12	32,342	.....	.....	.....	.....
Dexter	.....	.....	.....	.....	1	21	675	39,888	.....	2,100	.....	.....
Edison	.....	.....	.....	.....	.....	12	.....	72,223	.....	.....	.....	.....
Giant	.....	1	.....	20,000	.....	29	.....	133,434	.....	.....	.....	.....
Hercules	.....	.....	.....	.....	.....	15	.....	51,047	.....	.....	.....	17,000
Knickerbocker	.....	1	.....	2,750	.....	.....	.....	.....	.....	11,208	.....	25,535
Lawrence	.....	.....	.....	.....	.....	1	.....	800	.....	.....	.....	.....
Lehigh	1	3	5,000	6,389	49	109	176,157	323,768	.....	.....	.....	420
Nazareth	.....	1	.....	1,000	.....	45	.....	108,339	.....	.....	.....	400
Penn Allen	.....	.....	.....	.....	.....	9	.....	9,846	.....	.....	.....	.....
Pennsylvania	.....	1	.....	2,000	.....	80	.....	228,953	.....	.....	.....	14,807
Phoenix	.....	.....	.....	.....	.....	16	.....	49,215	.....	.....	.....	.....
Vulcanite	.....	6	.....	42,933	.....	7	.....	36,289	.....	1,328	.....	.....
Total	2	27	7,000	111,145	54	476	199,462	1,609,777	.....	18,636	.....	58,162
				18,636				58,162				
				129,781				1,667,939				

[fol. 656] GOVT. EX. NO. 18

Form 1

Cement Manufacturers' Protective Association,
19 West 44th Street, New York

Date: —— —, ——.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

GENTLEMEN: We desire to call attention to specific contract No. — for —— Brand of Cement for — barrels sold to —— —— for delivery at —— with remarks as indicated by check marks herein.

(Check)

.... 1. This contract appears — be a duplication of —— Company's No. —.

.... 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

.... 3. We know of no such work under construction or contemplated.

.... 4. The construction work covered by this contract was completed — months ago.

[fol. 657]

.... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

.... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

.... 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly, —— ——.

(This form to be used by members in calling the attention to "Specific Contracts" upon which they desire further information.)

[fol. 657½] GOVT. EX. NO. 19

Form 2

Cement Manufacturers' Protective Association,
19 West 44th Street, New York

Buildings

No. —. Brand, ——. Delivery Point, ——.
Description of Work: ——.

Location: ——, (St. and No.) ——.
Contractor or Owner: —— ——. Architect: —— ——.
Purchaser: —— ——. Total Am't of Contract: ——.
Has above contractor been awarded this work? ——.
Has work started? ——. If so, when? ——.
Is foundation in? ——. Is superstructure started? ——.
How many floors are completed? ——.
How many floors to be finished? ——.
How much cement did each floor take? ——.
Give dimensions of building. ——.
What kind of construction—steel, reinforced concrete, etc? ——.
How much cement does contractor say he has used? ——.
How much more cement does contractor say he will use? ——.
[fol. 658] What other brands are being furnished for this work? —— ——.
If work has not started state date it will go ahead. ——.
Estimate date of completion. ——.
Is any of the cement under this contract to be furnished to sub-contractors? ——.
How much cement dealer's books show has been used? ——.
Source of information: ——.
Remarks: ——.
Date: —— —, ——.

(Signed) —— ——.

This Form is to be used by the Auditor of the Work.

[fol. 658½] GOVT. EX. No. 20

Form 3

Cement Manufacturers' Protective Association,

19 West 44th Street, New York

Paving, Curbs, and Sidewalks

No., —. Brand, ——. Delivery Point, ——.
Name of Streets: ——.
City or Town: ——. Total Am't of Contract: ——.
Purchaser: ——. Contractor: —— ——.
Has above contractor been awarded these streets? ——.
Has work started? ——. If so, when? ——.
How much cement does contractor say he has used? ——.
How much cement does contractor say he will use? ——.
Does contract cover full requirements? ——. If not, what part? ——.
What other brands used? ——.
Condition of Work? ——.

If work has not started state date it will go ahead? ——.
Estimate date of completion? ——.
[fol. 659] Kind of Paving. ——. Sq. yds.? ——. Cement required: —— bbl.
Kind of Sidewalks? ——. Sq. yds.? Cement required: —— bbl.
Lin. ft. Curb and Gutter: ——. Cement required: — bbl.
Total, ——.
Source of information? ——.
Remarks: ——.
Date: —— —, ——.

(Signed) —— ——.

This form to be used by auditor on the work.

[fol. 659½] GOVT. EX. No. 21

Form 5

Cement Manufacturers' Protective Association,

19 West 44th Street, New York

Audit No. —.
Contract: —.

Date: —— —, ——.

GENTLEMEN: The work covered by the above contract has been investigated and the facts as reported by the auditor are given below.

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— —, ——, this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufacturers having the contract for comparison with information in possession of the manufacturer.)

[fol. 660] Form 5A

Cement Manufacturers' Protective Association,

19 West 44th Street, New York

Audit No.: —.
Contract: —.

Date: —— —, ——.

GENTLEMEN: The work covered by the above contract has been investigated and the facts as reported by the auditor are given below:

[fol. 660½] Form 5B

Audit No.: —.
Sheet: —.
Contract: —.

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— —, ——, this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufacturers having the contract for comparison with information in possession of the manufacturer).

[fol. 661] GOVT. EX. No. 22

Form 6

Cement Manufacturers' Protective Association

19 West 44th Street, New York, N. Y.

—— —, 191.

GENTLEMEN: Referring to your report File —; date —— —, ——.

	Check here
1. We find your report is correct	.....
2. We are making further investigation	.....
3. We desire you to make further investigation for the reasons noted below	.....
4. Your report has been compared with our information and we submit below additional facts	.....

—— ——.

Manufacturers to use this form in reply to Form No. 5.

(Here follows Government's Exhibit No. 23, marked side folio page 662)

Govt Ex. No. 23

662

FORM 22

MONTHLY REPORT

_____COMPANY

DATE_____191.....

No.	Bal. Due Previous Month	Balance Now Due	No.	Bal. Due Previous Month	Balance Now Due

Govt Ex. No. 26

CONTRACT REPORT, SEPTEMBER 1, 1920

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

NEW YORK, N. Y.

	Name of Party With Whom Contract is Made	Delivery Pnts.	Description of Work	Name of Company	Date Contract Closed	Expiration Date	Barrels Sold	Del. Price Inc. Pkg.	Shipments Since Last Report	Shipments to Date	Balance Unshipp'd
B-11117	James Elms	Auburn, Me.	Pavements, Knight St., Franklin St., North Main St., School St., Spring St., Broad St. and South Main St., sidewalks in section, New Auburn, Park Hill, Golf Hill, Perryville and Auburn Proper, Auburn, Maine. (City builds)	Atlas	3-17-20	11-1-20	2,500	3.06 K	982	1,184	1,316
B-10996	Purington Bros. Co.	Augusta, Me.	Reinforced Concrete Storehouse, 6 story, 135x65, Edwards Mfg. Co., Augusta, Me. (H. P. Cummings Constr. Co.) Lockwood Green & Co., Boston, Engineers	Atlas	12-23-19	12-31-20	10,000	3.12 F	3,638	6,263	3,737
B-10958	R. B. Dunning & Co.	Bangor, Me.	Paving Hammond St., west of Kenduskeag Bridge, concrete base, granite blocks, cement grouted (2,500 sq. yds.) City of Bangor. (Owner bldg)	Atlas	12-18-19	7-15-20	750	3.13 K			Overshipped
2311	Pignat Vicenzi Mosaic Co.	Bangor, Me.	Tile Setting and Granolithic Floors for 13th St. School, Bangor, Me. (Purchaser)	Coplay	1-6-20	7-1-20	173	3.23 H	.....	.....	173
B-688	Eastern Cement Co.	Bangor, Me.	State Street Paving Job, Bangor, Me. (Owner builds)	Alpha	4-9-20	12-31-20	4,000	3.13 K	1,184	1,877	2,123
B-690	Eastern Cement Co.	Bangor, Me.	Paving Main St., Bangor, Me. (Owner builds)	Alpha	4-9-20	12-31-20	1,200	3.13 K	.....	.....	1,200
B-689	Eastern Cement Co.	Bangor, Me.	Paving Hammond St., Bangor, Me. (Owner builds)	Alpha	4-9-20	12-31-20	1,200	3.13 K	.....	.....	1,200
B-11123	Cooper & Co.	Belfast, Me.	Concrete bridge, Belfast, Me., State of Maine, Owners. To be built under plans of Maine State Highway Co., Augusta, Me. (Owner builds)	Atlas	3-24-20	12-31-20	20,000	3.13 B	4,013	4,013	15,987
B-11062	Andrews & Horigan Co.	Biddeford, Me.	Foundations for Machinery Pepperall Mfg. Co., Middeford, Me. (Owners bld.)	Atlas	1-13-20	5-1-20	1,200	3.00 M	1,155	1,155	45
2186	Portland Stoneware Co.	Biddeford, Me.	Saco-Lowell Job, Biddeford, Me. (Aberthaw Constr. Co.)	Lawrence	12-31-19	12-31-20	45,000	3.00 M	17,723	18,947	26,053
B-11011	Eaton Hardware Co.	Brunswick, Me.	Dam, Electric Power Station and Addition to Mill, owned by Cabot Mfg. Co., Brunswick, Me. (Owners build)	Atlas	1-17-20	12-31-20	12,500	3.06 F	808	808	11,692

[The balance of this Exhibit which contains one hundred and thirty (130) pages will not be printed by ~~order of the Court~~ consent.]

[fol. 663] Govt. Ex. No. 24

Form 13

Percentage of Commitments Compared with Shipments for Past Twelve Months

June 1st, 1920.

	1919	1920
Allentown	32%	121%
Alpha	11%	83%
Atlas	13%	55%
Bath	27%	70%
Coplay	52%	83%
Dexter	22%	93%
Edison	18%	82%
Giant	27%	117%
Hercules	34%	131%
Knickerbocker	14%	83%
Lawrence	20%	135%
Lehigh	19%	83%
Nazareth	24%	177%
Penn Allen	12%	57%
Pennsylvania	33%	105%
Phœnix	14%	185%
Vulcanite	28%	79%

[fol. 663½] Not printed. This Exhibit is a duplicate of Gov. Ex. 423 which is printed in full p. —.

(Here follows Government's Exhibit No. 26, marked side folio pages 664 and 665)

[fols. 666 & 667] Govt. Ex. No. 27

Not printed. This Exhibit is a duplicate of Government Exhibit 466 which is printed in full at p. —.

[fol. 668] Govt. Ex. No. 28

Form 23

Cement Manufacturers Protective Association

Following are the statistics of the —— Co. for the month of February, 1921:

Clinker Produced

1st 2 months of 1920 ....Bbls.
1st 2 months of 1921 ....Bbls.
February, 1920 ....Bbls.
February, 1921 ....Bbls.

Cement Ground

1st 2 months of 1920 ....Bbls.
1st 2 months of 1921 ....Bbls.
February, 1920 ....Bbls.
February, 1921 ....Bbls.

Total Shipment

1st 2 months of 1920 ....Bbls.
1st 2 months of 1921 ....Bbls.
February, 1920 ....Bbls.
February, 1921 ....Bbls.

[668½] Stock on Hand

Clinker January 31st, 1921 ....Bbls.
Clinker February 28th, 1920 ....Bbls.
Clinker February 28th, 1921 ....Bbls.
Cement January 31st, 1921 ....Bbls.
Cement February 28th, 1920 ....Bbls.
Cement February 28th, 1921 ....Bbls

NOTE.—Please fill out and return to this office by March 4th, 1921.
19 West 44th Street, New York, N. Y.

[fol. 669-674] GOVT. EX. No. 29

Not printed. This Exhibit is a duplicate of Government Exhibit 34 which is printed in full at p. —.

(Here follow Government's Exhibits Nos. 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, marked side folio pages 675-701 inclusive)

Govt Ex. No. 30

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JANUARY, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER				CEMENT GROUND				SHIPMENTS					STOCK ON HAND						
														CLINKER				CEMENT		
	% Change	Jan. 1918	Jan. 1919	% Change	% Change	Jan. 1918	Jan. 1919	% Change	% Change	Jan. 1918	Jan 1919	% Change	Dec. 31 1918	Jan. 31 1918	Jan. 31 1919	% Change	Dec. 31 1918	Jan. 31 1918	Jan. 31 1919	% Change
Allentown		0	24			0	24			12	13	+ 8	17	5	17	+240	60	63	71	+13
Alpha		66	84	+27		86	33	—62		65	48	—26	280	244	331	+36	482	434	466	+ 7
Alsen																				
Atlas		228	325	+43		228	325	+43		164	221	+35	0	0	0		781	485	885	+82
Bath		0	0			6	0			4	15	+275	82	25	82	+228	91	46	76	+65
Cayuga	See note below.																			
Coplay		68	48	—29		67	48	—28		34	40	+18	90	97	90	— 7	67	93	76	—18
Dexter		37	60	+62		41	61	+49		13	†33	+154	40	36	32	—11	26	56	54	— 4
Edison		0	107			0	97			35	26	—26	35	30	45	+50	182	149	254	+70
Giant L. V.		24	0			24	0			30	22	—27	1	0	1		56	45	34	—24
Giant Norfolk#																				
Glens Falls		20	36	+80		13	34	+162		13	10	—23	9	59	11	—81	143	204	166	—19
Helderberg																				
Hercules		0	18			0	30			6	27	+350	28	21	16	—24	11	41	15	—63
Knickerbocker		29	90	+210		30	93	+210		11	21	+91	88	109	**66	—39	144	159	216	+36
Lawrence		50	82	+64		8	84	+950		22	22	0	48	102	49	—52	88	139	150	+ 8
Lehigh		149	149	0		159	193	+21		92	118	+28	16	6	7	+17	661	388	735	+89
Nazareth		0	65			0	64			17	15	—12	34	31	36	+16	111	118	160	+36
Penn-Allen		0	0			0	0			9	13	+44	0	0	0		64	103	51	—50
Pennsylvania		71	130	+83		51	77	+51		21	38	+81	26	35	79	+126	81	117	120	+ 3
Phoenix		0	0			4	0			5	***		23	23	23	0	X	77	X	
Security		13	13	0		14	5	—64		19	13	—32	28	20	36	+80	54	69	47	—32
Virginia																				
Vulcanite		45	0			48	0			27	25	— 7	2	5	2	—60	73	75	‡49	—35
TOTAL . .		800	1231	+54		779	1168	+50		599	720	+20	847	848	923	+ 9	3175	2861	3625	+27

ALL AMOUNTS SHOWN ARE IN THOUSANDS.

† 15,397 bbls. of this amount shipped for another mill.
No further reports will appear for Norfolk Mill as operation of this plant has been abandoned.
** Their Clinker storage is not housed and therefore being exposed to weather conditions since 1918, they made a 25% deduction from their previous inventory record to cover depreciation and shrinkage.
*** 15,403 bbls. shipped for their account by other mills.
X Stock overruns, will advise the amount when same is all sold.
‡ Includes 1,582 bbls. excess due to bin cleaning.
Note:—Cayuga figures combined with Pennsylvania.

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Govt Ex. No. 31

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF FEBRUARY, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 2 Mos. 1918	First 2 Mos. 1919	% Change	Feb. 1918	Feb. 1919	% Change	First 2 Mos. 1918	First 2 Mos. 1919	% Change	Feb. 1918	Feb. 1919	% Change	First 2 Mos. 1918	First 2 Mos. 1919	% Change	Feb. 1918	Feb. 1919	% Change	Jan. 31 1919	Feb. 28 1918	Feb. 28 1919	% Change	Jan. 31 1919	Feb. 28 1918	Feb. 28 1919	% Change		
Allentown	0	55		0	31 *		0	55		0	31		24	28	+17	12	16	+33	17	5	17	+240	71	51	86	+69		
Alpha	106	164	+55	40	81	+103	138	107	—22	52	74	+42	166	113	—32	101	65	—36	331	231	337	+46	466	385	476	+24		
Alsen																												
Atlas	589	665	+13	361	341	—6	589	665	+13	362	341	—6	452	448	—1	288	227	—21	0	0	0		885	558	999	+79		
Bath	3	31	+933	3	31	+933	6	14	+133	0	14		17	34	+100	12	19	+58	82	29	100	+245	76	34	71	+109		
Cayuga	See note below.																											
Coplay	125	67	—46	57	18	—68	124	91	—27	57	42	—26	82	67	—18	47	27	—43	90	97	66	—32	76	103	91	—12		
Dexter	71	114	+61	34	55	+62	68	113	+66	27	53	+96	41	‡64	+56	28	*31	+11	32	42	34	—19	*54	55	76	+38		
Edison	0	213		0	106		0	208		0	111		81	52	—36	46	26	—43	45	30	40	+33	254	102	338	+231		
Giant L. V.	62	63	+2	38	39	+3	62	63	+2	38	39	+3	57	63	+11	27	33	+22	1	0	1		34	57	40	—30		
Giant Norfolk																												
Glens Falls	47	85	+81	28	49	+75	31	83	+168	18	49	+172	26	21	—19	13	10	—23	11	67	11	—83	166	209	205	—2		
Helderberg																												
Hercules	0	65		0	47		0	65		0	35		27	42	+55	21	15	—29	16	21	28	+33	15	21	34	+62		
Knickerbocker	75	162	+116	45	72	+60	78	167	+114	47	74	+57	30	34	+13	19	13	—32	66	109	66	—39	216	187	277	+48		
Lawrence	109	137	+26	59	55	—7	69	102	+48	61	18	—70	70	44	—37	48	22	—54	49	102	86	—16	150	152	146	—4		
Lehigh	329	329	0	180	180	0	346	404	+17	187	211	+13	232	240	+3	140	122	—13	7	5	3	—40	735	435	824	+89		
Nazareth	10	161	+1510	10	96	+860	10	177	+1670	10	113	+1030	49	47	—4	31	32	+3	36	31	22	—29	160	96	241	+151		
Penn-Allen	0	48		0	48		0	48		0	48		36	32	—11	27	19	—30	0	0	0		51	76	81	+7		
Pennsylvania	**147	220	+50	76	91	+20	112	97	—13	61	21	—66	69	66	—4	40	28	—30	79	82	149	+82	120	197	112	—43		
Phoenix	0	0		0	0		4	0		0	0		15	#		10	†		23	23	23	0	X	66	X			
Security	40	34	—15	27	21	—22	45	29	—36	31	24	—23	59	33	—44	40	21	—48	36	17	34	+100	47	60	50	—17		
Virginia																												
Vulcanite	107	31	—71	62	31	—50	112	33	—71	64	31	—52	71	51	—28	44	25	—43	2	3	3	0	49	96	55	—43		
TOTAL . .	1820	2644	+45	1020	1392	+36	1794	2521	+41	1015	1329	+31	1604	1479	—8	994	751	—24	925	894	1020	+14	3625	2940	4202	+43		

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

* Includes 12,451 bbls. shipped for account of another mill.
** Includes figures for Cayuga plant.
† 12,451 bbls. shipped for their account by another mill.
X Stock overruns, will advise amount when same is all sold.
‡ Included in this amount are 27,848 bbls. shipped for account of another mill.
27,934 bbls. shipped for their account by other mills.

Govt Ex. No. 32

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CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF MARCH, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND						
																			CLINKER				CEMENT		
	First 3 Mos 1918	First 3 Mos. 1919	% Change	March 1918	March 1919	% Change	First 3 Mos. 1918	First 3 Mos. 1919	% Change	March 1918	March 1919	% Change	First 3 Mos 1918	First 3 Mos 1919	% Change	March 1918	March 1919	% Change	Feb. 28 1919	March 31 1918	March 31 1919	% Change	Feb. 28 1919	March 31 1918	March 31 1919	% Change
Allentown	8	95	+1088	8	40	+400	7	95	+1257	7	40	+471	66	60	—9	42	31	—26	17	6	17	+183	86	16	95	+494
Alpha	215	169	—21	109	4	—96	238	110	—54	101	3	—97	373	240	—36	207	127	—39	337	239	338	+41	476	279	352	+26
Alsen																										
Atlas	1064	1151	+8	475	485	+2	1066	1151	+8	476	485	+2	921	727	—21	469	279	—41	0	0	0		999	564	1205	+114
Bath	47	75	+60	43	43	0	46	66	+43	39	53	+36	57	84	+47	40	50	+25	100	33	91	+176	71	33	73	+121
Cayuga																										
Coplay	216	93	—57	91	27	—70	216	164	—24	92	73	—21	178	117	—34	96	50	—48	66	96	19	—80	91	99	115	+16
Dexter	95	182	+92	24	67	+179	109	154	+41	41	41	0	107	*119	+11	66	**55	—17	34	25	60	+140	76	30	62	+107
Edison	21	325	+1448	21	111	+429	32	324	+913	32	115	+259	178	99	—44	97	53	—45	40	20	36	+80	346	37	408	+1003
Giant L. V.	117	111	—5	56	48	—14	117	111	—5	56	48	—14	130	110	—15	73	47	—36	1	0	1		40	39	41	+5
Giant Norfolk																										
Glens Falls	81	135	+67	33	50	+52	61	128	+110	30	45	+50	19	34	—31	23	13	—43	11	70	16	—77	205	215	236	+10
Helderberg																										
Hercules	0	109		0	44		20	101	+405	20	36	+80	56	69	+23	29	26	—10	28	1	36	+3500	34	11	44	+300
Knickerbocker	111	162	+46	36	0		115	167	+45	38	0		71	75	+6	41	41	0	66	109	65	—39	277	184	235	+28
Lawrence	189	198	+5	80	61	—24	115	151	+31	46	48	+4	147	84	—43	77	40	—48	86	138	101	—26	146	121	154	+27
Lehigh	448	538	+20	119	210	+76	495	626	+26	150	222	+48	509	417	—18	277	177	—36	2	4	5	+25	824	308	870	+182
Nazareth	114	273	+139	104	112	+8	116	252	+117	106	75	—29	103	103	0	54	55	+2	22	31	60	+94	241	148	260	+76
Penn-Allen	10	108	+980	10	60	+500	10	108	+980	10	60	+500	84	58	—31	48	26	—46	0	0	0		81	38	114	+200
Pennsylvania‡	204	296	+45	56	75	+34	271	143	—47	71	45	—37	165	124	—25	97	58	—40	149	67	179	+167	112	170	99	—42
Phoenix	0	0		0	0		4	0		0	0		35	XX		20	†		23	23	23	0	X	46	X	
Security	105	109	+4	65	75	+15	98	93	—5	52	65	+25	119	86	—28	60	53	—12	34	31	47	+52	50	52	62	+19
Virginia																										
Vulcanite	182	81	—56	75	49	—35	185	79	—57	73	48	—34	139	97	—30	68	47	—31	3	5	4	—20	55	101	36	—45
TOTAL	3227	4210	+30	1405	1561	+11	3321	4023	+21	1440	1502	+4	3487	2703	—22	1884	1223	—35	1519	898	1099	+22	4210	2491	4481	+80

* Includes 48,272 bbls. shipped for account of another mill.
** Includes 20,442 bbls. shipped for account of another mill.
xx 48,990 bbls. shipped for their account by other mills.
† 21,136 bbls. shipped for their account by other mills.
x Stock overruns will advise amount when same is all sold.
‡ Includes figures for Cayuga plant.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 33

CORRECTED REPORT

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF APRIL, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND						
																			CLINKER				CEMENT		
	First 4 Mos 1918	First 4 Mos 1919	% Change	April 1918	April 1919	% Change	First 4 Mos 1918	First 4 Mos 1919	% Change	April 1918	April 1919	% Change	First 4 Mos 1918	First 4 Mos 1919	% Change	April 1918	April 1919	% Change	March 31 1919	April 30 1918	April 30 1919	% Change	March 31 1919	April 30 1918	April 30 1919	% Change
Allentown	32	130	+306	24	35	+46	27	130	+381	20	35	+75	97	104	+7	32	44	+38	17	10	17	+70	95	4	86	+2050
Alpha	467	317	—32	252	148	—41	471	246	—48	233	136	—42	657	468	—29	284	228	—20	338	258	350	+36	352	228	260	+14
Alsen																										
Atlas	1519	1615	+6	455	455	+2	1523	1615	+6	457	465	+2	1510	1179	—23	619	452	—27	0	0	0		1205	400	1217	+204
Bath	88	132	+50	41	57	+39	97	122	+26	52	56	+8	110	153	+39	53	69	+30	91	22	92	+318	73	32	60	+88
Cayuga																										
Coplay	307	157	—49	91	63	—31	305	232	—24	89	68	—24	274	182	—34	96	65	—32	19	98	15	—85	115	92	118	+28
Dexter	139	253	+82	44	71	+61	159	231	+45	50	76	+52	174	*201	+16	67	**83	+24	60	19	55	+189	62	13	55	+323
Edison	149	432	+190	129	107	—17	159	437	+175	128	113	—12	297	176	—41	119	77	—35	36	25	30	+20	408	46	441	+365
Giant L. V.	154	190	+23	37	79	+114	154	190	+24	37	79	+114	179	201	+12	49	91	+86	1	6	1		41	27	29	+7
Giant Norfolk																										
Glens Falls	132	184	+39	51	49	—4	102	179	+75	42	52	+24	97	65	—33	48	31	—35	16	80	14	—83	236	209	257	+23
Helderberg																										
Hercules	30	142	+373	30	33	+10	42	138	+229	23	37	+61	84	109	+30	28	40	+43	36	8	32	+300	41	6	40	+567
Knickerbocker	167	162	—3	57	***		174	167	—4	59	***		148	108	—27	77	32	—58	66	109	66	—39	235	165	203	+23
Lawrence	290	303	+4	101	105	+4	227	232	+2	113	82	—27	275	167	—39	128	83	—35	101	128	127	—1	151	106	153	+44
Lehigh	661	756	+14	213	218	+2	719	832	+16	224	206	—8	845	680	—20	336	263	—22	5	24	24		870	196	814	+315
Nazareth	181	344	+90	68	71	+4	173	311	+80	57	60	+5	200	157	—22	97	54	—44	60	43	73	+70	260	108	266	+146
Penn-Allen	48	168	+250	38	60	+58	48	168	+250	38	60	+58	139	93	—33	56	35	—38	9	0	0		114	21	140	+567
Pennsylvania#	302	401	+33	98	106	+8	282	255	—10	98	113	+15	289	221	—24	124	96	—23	179	67	172	+157	99	141	115	—20
Phoenix	0	0		0	0		4	0		0	0		56	XX		21	X		23	23	23		XXX	26	XXX	
Security	158	178	+13	53	69	+30	156	163	+4	58	69	+19	180	136	—24	60	50	—17	47	27	49	+81	62	50	81	+62
Virginia																										
Vulcanite	260	157	—40	78	76	—3	265	155	—42	81	76	—6	254	158	—38	115	61	—47	4	3	4	+33	56	69	72	+4
TOTAL . .	5084	6021	+18	1860	1812	—3	5087	5803	+14	1859	1783	—4	5395	4558	—23	2409	1854	—23	1099	944	1144	+21	4481	1942	4409	+127

* Includes 80,384 bbls. shipped for account of another mill.
** Includes 32,112 bbls. shipped for account of another mill.
*** Plant shut down during month of April, 1919.
Includes figures for Cayuga plant.
xx 81,426 bbls. shipped for their account by other mills.
x 32,436 bbls. shipped for their account by another mill.
xxx Stock overruns will advise amount when name is all said

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Govt Ex. No. 34

679

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF MAY, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND						
																			CLINKER				CEMENT		
	First 5 Mos. 1918	First 5 Mos. 1919	% Change	May 1918	May 1919	% Change	First 5 Mos. 1918	First 5 Mos. 1919	% Change	May 1918	May 1919	% Change	First 5 Mos 1918	First 5 Mos. 1919	% Change	May 1918	May 1919	% Change	April 30 1919	May 31 1918	May 31 1919	% Change	April 30 1919	May 31 1918	May 31 1919	% Change
Allentown	90	179	+99	58	49	—16	89	183	+106	63	53	—16	142	180	+27	44	76	+73	17	5	13	+160	86	22	62	+182
Alpha	797	516	—35	330	200	—39	791	508	—36	320	262	—18	1002	701	—30	346	233	—33	350	269	288	+7	260	203	289	+42
Alsen																										
Atlas	2087	2092	0	568	477	—16	2091	2092	0	568	477	—16	2099	1687	—20	558	509	—9	0	0	0		1217	410	1186	+189
Bath	158	199	+26	70	67	—4	162	215	+33	65	93	+43	168	241	+43	58	88	+52	92	27	66	+144	60	39	65	+67
Cayuga																										
Coplay	390	243	—38	83	86	+4	390	318	—18	84	86	+2	374	272	—27	100	90	—10	15	96	15	—84	118	76	113	+49
Dexter	237	325	+37	99	72	—27	243	308	+27	84	77	—8	260	*308	+18	†86	**107	+24	55	34	49	+44	55	11	26	+136
Edison	307	553	+80	147	121	—18	313	562	+80	154	125	—19	456	270	—41	160	93	—42	30	33	26	—21	444	40	476	+1090
Giant L. V.	224	274	+22	70	84	+20	224	274	+22	70	84	+20	244	263	+8	65	61	—6	1	0	1	+	29	32	52	+63
Giant Norfolk																										
Glens Falls	186	235	+26	55	51	—7	153	216	+41	51	37	—27	170	104	—39	74	39	—47	14	81	28	—67	257	186	255	+37
Helderberg																										
Hercules	81	199	+146	51	58	+14	82	186	+127	40	48	+20	119	157	+32	35	49	+40	32	20	42	+110	40	10	40	+300
Knickerbocker	238	232	+3	70	77	+10	247	247	0	73	77	+5	225	150	—33	77	43	—44	66	109	66	—39	203	161	238	+48
Lawrence	407	410	+1	117	107	—9	349	323	—7	121	90	—26	427	258	—40	152	91	—40	127	127	146	+15	153	75	152	+103
Lehigh	1022	982	—4	361	226	—37	1065	1061	—	396	228	—42	1145	959	—16	299	279	—7	24	25	30	+20	813	292	762	+161
Nazareth	261	425	+63	80	81	+1	254	400	+57	81	88	+9	305	221	—28	105	64	—39	73	43	67	+56	266	85	290	+241
Penn-Allen	108	212	+96	59	44	—25	108	212	+96	59	44	—25	205	137	—33	66	45	—32	0	0	0		140	15	139	+827
Pennsylvania#	449	555	+24	147	152	+3	434	405	—7	152	149	—2	431	327	—24	142	107	—25	172	60	175	+192	115	153	158	+3
Phoenix	0	0		0	0		4	0	—	0	0		96	xx		40	x		23	23	23	0	xxx	15	xxx	
Security	206	250	+21	48	72	+50	220	231	+5	65	68	+5	251	202	—20	71	65	—8	49	13	50	+285	81	44	83	+89
Virginia																										
Vulcanite	356	242	—32	96	86	—10	361	242	—33	102	87	—15	378	231	—39	125	74	—41	4	4	4	0	72	46	85	+85
TOTAL . .	7604	8123	+7	2509	2110	—16	7580	7983	+5	2548	2173	—15	8497	6668	—22	2603	2113	—19	1144	972	1089	+12	4409	1915	4471	+133

* Includes 115,339⅛ bbls. shipped for account of other mills.
** Includes 34,855 bbls. shipped for account of other mills.
Includes figures for Cayuga plant.
xx 115,089⅛ bbls. shipped for their account by other mills.
x 34,705 bbls. shipped for their account by another mill.
xxx Stock overruns will advise amount when same is all sold.
† 70,000 shipped for other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 35

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JUNE, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND						
																			CLINKER				CEMENT		
	First 6 Mos. 1918	First 6 Mos. 1919	% Change	June 1918	June 1919	% Change	First 6 Mos. 1918	First 6 Mos. 1919	% Change	June 1918	June 1919	% Change	First 6 Mos. 1918	First 6 Mos. 1919	% Change	June 1918	June 1919	% Change	May 31 1919	June 30 1918	June 30 1919	% Change	May 31 1919	June 30 1918	June 30 1919	% Change
Allentown	152	248	+63	62	69	+11	150	254	+69	60	72	+20	188	263	+40	46	83	+80	13	5	10	+100	62	36	51	+42
Alpha	1137	814	—28	340	298	—12	1136	814	—28	345	307	—11	1334	987	—26	332	287	—14	288	264	280	+ 6	289	215	309	+44
Alsen																										
Atlas	2663	2555	—4	576	463	—20	2667	2555	—4	576	463	—20	2635	2269	—14	537	582	+8	0	0	0	0	1186	449	1066	+137
Bath	219	278	+27	61	79	+30	215	313	+46	52	98	+88	225	335	+48	58	95	+64	66	36	47	+31	65	33	69	+109
Cayuga																										
Coplay	479	334	—30	89	91	+2	485	409	—16	97	91	—6	492	387	—21	118	115	—3	15	88	15	—83	113	55	89	+62
Dexter	306	396	+29	69	71	+3	325	396	+22	81	88	+9	[illegible]	[illegible]	+50	[illegible]	**103	+25	49	21	32	+52	26	10	11	+10
Edison	449	706	+57	143	153	+7	459	711	+55	146	149	+2	607	405	—33	151	135	—11	26	33	30	— 9	476	35	490	+1300
Giant L. V.	302	355	+18	78	81	+4	302	355	+18	78	81	+4	315	338	+7	71	75	+6	1	0	1	+	52	39	58	+49
Giant Norfolk																										
Glens Falls	232	281	+21	46	46	0	211	265	+26	58	49	—16	254	154	—39	81	50	—40	28	71	25	—65	255	161	253	+57
Helderberg																										
Hercules	138	248	+80	62	49	—21	136	242	+78	54	56	+4	163	222	+36	44	64	+45	42	28	34	+21	40	20	32	+60
Knickerbocker	319	325	+2	81	87	+7	332	331	0	84	87	+4	338	214	—37	112	64	—43	66	109	66	—39	238	133	261	+96
Lawrence	525	511	—3	118	101	—14	495	419	—15	146	97	—34	554	371	—33	127	113	—11	146	104	154	+48	152	94	136	+45
Lehigh	1418	1225	—14	396	243	—39	1452	1305	—10	387	245	—37	1518	1324	—13	374	365	—2	30	48	37	—23	762	306	641	+109
Nazareth	339	505	+49	77	80	+4	331	479	+45	77	79	+3	394	291	—26	89	70	—21	67	45	69	+53	290	73	299	+310
Penn-Allen	163	266	+63	55	54	—2	163	266	+63	55	54	—2	265	187	—29	60	50	—17	0	0	0	0	139	10	143	+1330
Pennsylvania	607	698	+15	158	143	—9	592	551	—7	158	166	—8	573	455	—21	142	***128	—10	175	60	172	+187	158	168	176	+5
Phoenix	0	0	0	0	0	0	4	4	0	0	0	0	168	xx		x	‡		22	23	23	0	xxx	14	xxx	
Security	267	293	+10	61	61	0	280	295	+5	60	65	+8	304	268	—13	53	62	+17	50	16	48	+200	83	50	86	+72
Virginia																										
Vulcanite	469	337	—28	113	95	—16	477	339	—29	116	97	—16	438	326	—33	109	94	—14	4	3	4	+33	85	53	88	+66
TOTAL . .	10184	10377	+2	2585	2264	—12	10213	10303	+1	2630	2324	—12	11900	9214	—16	2562	2535	—1	1089	954	1047	+10	4471	1954	4258	+118

* Includes 140,361¼ bbls. shipped for account of other mills.
** Includes 25,021 bbls. shipped for account of another mill.
*** Includes 16,565 bbls. shipped for account of another mill.
† Includes 26,279 bbls. shipped for account of another mill.
‡ In addition 55,335 bbls. shipped for their account by another mill.
xx 37,215 bbls. were shipped for their account by another mill.
xxx 156,520 bbls. were shipped for their account by other mills.
‡‡ Stock overruns, will advise amount when same is sold.
‡ 41,931 bbls. were shipped for their account by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Govt Ex. No. 36

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CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JULY, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 7 Mos. 1918	First 7 Mos 1919	% Change	July 1918	July 1919	% Change	First 7 Mos. 1918	First 7 Mos. 1919	% Change	July 1918	July 1919	% Change	First 7 Mos. 1918	First 7 Mos. 1919	% Change	July 1918	July 1919	% Change	June 30 1919	July 31 1918	July 31 1919	% Change	June 30 1919	July 31 1918	July 31 1919	% Change
Allentown	211	320	+52	59	72	+22	205	327	+60	56	73	+30	229	345	+51	41	82	+100	10	11	9	—18	51	50	12	—16
Alpha	1443	1122	—22	306	308	+	1465	1118	—24	329	304	—8	1627	1243	—24	293	256	—13	280	240	283	+18	309	252	357	+42
Alsen																										
Atlas	3274	3101	—5	611	546	—11	3281	3101	—5	613	546	—11	3168	2897	—8	533	628	+18	0	0	0		1066	528	985	+87
Bath	287	359	+25	68	81	+19	268	410	+53	53	97	+83	276	432	+57	50	96	+92	47	50	30	—40	69	37	69	+86
Cayuga	(Combined with Pennsylvania figures)																									
Coplay	587	453	—23	108	119	+10	599	529	—12	113	120	+6	606	491	—19	114	104	—9	15	83	14	—83	89	54	104	+93
Dexter	378	475	+26	72	79	+10	398	480	+21	73	84	+15	*424	**487	+21	***83	°76	—8	32	19	28	+47	11	18	20	+11
Edison	592	842	+42	142	136	—4	598	870	+45	139	131	—6	737	564	—23	129	159	+23	30	40	35	—13	490	45	462	+927
Giant L. V.	381	440	+15	79	85	+8	381	440	+15	79	85	+8	396	410	+4	81	72	—11	1	0	0		58	37	71	+92
Giant Norfolk																										
Glens Falls	278	323	+16	46	42	—9	264	315	+19	52	50	—4	329	215	—35	75	61	—19	25	65	17	—74	253	138	242	+75
Helderberg																										
Hercules	180	299	+66	42	51	+21	192	300	+56	56	58	+4	221	288	+30	57	66	+16	34	14	27	+93	32	19	24	+26
Knickerbocker	408	413	+1	89	88	—1	425	422	—1	93	91	—2	432	287	—34	94	73	—22	66	109	66	—39	261	132	279	+111
Lawrence	638	599	—6	113	88	—22	642	566	—12	148	147	—	670	508	—24	116	138	+19	154	72	98	+36	136	125	145	+16
Lehigh	1791	1535	—14	373	310	—17	1853	1630	—12	400	325	—19	1847	1725	—7	329	400	+22	37	38	33	—13	641	378	566	+50
Nazareth	430	573	+33	91	69	—24	422	555	+32	91	76	—16	486	357	—27	92	66	—28	69	47	63	+34	299	71	309	+335
Penn-Allen	217	322	+48	54	56	+4	217	322	+48	54	56	+4	312	250	—20	47	63	+34	0	0	0		143	17	136	+700
Pennsylvania	753	826	+10	145	128	—12	739	710	—4	146	159	+9	728	629	—14	155	†174	+12	172	59	141	+139	176	160	161	+
Phoenix	0	0		0	0		4	0		0	0		¶76	x		⁋8	xx		23	23	0	—	xxx	?	xxx	
Security	322	353	+10	55	58	+5	336	362	+8	56	68	+21	365	329	—10	61	66	+8	48	17	40	+135	86	45	88	+96
Virginia																										
Wabanite	578	427	—26	108	90	—17	585	430	—26	108	91	—16	563	424	—25	76	98	+29	4	4	2	—50	88	86	80	—7
TOTAL . .	12748	12782	+	2561	2406	—6	12874	12887	+	2659	2561	—4	13492	11881	—12	2426	2678	+10	1047	891	886	—	4258	2199	4140	+88

* Includes 76,496 barrels shipped for account of another mill.
** Includes 140,252 barrels shipped for account of another mill.
*** Includes 21,349 barrels shipped for account of another mill.
° In addition 5,693 barrels were shipped for their account by other mills.
† Includes 45,697 barrels shipped for other mills.
¶ In addition 76,684 barrels were shipped for their account by another mill.
x 197,510 barrels were shipped for their account by other mills.
⁋ In addition 21,349 barrels were shipped for their account by another mill.
xx 46,890 barrels were shipped for their account by other mills.
xxx Stock overrun, will advise amount when same is all sold.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 37

1st EDITION

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF AUGUST, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 8 Mos. 1918	First 8 Mos. 1919	% Change	August 1918	August 1919	% Change	First 8 Mos. 1918	First 8 Mos. 1919	% Change	August 1918	August 1919	% Change	First 8 Mos. 1918	First 8 Mos. 1919	% Change	August 1918	August 1919	% Change	July 31 1919	Aug. 31 1918	Aug. 31 1919	% Change	July 31 1919	Aug. 31 1918	Aug. 31 1919	% Change
Allentown	268	339	+45	55	69	+25	258	398	+54	49	71	+45	278	423	+52	49	78	+59	9	12	7	—42	42	56	35	—38
Alpha	1754	1465	—16	311	343	+10	1797	1451	—19	332	333	0	1922	1573	—18	295	330	+12	283	220	293	+33	357	289	360	+25
Alsen																										
Atlas	3879	3773	—3	604	672	+11	3886	3773	—3	605	672	+11	3695	3658	—1	527	761	+44	0	0	0		985	605	896	+48
Bath	354	443	+25	67	84	+25	328	500	+52	60	90	+50	328	510	+52	51	78	+53	30	57	25	—56	69	45	81	+80
Cayuga	(Combined with Pennsylvania figures)																									
Copley	701	546	—22	114	94	—18	708	632	—11	109	104	—5	693	613	—12	87	121	+39	14	88	4	—95	104	76	86	+13
Dexter	460	555	+21	83	80	—4	479	573	+20	82	92	+12	*483	**585	+21	***76	‡83	+9	28	21	15	—29	20	23	29	+26
Edison	724	990	+37	132	148	+12	730	994	+36	131	152	+16	866	771	—11	129	207	+60	35	45	31	—31	462	47	406	+764
Giant L. V.	452	524	+16	71	84	+18	452	524	+16	71	84	+18	473	502	+6	76	92	+21	0	0	1	+	71	31	62	+100
Giant Norfolk																										
Glens Falls	327	371	+13	49	48	—2	323	367	+14	59	52	—12	403	273	—32	74	58	—22	17	55	13	—76	242	123	236	+92
Helderberg																										
Hercules	233	360	+54	58	60	+3	242	360	+49	50	60	+20	262	352	+34	41	†64	+56	27	22	28	+27	24	28	20	—28
Knickerbocker	494	476	—4	86	63	—27	515	486	—6	90	64	—29	538	400	—26	106	113	+7	66	109	66	—39	279	116	231	+99
Lawrence	749	700	—7	111	101	—9	757	577	—12	125	111	—11	775	632	—18	104	124	+19	98	61	92	+51	145	146	132	—10
Lehigh	2176	1876	—14	385	341	—11	2249	1975	—12	410	345	—16	2166	2165	0	320	440	+37	33	28	42	+50	566	468	471	+1
Nazareth	511	647	+27	81	74	—9	510	635	+25	88	80	—9	575	446	—22	89	89	0	63	42	59	+40	309	70	300	+329
Penn-Allen	278	386	+39	60	64	+7	278	386	+39	60	64	+7	355	318	—10	43	67	+56	0	0	0		136	35	133	+280
Pennsylvania	858	968	+13	105	142	+35	834	892	+7	95	182	+92	881	826	—6	153	¶197	+29	141	69	101	+46	161	102	146	+43
Phoenix	0	0		0	0		4	0		0	0		x76	xx		¶	§		0	23	23		xxx	6	xxx	
Security	386	428	+11	64	65	+2	390	441	+13	54	78	+44	420	414	—1	54	85	+57	40	29	30	+3	88	44	82	+86
Virginia																										
Vulcanite	701	521	—26	124	94	—24	711	521	—27	126	91	—28	650	543	—16	87	119	+37	2	2	3	+50	80	124	52	—58
TOTAL . .	15310	15418	+1	2560	2626	+3	15401	15585	+1	2596	2725	+5	15839	15004	—5	2361	3106	+32	886	883	833	—6	3140	2434	3758	+56

* Includes 105,491 barrels shipped for account of another mill.
** Includes 175,634 barrels shipped for account of another mill.
*** Includes 28,992 barrels shipped for account of another mill.
† In addition 5,935 barrels were shipped for their account by other mills.
‡ In addition 4,124 barrels were shipped for their account by other mills.
¶ Includes 52,467 barrels shipped for account of other mills.
x In addition 105,977½ barrels were shipped for their account by another mill.
xx In addition 243,366 barrels were shipped for their account by other mills.
§ In addition 29,293 barrels were shipped for their account by another mill.
§ In addition 45,856 barrels were shipped for their account by other mills.
xxx Stock overruns, will advise amount when same is all sold

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF SEPTEMBER, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND						
																			CLINKER				CEMENT		
	First 9 Mos. 1918	First 9 Mos. 1919	% Change	Sept. 1918	Sept. 1919	% Change	First 9 Mos. 1918	First 9 Mos. 1919	% Change	Sept. 1918	Sept. 1919	% Change	First 9 Mos. 1918	First 9 Mos. 1919	% Change	Sept. 1918	Sept. 1919	% Change	Aug. 31 1919	Sept. 30 1918	Sept. 30 1919	% Change	Aug. 31 1919	Sept. 30 1918	Sept. 30 1919	% Change
Allentown	312	461	+48	44	72	+64	302	471	+56	44	73	+66	318	498	+57	46	*75	+63	7	12	6	—50	35	60	33	—45
Alpha	2039	1788	—13	305	321	+6	2112	1821	—14	311	370	+18	2231	1989	—11	311	416	+34	293	210	247	+18	360	292	314	+8
Alsen																										
Atlas	4100	4452	+1	521	679	+30	4107	4452	+1	521	679	+30	4217	4610	+9	552	963	+78	0	9	0		896	574	592	+3
Beth	417	526	+26	63	82	+30	379	580	+53	51	80	+57	362	628	+73	34	119	+250	25	70	27	—61	81	62	43	—31
Cayuga	(Combined with Pennsylvania figures)																									
Copley	804	637	—21	103	91	—12	801	723	—8	92	100	+9	771	732	—5	81	119	+47	4	99	4	—96	86	87	67	—23
Dexter	529	628	+19	69	73	+6	557	651	+17	78	78	0	**566	***675	+19	††73	‡‡90	+23	15	11	10	—9	29	28	17	—39
Edison	845	1160	+37	121	169	+40	857	1158	+35	127	174	+37	984	***1013	+3	118	¶241	+104	31	42	27	—36	406	56	339	+505
Giant L. V.	524	611	+17	72	87	+21	524	611	+17	72	87	+21	545	***611	+12	78	†120	+67	1	0	1	+	62	31	29	—6
Giant Norfolk																										
Glens Falls	367	419	+14	39	40	+23	372	412	+11	49	45	—8	472	319	—26	60	76	+12	12	45	16	—64	236	103	205	+99
Heidelberg																										
Hercules	290	413	+42	52	54	+2	284	422	+49	42	62	+48	312	411	+32	50	61	+22	28	37	19	—49	20	20	20	0
Knickerbocker	570	538	—7	84	62	—26	603	550	—9	68	64	—27	65.	561	—14	112	††141	+44	66	88	66	—25	231	92	334	+46
Lawrence	831	803	—3	82	103	+26	851	896	—6	84	129	—54	783	798	—16	109	106	—32	97	69	70	+17	152	121	95	—21
Lehigh	2584	2 25	—14	198	339	—14	2045	2309	—10	398	404	+2	2467	2661	+8	393	*89	+61	12	51	29	—43	491	566	379	—33
Nazareth	547	715	+25	77	68	—12	548	719	+20	87	81	—7	650	544	—17	75	56	—29	29	52	42	—19	390	93	365	+249
Penn-Allen	345	498	+35	47	62	+32	345	438	+26	47	62	+32	365	457	+7	40	‡‡65	+63	9	9	3		133	42	92	+119
Pennsylvania	962	1113	+17	94	144	+53	97	986	+7	107	141	+39	1046	1029	—2	125	‡‡202	+62	101	56	190	—67	146	84	83	—1
Phoenix	0	31	+	0	31	+	4	24	+500	0	24	+	579	530	—8	54	*58	+200	27	23	31	+35		7	16	+700
Security	541	193	+21	56	67	+19	145	518	+17	52	77	+48	472	502	+6	52	88	+69	52	14	20	+43	82	45	71	+58
Vienna																										
Valley rite	777	698	—10	76	117	+54	750	645	—14	70	124	+80	794	637	—20	69	144	+60	3	3	3	0	82	118	32	—73
TOTAL	17624	18068	+3	2913	3670	+26	17736	18383	+4	2316	2857	+23	18139	18707	+3	2366	3136	+33	901	849	770	—9	4797	3145	2841	+46

* In addition 12,041 bbls. were shipped from plant No.2
** In addition 10,441 bbls. were shipped for another mill
*** Of this amount 47,545 bbls. were shipped for other mills
† In addition 21,242 bbls. were shipped for another mill.
†† In addition 1,481 bbls. were shipped for them by other mills
‡ In addition 1,815 bbls. were shipped for other mills.

‡‡ In addition 31,243 bbls. were shipped for another company.
¶ In addition 2,643 bbls. were shipped for another company.
+ In addition 181,871 bbls. were shipped by other mills to us
In addition 13,643 bbls. were shipped by other mills
‡ In addition 29,581 bbls. were shipped by other mills
For further 12,554 bbls. were shipped for other companies.

§ For other 1,386 bbls. were shipped for other companies
§§ Including 16,711 bbls. shipped for other companies
68 barrels 4,250 bbls. shipped for other companies
¶ In addition 41,000 bbls. were shipped from another mill

ALL FIGURES ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 39

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF OCTOBER, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 10 Mos. 1918	First 10 Mos. 1919	% Change	Oct. 1918	Oct. 1919	% Change	First 10 Mos. 1918	First 10 Mos. 1919	% Change	Oct. 1918	Oct. 1919	% Change	First 10 Mos. 1918	First 10 Mos. 1919	% Change	Oct. 1918	Oct. 1919	% Change	Sept. 30 1919	Oct. 31 1918	Oct. 31 1919	% Change	Sept. 30 1919	Oct. 31 1918	Oct. 31 1919	% Change
Allentown	358	527	+47	46	66	+43	348	337	+54	47	66	+40	365	(a) 566	+55	47	(b) 69	+47	6	12	6	—50	33	60	31	—48
Alpha	2315	2141	—8	256	353	+38	2323	2168	—7	211	347	+64	2434	2344	—4	201	355	+77	247	254	252	—1	314	303	306	+1
Alsen																										
Atlas	4834	5161	+7	435	709	+63	4841	5162	+7	435	710	+63	4670	5543	+19	423	902	+113	0	0	0		592	586	399	—32
Bath	459	616	+34	41	90	+119	406	680	+67	27	100	+270	407	726	+78	45	98	+118	27	84	17	—80	43	44	45	+2
Cayuga	(Combined with Pennsylvania figures.)																									
Coplay	866	734	—15	62	97	+56	878	836	—5	77	103	+34	865	839	—3	90	108	+20	4	83	8	—90	67	74	61	—18
Dexter	605	717	+19	76	89	+17	627	734	+17	70	83	+19	(c) 641	(d) 766	+20	(e) 75	(f) 91	+21	10	18	16	—11	17	23	9	—61
Edison	895	1305	+46	50	145	+190	912	1320	+45	56	152	+171	1047	(g) 1262	+21	62	(h) 249	+302	27	38	20	—47	339	49	242	+394
Giant L. V.	605	712	+18	81	101	+25	694	712	+18	80	101	+26	618	(i) 721	+17	73	106	+45	1	1	1		29	38	23	—39
Giant Norfolk																										
Glens Falls	399	468	+17	32	49	+53	406	463	+14	34	51	+50	524	442	—16	53	92	+74	16	44	14	—68	205	84	163	+94
Helderberg																										
Hercules	326	471	+44	35	58	+66	325	489	+50	40	67	+68	357	(j) 479	+34	45	(k) 66	+47	19	27	10	—63	20	15	21	+40
Knickerbocker	654	622	—5	76	84	+11	683	637	—7	79	87	+10	731	(l) 682	—7	81	(m) 122	+51	66	88	66	—25	134	91	99	+9
Lawrence	889	926	+4	58	123	+112	916	974	+6	65	168	+158	991	1001	+1	108	202	+87	70	56	31	—45	95	78	60	—23
Lehigh	2844	2579	—9	260	354	+36	2921	2757	—6	274	378	+38	2717	(n) 3077	+13	250	(o) 416	+66	30	47	30	—36	379	590	341	—42
Nazareth	657	783	+17	80	68	—15	674	808	+20	76	92	+21	727	(p) 656	—10	75	(q) 112	+49	48	38	25	—34	283	82	263	+221
Penn-Allen	372	510	+37	47	62	+32	372	510	+37	47	62	+32	439	(r) 531	+21	44	(s) 110	+150	0	0	0		92	45	43	—4
Pennsylvania	1047	1258	+20	95	146	+54	1056	1187	+12	115	155	+35	1117	(t) 1214	+9	112	(u) 185	+65	105	36	96	+167	83	88	52	—41
Phoenix	0	86	+	0	55	+	4	81	+1925	0	57	+	(v) 83	(w) 57	—31	(x) 4	(y) 48	+1100	31	23	29	+26	16	0	25	+
Security	495	570	+15	53	76	+43	490	603	+23	46	85	+85	520	612	+18	48	110	+129	20	42	13	—69	71	43	46	+7
Virginia																										
Vulcanite	810	777	—4	33	139	+321	825	785	—5	35	140	+300	805	817	+1	65	130	+100	3	3	3		32	84	42	—50
TOTAL . .	19440	20963	+8	1816	2864	+58	19611	21443	+9	1814	3004	+66	20058	22335	+11	1901	3571	+88	730	894	637	—29	2844	2377	2271	—4

(a) In addition 66,024 bbls. were shipped from other mills.
(b) In addition 54,331 bbls. were shipped from other mills.
(c) Includes 126,093 bbls. shipped for another mill.
(d) Includes 110,427½ bbls. shipped for other mills.
(e) Includes 14,052 bbls. shipped for other mills.
(f) In addition 6,941½ bbls. shipped by other mills.
(g) Includes 19,580 bbls. shipped for other mills.
(h) Includes 4,569 bbls. shipped for other mills.
(i) Includes 18,171 bbls. shipped for other mills.
(j) In addition 18,726 bbls. shipped by other mills.
(k) In addition 1,974 bbls. shipped by another mill.
(l) Includes 91,512 bbls. shipped for another mill.
(m) Includes 40,998 bbls. shipped for another mill.
(n) In addition 89,912 bbls. shipped from other mills.
(o) In addition 45,234 bbls. shipped from other mills.
(p) Includes 25,203 bbls. shipped for other mills. 5,844 of this was shipped in September for other mills not reported.
(q) Includes 19,139 bbls. shipped for other mills.
(r) Includes 36,613 bbls. shipped for other mills.
(s) Includes 32,066 bbls. shipped for other mills.
(t) Includes 126,666 bbls. shipped for other mills.
(u) Includes 19,976 bbls. shipped for other mills.
(v) In addition 162,661 bbls. shipped for another mill.
(w) In addition 300,861 bbls. shipped by other mills.
(x) In addition 26,790 bbls. shipped by another mill.
(y) In addition 12,040 bbls. shipped by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF NOVEMBER, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND					
																			CLINKER			CEMENT		
	First 11 Mos. 1918	First 11 Mos. 1919	% Change	Nov. 1918	Nov. 1919	% Change	First 11 Mos. 1918	First 11 Mos. 1919	% Change	Nov. 1918	Nov. 1919	% Change	First 11 Mos. 1918	First 11 Mos. 1919	% Change	Nov. 1918	Nov. 1919	% Change	Oct. 31 1919	Nov. 30 1918	Nov. 30 1919	% Change	Oct. 31 1919	Nov. 30 1918	Nov. 30 1919	% Change
Allentown	396	580	+46	38	53	+39	382	551	+55	34	54	+59	402	(e) 628	+56	37	(b) 62	+68	6	16	5	—69	31	57	22	—61
Alpha	2590	2443	—6	276	302	+9	2582	2470	—4	259	301	+16	2578	2590	0	143	246	+72	252	271	253	—7	306	418	362	—13
Alsen																										
Atlas	5248	5825	+11	414	664	+60	5255	5826	+11	414	664	+60	5070	6184	+22	400	641	+60	0	0	0		336	536	359	—33
Bath	504	696	+38	45	80	+78	142	775	+75	35	95	+171	(c) 435	810	+86	(d) 28	84	+200	17	94	2	—98	45	51	56	+10
Cayuga	(Combined with Pennsylvania figures.)																									
Coplay	920	828	—10	54	94	+74	924	927	0	47	92	+96	935	944	+1	76	104	+40	8	91	19	—79	61	50	49	—2
Dexter	674	776	+15	69	59	—14	692	796	+15	65	62	—5	(e) 766	(f) 831	+18	(g) 65	(b) 65	0	16	22	13	—41	9	23	6	—74
Edison	995	1353	+36	100	50	—50	1018	1365	+34	105	45	—57	1129	(i) 1414	+25	92	153	+87	20	35	25	—31	242	73	134	+84
Giant L. V.	662	807	+22	58	95	+64	661	807	+22	57	95	+67	660	(j) 808	+22	42	88	+110	1	1	1	0	23	54	30	—44
Giant Norfolk																										
Glens Falls	442	514	+16	43	46	+7	455	508	+12	59	46	—8	559	474	—15	34	33	—3	14	37	14	—62	163	100	176	+76
Helderberg																										
Hercules	364	524	+44	38	53	+39	373	547	+47	48	58	+21	(k) 390	(l) 541	+39	(m) 40	62	+55	10	17	5	—71	21	23	17	—26
Knickerbocker	720	706	—2	66	83	+26	751	723	—4	69	86	+25	799	(n) 752	—6	68	(o) 70	+3	66	88	66	—25	99	91	115	+26
Lawrence	965	1056	+9	75	139	+73	998	1127	+13	82	154	+88	1084	1141	+5	93	140	51	31	52	11	—79	60	67	74	+10
Lehigh	3060	2929	—4	215	350	+63	3149	3145	0	229	388	+69	2912	(p) 3445	+18	195	(q) 368	+89	30	43	21	—51	341	624	360	—42
Nazareth	742	845	+14	74	63	—15	754	873	+16	80	65	—19	793	(r) 727	—8	66	71	+8	25	34	24	—29	263	96	257	+168
Penn-Allen	414	568	+37	42	58	+38	414	568	+37	42	58	+38	472	(s) 605	+28	33	(t) 74	+124	0	0	0		43	54	27	—50
Pennsylvania	1162	1376	+18	114	118	+4	1156	1317	+14	99	130	+31	1233	(u) 1339	+9	116	125	+8	96	51	84	+65	52	71	57	—20
Phoenix	0	121	+	0	35	+	4	122	+2950	0	42	+	(v) 84	(w) 104	+24	(x) 1	(y) 47	+	29	25	22	—4	25	16	20	+25
Security	545	637	+17	49	67	+37	554	672	+21	64	69	+8	573	678	+18	52	65	+25	13	29	14	—52	46	55	49	—11
Virginia																										
Vulcanite	858	901	+5	48	124	+158	876	909	+4	51	124	+143	850	924	+9	33	106	+221	3	2	3	+50	42	90	59	—34
TOTAL . .	21261	23486	+10	1818	2524	+39	21440	24068	+12	1830	2628	+41	21664	24934	+15	1598	2604	+63	637	907	582	—36	2208	2549	2229	—13

(a) In addition 83,399 bbls. were shipped from other mills.
(b) In addition 17,375 bbls. were shipped from other mills.
(c) Includes 10,000 bbls. shipped for another mill.
(d) Includes 2,690 bbls. shipped for another mill.
(e) Includes 151,779 bbls. shipped for another mill.
(f) Includes 168,619½ bbls. shipped for other mills.
(g) Includes 25,656 bbls. shipped for other mills.
(h) In addition 1,506 bbls. where shipped by other mills.
(i) Includes 19,150 bbls. shipped for other mills.
(j) Includes 16,771 bbls. shipped for other mills.
(k) In addition 10,000 bbls. where shipped from another mill.
(l) In addition 16,726 bbls. were shipped from other mills.
(m) In addition 2,690 bbls. were shipped from another mill.
(n) Includes 90,962 bbls. shipped for another mill.
(o) Includes 8,430½ bbls. shipped for another mill.
(p) In addition 98,342 bbls. were shipped from other mills.
(q) In addition 8,430½ bbls. were shipped from another mill.
(r) Includes 25,293 bbls. shipped for other mills.
(s) Includes 52,574 bbls. shipped for other mills.
(t) Includes 16,559 bbls. shipped for other mills.
(u) Includes 126,666 bbls. shipped for other mills.
(v) In addition 188,348 bbls. were shipped by other mills.
(w) In addition 306,062 bbls. were shipped by other mills.
(x) In addition 25,685 bbls. were shipped by other mills.
(y) In addition 5,141 bbls. were shipped by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 41

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF DECEMBER, 1919

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 12 Mos. 1918	First 12 Mos. 1919	% Change	Dec. 1918	Dec. 1919	% Change	First 12 Mos. 1918	First 12 Mos. 1919	% Change	Dec. 1918	Dec. 1919	% Change	First 12 Mos. 1918	First 12 Mos. 1919	% Change	Dec. 1918	Dec. 1919	% Change	Nov. 30 1919	Dec. 31 1918	Dec. 31 1919	% Change	Nov. 30 1919	Dec. 31 1918	Dec. 31 1919	% Change
Allentown	428	595	+ 41	28	13	—46	409	607	+ 48	27	16	—41	426	(a)651	+ 53	24	(b)22	—8	5	17	4	—76	22	60	(c)8	—87
Alpha	2735	2578	—6	165	134	—19	2788	2663	—3	156	193	+ 24	2670	2786	+ 4	92	196	+ 113	253	280	194	—31	862	482	858	—26
Alsen																										
Atlas	5650	6266	+ 11	402	441	+ 10	5657	6267	+ 11	402	441	+ 10	5291	6716	+ 27	221	582	+ 141	0	0	0		359	717	267	—63
Bath	546	745	+ 36	43	49	+ 14	496	806	+ 63	54	31	—43	(d)450	862	+ 92	15	52	+ 247	2	82	20	—76	36	91	33	—62
Cayuga	(Combined with Pennsylvania figures)																									
Coplay	998	895	—10	74	47	—36	999	990	—1	73	62	—17	992	1087	+ 3	57	94	+ 65	19	90	5	—94	49	68	17	—75
Dexter	741	818	+ 10	66	41	—38	747	888	+ 12	56	41	—27	(e)758	(f)878	+ 15	(g)52	(h)43	—17	18	88	18	—61	6	26	5	—81
Edison	1131	1898	+ 24	186	45	—67	1139	1409	+ 22	141	44	—69	1160	(i)1507	+ 29	32	92	+ 188	23	85	28	—20	184	182	83	—58
Giant L. V.	706	872	+ 24	44	65	+ 48	705	872	+ 24	44	65	+ 48	701	(j)878	+ 25	41	70	+ 71	1	1	1	0	80	56	26	—54
Giant Norfolk																										
Glens Falls	486	357	+ 15	44	48	—2	310	544	+ 7	55	36	—35	580	407	—14	22	22	0	14	9	22	+ 144	176	148	190	+ 28
Helderberg																										
Hercules	404	378	+ 48	40	58	+ 38	402	398	+ 49	29	51	+ 76	(k)441	(l)388	+ 82	41	42	+ 2	5	28	7	—75	17	11	26	+ 136
Knickerbocker	798	771	—8	81	66	—19	853	791	—5	88	68	—18	850	(m)797	—4	81	(n)44	+ 42	66	88	66	—25	115	144	139	—4
Lawrence	1055	1175	+ 11	90	110	+ 32	1090	1249	+ 15	92	122	+ 33	1155	1248	+ 8	71	102	+ 44	11	48	18	—73	74	88	94	+ 7
Lehigh	8244	8273	+ 1	184	846	+ 38	8870	8499	+ 4	220	854	+ 61	8096	(o)8748	+ 21	184	808	+ 65	21	16	25	+ 56	360	661	412	—38
Nazareth	792	887	+ 12	50	41	—18	806	928	+ 13	52	49	—6	880	(p)812	—2	86	(q)85	+ 186	24	84	17	—50	257	111	222	+ 100
Penn-Allen	448	594	+ 33	83	25	—24	445	594	+ 33	88	23	—24	496	(r)649	+ 31	24	(s)44	+ 83	0	0	0		27	64	9	—86
Pennsylvania	1240	1484	+ 20	78	107	+ 37	1259	1445	+ 15	108	127	+ 23	1326	(t)1448	+ 9	98	109	+ 17	84	26	64	+ 147	57	81	75	—7
Phoenix	0	123	+	0	2	+	4	128	+ 3100	0	6	+	(u)84	(v)118	+ 40	(w)	(x)14	+	22	28	18	—22	20	(y)	11	+
Security	580	647	+ 12	36	12	—67	391	697	+ 78	37	24	—35	600	708	+ 18	27	80	+ 11	14	28	2	—93	49	54	44	—19
Virginia																										
Vulcanite	885	986	+ 9	27	65	+ 141	903	975	+ 8	26	66	+ 154	894	1005	+ 12	44	82	+ 86	8	2	4	+ 100	30	78	44	—40
TOTAL . .	22877	25224	+ 10	1621	1716	+ 6	23128	25895	+ 12	1685	1821	+ 8	22780	26918	+ 18	1107	1978	+ 79	582	840	508	—40	2229	3112	2066	—34

(a) In addition 116,492 bbls. were shipped from other mills.
(b) In addition 33,093 bbls were shipped from other mills.
(c) This is the net amount after deducting 8,213 bbls., which cement was uncovered as hardened when bins were cleaned out
(d) Of this amount 10,000 bbls. were shipped for another mill.
(e) Of this amount 171,302 bbls. were shipped for other mills.
(f) Of this amount 101,283½ bbls. were shipped for other mills.
(g) Of this amount 19,523 bbls. were shipped for other mills.
(h) In addition 7,333 bbls. were shipped from other mills.
(i) Of this amount 19,830 bbls. were shipped for other mills.
(j) Of this amount 18,771 bbls. were shipped for other mills.
(k) In addition 10,000 bbls. were shipped from another mill.
(l) In addition 18,726 bbls. were shipped from other mills.
(m) Of this amount 100,165 bbls. were shipped for another mill.
(n) Of this amount 175 bbls. were shipped for another mill.
(o) In addition 98,392 bbls. were shipped from other mills.
(p) Of this amount 62,155 bbls. were shipped for other mills.
(q) Of this amount 36,952 bbls. were shipped for other mills.
(r) Of this amount 53,775 bbls. were shipped for other mills.
(s) Of this amount 1,212 bbls. were shipped for another mill.
(t) Of this amount 125,666 bbls. were shipped for other mills.
(u) In addition 207,869½ bbls. were shipped from other mills.
(v) In addition 314,360 bbls. were shipped from other mills
(w) In addition 19,522 bbls. were shipped from other mills
(x) In addition 8,378 bbls. were shipped from other mills.
(y) Stock overruns.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Govt Ex. No. 42

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SECOND AND FINAL EDITION

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JANUARY, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER			CEMENT GROUND			SHIPMENTS				STOCK ON HAND						
											CLINKER				CEMENT		
	Jan. 1919	Jan. 1920	% Change	Jan. 1919	Jan. 1920	% Change	Jan. 1919	Jan. 1920	% Change	Dec. 31 1919	Jan. 31 1919	Jan. 31 1920	% Change	Dec. 31 1919	Jan. 31 1919	Jan. 31 1920	Change %
Allentown	24	28	—4	24	28	—4	13	x6	—54	4	17	4	—76	8	71	23	—65
Alpha	84	264	+ 214	33	188	+ 470	48	143	+ 198	194	331	270	—18	358	466	408	—14
Alsen																	
Atlas	325	634	+ 95	325	634	+ 95	221	406	+ 84	0	0	0		267	821	493	—40
Bath	0	70	+	0	53	+	15	20	+ 33	20	82	88	—54	35	76	68	—11
Cayuga	(Combined with Pennsylvania figures)																
Coplay	48	59	+ 23	48	60	+ 25	40	42	+ 5	5	90	4	— 96	17	76	34	—55
Dexter	60	55	—8	61	56	—8	†33	††26	—21	13	32	12	—62	5	54	36	—33
Edison	104	141	+ 36	97	141	+ 45	26	50	+ 92	28	43	28	—38	¶65	254	156	—39
Giant L. V.	0	62	+	0	62	+	22	48	+ 118	1	1	1	0	26	34	40	+ 18
Giant Norfolk																	
Glens Falls	36	8	—78	34	7	79	10	11	+ 10	22	11	23	+ 109	190	166	183	+ 11
Helderberg																	
Hercules	18	40	+ 122	30	44	+ 47	27	31	+ 15	7	16	3	— 81	26	13	39	+160
Knickerbocker	90	38	—86	93	60	—35	21	24	+ 14	66	88	66	—25	138	216	174	—19
Lawrence	82	89	+ 9	84	90	+ 7	22	58	+ 141	18	49	15	—69	94	150	131	—13
Lehigh	149	340	+ 128	93	333	+ 73	118	230	+ 112	23	7	45	+ 543	412	735	495	—33
Nazareth	65	41	—37	64	23	—64	15	‡37	+ 280	17	86	35	—8	222	160	188	+ 18
Penn-Allen	0	50	+	0	50	+	13	18	+ 38	0	0	0		9	51	40	—22
Pennsylvania	180	116	— 1	77	181	+ 70	38	51	+ 34	64	79	49	—38	75	120	155	+ 29
Phoenix	0	46	+	0	43	+	*	✓**11	+	18	23	27	+ 17	11	0	45	+
Security	18	32	+ 146	5	15	+ 200	18	22	+ 69	2	36	20	—44	44	47	36	—28
Virginia																	
Vulcanite	0	76	+	0	76	+	25	40	+ 60	4	2	2	0	44	49	80	+ 63
TOTAL . .	1228	2204	+ 79	1168	2089	+ 79	720	1809	+ 82	503	945	642	—32	2046	3561	2825	—21

✓ x In addition to this amount 26,967 bbls. were shipped by other mills.
† Of this amount 15,879½ bbls. were shipped for another company.
†† In addition to this amount 4,816 bbls. were shipped by another company
¶ 20,000 bbls. appropriated for their own use have been deducted.
‡ Of this amount 31,778 were shipped for account of other mills.
* 13,408 bbls. were shipped for their account by other mills.
** 9,599 bbls. of this amount were shipped by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 43

Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF FEBRUARY, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 2 mos. 1919	First 2 mos. 1920	% Change	Feb., 1919	Feb., 1920	% Change	First 2 mos. 1919	First 2 mos. 1920	% Change	Feb., 1919	Feb., 1920	% Change	First 2 mos. 1919	First 2 mos. 1920	% Change	Feb., 1919	Feb., 1920	% Change	Jan. 31, 1920	Feb. 28, 1919	Feb. 29, 1920	% Change	Jan. 31, 1920	Feb. 28, 1919	Feb. 29, 1920	% Change
Allentown	55	62	+ 13	31	39	+ 26	55	59	+ 8	31	37	+ 19	28	(A)14	—50	16	(B)9	—44	4	17	6	—65	25	86	58	—88
Alpha	164	514	+ 213	81	250	+ 209	107	414	+ 287	74	226	+ 205	113	261	+ 131	65	118	+ 82	270	387	295	—12	408	476	511	+ 7
Alsen																										
Atlas	665	1186	+ 71	341	503	+ 48	665	1186	+ 71	341	503	+ 48	448	582	+ 30	227	175	—23	0	0	0		495	984	822	—12
Buck	81	112	+ 261	31	41	+ 32	14	58	+ 314	14	5	—64	84	25	—26	19	5	—74	88	100	74	—26	68	71	67	—6
Cayuga	(Combined with Pennsylvania figures)																									
Coplay	67	127	+ 90	18	68	+ 278	91	128	+ 41	42	68	+ 62	67	77	+ 15	27	35	+ 30	4	66	4	—94	34	91	*66	—27
Dexter	114	94	—18	55	39	—29	118	86	—24	38	29	—45	(C)84	(D)89	—39	(E)31	(F)13	—58	12	34	22	—35	56	76	52	—32
Edison	213	229	+ 8	106	88	—17	208	230	+ 11	111	89	—20	52	88	+ 60	26	33	+ 27	28	40	26	—35	136	338	218	—37
Giant L. V.	89	112	+ 187	39	50	+ 28	39	112	+ 187	39	30	+ 28	63	84	+ 33	33	36	+ 9	1	3	1	0	40	40	34	+ 85
Giant Norfolk																										
Glens Falls	85	8	—91	49	0	—	83	7	—92	49	0	—	21	18	—14	10	7	—30	23	11	23	+ 109	185	203	173	—18
Helderberg																										
Hercules	65	69	+ 6	47	29	—38	65	61	—6	35	16	—54	42	47	+ 12	15	16	+ 7	3	28	16	—43	89	84	39	+ 13
Knickerbocker	162	79	—51	72	21	—71	167	82	—51	74	22	—70	84	84	0	13	10	—28	66	66	66	0	174	277	186	—33
Lawrence	137	153	+ 12	55	64	+ 16	102	129	+ 26	18	40	+ 122	44	84	+ 91	22	32	+ 45	15	86	41	—52	131	146	139	—5
Lehigh	329	585	+ 78	180	245	+ 36	404	599	+ 48	211	236	+ 26	240	386	+ 61	122	136	+ 11	45	8	32	+ 967	495	823	625	—24
Nazareth	161	99	—39	96	58	—40	177	72	—59	115	49	—57	47	(G)78	+ 66	32	(H)22	—31	85	22	45	+ 105	188	241	216	—10
Penn-Allen	48	74	+ 54	48	24	—50	48	74	+ 54	48	24	—50	82	23	—72	19	7	—63	0	0	0		40	81	37	—30
Pennsylvania	220	196	—11	91	80	—12	97	194	+ 100	21	68	+ 200	66	80	+ 21	28	29	+ 4	49	149	66	—56	155	112	189	+ 69
Phoenix	0	75	+	0	32	+	0	74	+	0	31	+	(I)	(J)20	—	(K)	(L)9	—	27	23	25	+ 22	45	0	68	+
Security	84	68	+ 85	21	31	+ 48	29	46	+ 59	24	31	+ 29	88	51	+ 55	21	29	+ 88	20	84	21	— 88	36	50	38	—24
Virginia																										
Vulcanite	81	161	+ 419	81	85	+ 174	35	160	+ 385	81	84	+ 171	51	61	+ 20	25	22	—12	2	8	2	—83	80	53	143	+ 160
TOTAL . .	2620	3951	+ 51	1892	1747	+ 26	2497	3721	+ 49	1829	1638	+ 23	1479	2049	+ 39	751	748	—1	642	1020	768	—25	2823	4138	3710	—10

(a) In addition 31,741 bbls. were shipped by other mills.
(b) In addition 4,784 bbls. were shipped by other mills
(c) Includes 27,830½ bbls. shipped for another mill.
(d) In addition 5,969 bbls. were shipped by another mill.
(e) Includes 12,451 bbls. shipped for another mill.
(f) In addition 2,153 bbls. were shipped by another mill.
(g) Includes 38,710 bbls shipped for other mills.
(h) Includes 6,937 bbls. shipped for other mills.
(i) 27,694 bbls. were shipped for them by other mills.
(j) In addition 3,686 bbls. were shipped for them by other mills.
(k) 12,451 bbls. were shipped for them by another mill.
(l) In addition 165 bbls. were shipped for them by another mill.
* 566 bbls. have been deducted for their own use.

ALL AMOUNTS ARE SHOWN IN THOUSANDS

Govt Ex. No. 44

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Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF MARCH, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 3 mos. 1919	First 3 mos. 1920	% Change	Mar., 1919	Mar., 1920	% Change	First 3 mos. 1919	First 3 mos. 1920	% Change	Mar., 1919	Mar., 1920	% Change	First 3 mos. 1919	First 3 mos. 1920	% Change	Mar., 1919	Mar., 1920	% Change	Feb. 29, 1920	Mar. 31, 1919	Mar. 31, 1920	% Change	Feb. 29, 1920	Mar. 31, 1919	Mar. 31, 1920	% Change
Allentown	93	103	+ 11	40	43	+ 8	93	99	+ 4	40	40	0	60	(a)51	—15	31	(b)37	+ 19	6	17	10	—41	53	93	56	—41
Alpha	169	773	+ 357	4	239	+6875	110	630	+ 473	3	216	+7100	240	479	+ 100	127	217	+ 71	293	338	338	0	511	352	510	+ 45
Aisen																										
Atlas	1151	1771	+ 54	485	635	+ 31	1151	1771	+ 54	485	635	+ 31	727	976	+ 34	279	393	+ 42	0	0	0		822	1140	1062	—7
Bath	75	163	+ 117	48	51	+ 19	66	85	+ 29	53	27	—49	84	61	—27	50	58	—28	74	91	99	+ 9	67	78	58	—21
Cayuga	(Combined with Pennsylvania figures.)																									
Coplay	93	186	+ 100	27	59	+ 119	164	187	+ 14	78	50	—19	117	131	+ 29	30	74	+ 48	4	19	4	—79	66	113	32	—35
Dexter	182	135	— 26	67	40	—40	154	107	—31	41	21	—49	(c)119	(d)81	—32	(e)53	(f)48	—22	22	60	41	-32	52	62	30	—52
Edison	925	912	—4	111	83	—25	824	299	—8	115	69	—40	99	172	+ 74	53	90	+ 70	26	36	40	+ 11	213	408	x191	—53
Giant L. V.	87	171	+ 97	48	59	+ 23	87	170	+ 95	48	53	+ 21	110	132	+ 38	47	68	+ 45	1	1	2	+ 100	54	41	44	+7
Giant Norfolk																										
Glens Falls	133	12	—91	30	4	—92	128	8	—94	45	1	—98	34	31	—9	13	18	0	28	16	26	+ 63	178	283	166	—29
Helderberg																										
Hercules	109	95	—13	44	26	—41	101	84	—17	36	28	—36	69	92	+ 33	26	44	+ 69	16	36	19	—47	89	44	18	—59
Knickerbocker	162	139	—14	0	59	+	167	143	—14	0	61	+	75	56	—25	41	22	—46	66	66	66	0	186	285	225	—4
Lawrence	198	239	+ 21	61	86	+ 41	151	205	+ 36	48	76	+ 58	84	146	+ 74	40	62	+ 55	41	101	53	—48	139	154	153	—1
Lehigh	538	867	+ 61	210	281	+ 34	626	893	+ 43	222	294	+ 32	417	669	+ 60	177	284	+ 60	32	5	29	+ 480	625	870	636	—27
Nazareth	273	172	—37	112	73	—35	252	150	—40	75	77	+ 3	103	(g)135	+ 31	55	(h)56	+ 2	45	60	43	—28	216	260	237	—9
Penn-Allen	108	127	+ 18	60	53	—12	108	127	+ 18	60	53	—12	58	54	—7	26	29	+ 12	0	0	0		37	114	82	—28
Pennsylvania	296	304	+ 3	75	108	+ 44	148	302	+ 111	45	108	+ 140	124	(i)169	+ 36	58	(j)89	+ 53	66	179	66	—63	189	99	208	+ 110
Phoenix	0	123	+	0	43	+	0	116	+	0	41	+	(l)	(k)49	+	(l)	29	+	28	23	32	+ 39	68	(m)	80	+
Security	•																									
Virginia																										
Vulcanite	81	203	+ 151	40	42	—14	70	202	+ 156	48	41	—15	97	126	+ 30	47	63	+ 88	2	4	8	—25	148	56	119	+ 113
TOTAL	4077	5897	+ 45	1486	2006	+ 35	3906	5578	+ 43	1487	1900	+ 32	2617	3650	+ 39	1173	1653	+ 41	747	1052	871	—17	3678	4853	3927	—19

(a) In addition 31,741 bbls. were shipped by other mills.
(b) In addition 520 bbls. were shipped by another mill.
(c) Includes 48,272 bbls. shipped for another mill.
(d) Includes 165 bbls. shipped for another mill, and in addition 6,774½ bbls. were shipped by another mill.
(e) Includes 20,442 bbls. shipped for another mill.
(f) Includes 165 bbls. shipped for another mill, and in addition 1,805½ bbls. were shipped by another mill.
(g) Includes 39,230 bbls. shipped for other mills.
(h) Includes 520 bbls. shipped for another mill.
(i) Includes 2,095 bbls. shipped for another mill.
(j) 48,950 obls. were shipped for them by other mills.
(k) In addition 3,664 bbls. were shipped for them by other mills
(l) 21,136 bbls. were shipped for them by other mills.
(m) Stock overrun est.
• Not reported.
x 1,100 bbls. have been appropriated for their own use.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Form 32

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF APRIL, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 4 mos. 1919	First 4 mos. 1920	% Change	Apr., 1919	Apr., 1920	% Change	First 4 mos. 1919	First 4 mos. 1920	% Change	Apr., 1919	Apr., 1920	% Change	First 4 mos. 1919	First 4 mos. 1920	% Change	Apr., 1919	Apr., 1920	% Change	Mar. 31, 1920	Apr. 30, 1919	Apr. 30, 1920	% Change	Mar. 31, 1920	Apr. 30, 1919	Apr. 30, 1920	% Change
Allentown	130	153	+18	35	48	+37	130	144	+11	35	45	+29	104	(a)104	0	44	52	+20	10	17	14	—18	56	86	48	—44
Alpha	317	1096	+246	148	323	+118	246	977	+297	136	347	+155	406	823	+76	225	355	+58	538	530	314	—10	310	260	502	+93
Alsen																										
Atlas	1615	2448	+52	465	677	+46	1615	2448	+52	465	677	+46	1179	1620	+37	452	644	+42	0	0	0		1062	1158	1095	—5
Bath	182	209	+58	37	48	—19	122	140	+15	56	35	—2	138	111	—27	60	40	—29	99	92	90	—2	58	60	64	+7
Cayuga		(Combined with Pennsylvania figures)																								
Copley	157	253	+61	63	66	+5	232	254	+9	68	67	—1	182	230	+26	55	75	+20	4	15	3	—80	52	118	40	—66
Dexter	258	188	—25	71	58	—25	231	154	—33	76	48	—37	(b)201	(c)129	—36	(d)88	(e)47	—48	41	55	47	—15	80	55	81	—44
Edison	452	896	—6	107	84	—21	437	396	—9	113	97	—14	176	265	+51	77	93	+21	40	80	27	—10	191	444	195	—56
Giant L. V.	166	230	+21	79	78	—1	166	230	—31	79	78	—1	201	214	+6	91	82	—82	2	1	2	+100	44	29	61	+110
Giant Norfolk																										
Glens Falls	124	68	—62	49	58	+14	179	83	—84	32	56	+8	65	100	+34	31	69	+123	25	14	23	+79	186	257	134	—40
Helderberg																										
Hercules	142	186	—4	37	41	+24	188	121	—12	37	58	+3	109	122	+12	40	30	—23	19	32	22	—31	16	40	25	—37
Knickerbocker	102	220	+86	0	81	+	107	226	+85	0	83	+	108	202	+87	82	146	+356	66	66	56	0	225	208	168	—20
Lawrence	808	358	+18	103	119	+18	282	811	+94	92	106	+29	167	230	+35	68	118	+86	58	127	70	—45	158	158	146	—5
Lehigh	756	1206	+60	218	340	+56	882	1284	+48	206	340	+65	600	877	—44	263	307	+17	29	24	40	+67	638	818	669	—18
Nazareth	844	228	—54	71	56	—21	311	209	—33	60	59	—2	157	(f)207	+32	54	78	+85	48	73	41	—44	287	266	228	—16
Penn-Allen	168	182	+9	60	55	—8	168	183	+9	60	55	—8	89	93	+2	63	61	—17	0	0	0		82	140	97	—31
Pennsylvania	401	428	+6	106	122	+15	255	425	+67	118	128	+9	221	(g)278	+26	96	109	+14	66	172	63	—62	208	115	222	+93
Phoenix	0	161	+	0	87	+	0	132	+	0	90	+	(h)	(i)96	+	(h)	47	+	32	73	25	+52	80	(h)	69	+
Security *	Not reported.																									
Virginia																										
Vulcanite	157	275	+75	76	72	—5	155	276	+78	76	73	—4	158	232	+47	61	108	+74	8	4	8	—25	119	72	87	+21
TOTAL . .	5819	8254	+42	1743	2334	+85	5616	7964	+42	1714	2383	+89	4422	6074	+37	1904	2472	+84	871	1095	864	—21	8927	4234	3891	—9

(a) In addition 31,741 bbls. were shipped by other mills.
(b) Includes 80,364 bbls. shipped for another mill.
(c) Includes 168 bbls. shipped for another mill and in addition 14,720 ½ bbls. were shipped by another mill.
(d) Includes 28,112 bbls. shipped for another mill.
(e) In addition 2,948 bbls. were shipped by another mill.
(f) Includes 39,230 bbls. shipped for other mills.
(g) Includes 2,095 bbls. shipped for another mill.
(h) 81,426 bbls. were shipped for their account by other mills.
(i) In addition 5,632 bbls. were shipped by other mills.
(j) 33,436 bbls. were shipped for their account by another mill.
(k) Stock covered millsale.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 46

Form 13

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF MAY, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 5 mos. 1919	First 5 mos. 1920	% Change	May, 1919	May, 1920	% Change	First 5 mos. 1919	First 5 mos. 1920	% Change	May, 1919	May, 1920	% Change	First 5 mos. 1919	First 5 mos. 1920	% Change	May, 1919	May, 1920	% Change	Apr. 30, 1920	May 31, 1919	May 31, 1920	% Change	Apr. 30, 1920	May 31, 1919	May 31, 1920	% Change
Allentown	179	212	+18	49	58	+18	183	204	+11	53	60	+13	180	(a)169	—6	76	65	—14	14	13	12	—8	48	62	43	—31
Alpha	516	1431	+177	200	335	+68	508	1315	+159	262	338	+29	701	1198	+71	283	365	+57	314	288	311	+8	502	239	475	+64
Alsen																										
Atlas	2092	3165	+51	477	717	+50	2092	3165	+51	477	717	+50	1687	2154	+28	509	584	+5	0	0	0		1095	1121	1279	+14
Bath	199	291	+46	67	82	+22	215	209	—3	93	69	—26	241	169	—30	88	58	—34	90	66	102	+55	64	65	75	+15
Cayuga	81	173	+114	49	39	—20	61	147	+141	32	39	+22	60	125	+108	27	45	+67	65	49	65	+33	66	73	60	—18
Coplay	243	317	+30	86	65	—24	318	322	+1	86	68	—21	272	295	+8	90	68	—27	3	15	0	—	40	113	43	—62
Dexter	325	249	—23	72	61	—15	308	211	—31	77	57	—26	(b)308	(c)182	—41	(d)107	(e)54	—50	47	49	51	+4	31	26	34	+31
Edison	553	554	0	121	159	+31	562	551	—2	125	155	+24	270	420	+56	93	155	+67	27	26	34	+31	195	476	(f)198	—59
Giant L. V.	250	346	+38	84	96	+14	250	346	+38	84	96	+14	263	291	+11	61	78	+28	2	1	2	+100	61	52	79	+52
Giant Norfolk																										
Glens Falls	235	127	—46	51	59	+16	216	120	—44	37	56	+51	104	156	+50	39	56	+44	25	28	28	0	154	255	154	—40
Helderberg																										
Hercules	199	185	—7	58	49	—16	186	168	—12	48	42	—13	157	158	+1	49	37	—24	22	42	29	—31	25	40	30	—25
Knickerbocker	239	297	+24	77	77	0	244	306	+25	77	80	+4	150	344	+129	43	142	+230	66	66	66	0	168	238	100	—58
Lawrence	410	497	+21	107	139	+30	323	403	+25	90	92	+2	258	363	+41	91	103	+13	70	146	120	—18	146	152	134	—12
Lehigh	982	1555	+58	226	348	+54	1061	1598	+51	228	365	+60	959	1252	+31	279	276	—1	40	30	39	+30	669	762	758	—1
Nazareth	425	320	—25	81	92	+14	400	296	—26	88	88	0	221	(g)268	+21	64	61	—5	41	67	47	—30	228	230	249	—14
Penn-Allen	212	245	+16	44	62	+41	212	245	+16	44	62	+41	137	140	+2	45	45	0	0	0	0		97	139	114	—18
Pennsylvania	474	407	—14	103	115	+12	344	407	+18	117	90	—23	287	(h)270	+1	79	72	—9	0	126	25	—80	156	86	173	+101
Phoenix	0	223	+	0	62	+	0	215	+	0	63	+	(i)	(j)159	+	(k)	63	+	35	23	36	+57	69	0	63	+
Security	Not Reported.																									
Virginia																										
Vulcanite	242	404	+67	86	129	+50	242	405	+67	87	129	+48	231	341	+48	74	109	+47	3	4	3	—25	87	85	107	+26
Total	7856	10998	+40	2038	2744	+35	7725	10628	+38	2105	2608	+27	6466	8454	+31	2047	2384	+16	864	1039	970	—7	3891	4324	4168	—4

(a) In addition 31,741 bbls. were shipped by other mills.
(b) Includes 118,239¾ bbls. shipped for another mill.
(c) In addition 14,893¾ bbls. were shipped by another mill—Includes also 185 bbls. shipped for another mill.
(d) Includes 34,858 bbls. shipped for another mill.
(e) In addition 173 bbls. were shipped by another mill.
(f) 2,394 bbls. have been deducted for use at their mill.
(g) Includes 39,250 bbls. shipped for other mills.
(h) Includes 2,095 bbls shipped for another mill.
(i) 118,089¾ bbls. shipped by another mill.
(j) In addition 3,888 bbls. were shipped by other mills.
(k) 36,282 bbls. were shipped by another mill.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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Govt Ex. No. 47

Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JUNE, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND							
																			CLINKER				CEMENT			
	First 6 mos. 1919	First 6 mos. 1920	% Change	June 1919	June 1920	% Change	First 6 mos. 1919	First 6 mos. 1920	% Change	June 1919	June 1920	% Change	First 6 mos. 1919	First 6 mos. 1920	% Change	June 1919	June 1920	% Change	May 31 1920	June 30 1919	June 30 1920	% Change	May 31 1920	June 30 1919	June 30 1920	% Change
Allentown	248	271	+9	69	59	—14	254	261	+3	72	57	—21	263	[a]230	—13	83	[b]62	—25	12	10	14	+40	43	51	38	—25
Alpha	814	1752	+115	298	321	+8	814	1645	+102	307	331	+8	987	1631	+65	287	433	+51	311	280	301	+8	475	309	373	+21
Aben																										
Atlas	2555	3671	+44	463	506	+9	2555	3671	+44	463	506	+9	2269	2872	+27	582	718	+23	0	0	0		1279	1002	1066	+6
Bath	278	343	+23	79	51	—35	313	288	—8	98	78	—20	335	251	—25	95	82	—14	102	47	75	+60	75	69	71	+3
Cayuga	116	213	+84	35	40	+14	87	202	+132	26	55	+112	92	193	+110	31	68	+119	65	58	50	—14	60	67	47	—30
Ceplay	334	412	+23	91	95	+4	409	417	+2	91	95	+4	387	398	+3	115	103	—10	0	15	0	—	43	89	34	—62
Dexter	396	305	—23	71	56	—21	396	269	—32	88	58	—34	[c]411	[d]257	—37	[e]103	[f]75	—27	51	32	49	+53	34	11	17	+55
Edison	706	703	0	153	149	—3	711	698	—2	149	147	—1	405	583	+44	135	163	+21	34	30	36	+20	193	490	[g]176	—64
Giant L. V.	331	446	+35	81	100	+23	331	446	+35	81	100	+23	338	423	+25	75	132	+76	2	1	2	+100	79	58	47	—19
Giant Norfolk																										
Glens Falls	281	181	—36	46	54	+17	265	171	—35	49	51	+4	154	225	+46	50	69	+38	28	25	32	+28	154	258	136	—46
Helderberg																										
Hercules	248	247	0	49	62	+27	242	211	—13	56	48	—14	222	210	—5	64	52	—19	29	34	43	+26	30	32	26	—19
Knickerbocker	325	386	+19	87	89	+2	331	397	+20	87	91	+5	214	459	+114	64	115	+80	66	66	66	0	100	261	77	—71
Lawrence	511	626	+23	101	129	+28	419	548	+31	97	145	+49	371	529	+43	113	166	+47	120	154	108	—30	134	136	113	—17
Lehigh	1225	1857	+52	243	303	+25	1305	1927	+48	245	328	+34	1324	1679	+27	365	427	+17	39	37	29	—22	758	641	659	+3
Nazareth	506	398	—22	80	73	—9	479	370	—23	79	74	—6	291	[h]378	+30	70	109	+56	47	69	48	—30	249	299	214	—28
Penn-Allen	266	305	+15	54	60	+11	266	305	+15	54	60	+11	187	210	+12	50	70	+40	0	0	0		114	143	104	—27
Pennsylvania	582	513	—12	108	106	—2	464	503	+8	120	96	—20	364	[i]380	+4	97	110	+13	25	114	35	—69	173	109	159	+46
Phoenix	0	296	+	0	73	+	0	274	+	0	59	+	[j]	[k]231	+	[l]	68	+	36	23	52	+126	68	[m]	59	+
Security	Not Reported.																									
Virginia																										
Vulcanite	337	527	+56	95	123	+29	339	526	+55	97	121	+25	326	479	+47	94	138	+47	3	4	5	+25	107	88	90	+2
Total	10058	13447	+34	2203	2449	+11	9980	13129	+32	2259	2500	+11	8940	11618	+30	2473	3160	+28	970	999	945	—5	4168	4108	3506	—15

(a) In addition 32,880 bbls. were shipped by other mills.
(b) In addition 619 bbls. were shipped by other mills.
(c) Includes 140,202¼ bbls. shipped for another mill.
(d) In addition 14,556½ bbls. were shipped by another mill—Includes 185 bbls. shipped for another mill.
(e) Includes 28,082 bbls. shipped for another mill.
(f) In addition 699 bbls. were shipped by another mill.
(g) 763 bbls. have been deducted for use at their mill.
(h) Includes 89,230 bbls. shipped for other mills.
(i) Includes 2,096 bbls. shipped for another mill.
(j) 184,620 bbls. were shipped for their account by other mills.
(k) In addition 3,666 bbls. were shipped by other mills.
(l) 41,531 bbls. were shipped for their account by other mills.
(m) Stock overrun.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JULY, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 7 mos. 1919	First 7 mos. 1920	% Change	July 1919	July 1920	% Change	First 7 mos. 1919	First 7 mos. 1920	% Change	July 1919	July 1920	% Change	First 7 mos. 1919	First 7 mos. 1920	% Change	July 1919	July 1920	% Change	June 30 1920	July 31 1919	July 31 1920	% Change	June 30 1920	July 31 1919	July 31 1920	% Change
Allentown	320	295	—8	72	25	—65	327	292	—11	73	31	—58	345	(a)284	—18	82	(b)54	—34	14	9	8	—11	38	42	16	—62
Alpha	1122	2044	+82	308	292	—5	1118	1949	+74	304	304	0	1243	2049	+65	256	418	+63	301	283	289	+2	373	357	258	—28
Aisen																										
Atlas	3101	4168	+34	546	498	—9	3101	4168	+34	546	498	—9	2897	3733	+29	628	861	+37	0	0	0	0	1066	921	703	—24
Bath	359	383	+7	81	41	—49	410	349	—15	97	61	—37	432	342	—21	96	90	—6	75	30	55	+83	71	69	42	—39
Cayuga	150	259	+73	34	46	+35	129	258	+100	42	56	+33	135	276	+104	44	87	+89	50	50	40	—20	47	66	19	—71
Coplay	453	548	+21	119	135	+13	529	547	+3	120	130	+8	491	519	+6	104	121	+16	0	14	6	—57	34	104	(c)52	—50
Dexter	475	373	—21	79	68	—14	480	356	—26	84	87	+4	(d)487	(e)335	—31	(f)76	(e)78	+3	49	28	30	+70	17	20	26	+30
Edison	842	836	—1	136	133	—2	842	848	+1	131	149	+14	564	772	+37	159	188	+18	36	35	25	—29	176	462	136	—71
Giant L. V.	416	557	+34	85	111	+31	416	558	+34	85	112	+32	410	556	+36	72	133	+85	2	1	1	0	47	71	26	—63
Giant Norfolk																										
Glens Falls	323	181	—44	42	0	—	315	171	—46	50	0	—	215	266	+24	61	41	—33	32	17	32	+88	136	242	95	—61
Helderberg																										
Hercules	299	298	0	51	52	+2	300	267	—11	58	56	—3	288	260	—10	66	50	—24	43	27	39	+44	26	24	33	+38
Knickerbocker	413	451	+9	88	65	—26	422	465	+10	91	68	—25	287	549	+91	73	90	+23	66	66	65	—2	77	279	54	—81
Lawrence	599	726	+21	88	100	+14	566	682	+20	147	134	—9	508	728	+43	138	200	+45	108	98	79	—19	113	145	47	—68
Lehigh	1535	1974	+29	310	117	—62	1630	2039	+25	325	112	—66	1725	2166	+26	400	487	+22	29	33	38	+15	659	566	285	—50
Nazareth	573	462	—19	69	69	0	555	445	—20	76	75	—1	357	(b)516	+45	66	138	+109	48	63	44	—30	214	309	151	—51
Penn-Allen	322	342	+6	56	37	—34	322	342	+6	56	37	—34	250	291	+16	63	81	+29	0	0	0	0	104	126	60	—56
Pennsylvania	676	610	—10	94	97	+3	581	615	+6	117	112	—4	494	(g)530	+7	(g)130	150	+15	35	91	20	—78	159	95	121	+27
Phoenix	0	363	+	0	67	+	0	339	+	0	65	+	(h)	(i)306	+	(m)	75	+	52	0	57	+	59	(n)	49	+
Security	363	441	+21	58	76	+31	362	406	+12	68	75	+10	329	432	+31	66	86	+30	37	40	38	—5	44	88	35	—60
Virginia																										
Vulcanite	427	586	+37	90	59	—34	430	592	+38	91	66	—27	424	597	+41	98	118	+20	5	2	2	0	90	80	38	—53
Total	12768	15897	+24	2406	2088	—13	12835	15688	+22	2561	2228	—13	11881	15507	+31	2678	3542	+32	982	887	868	—2	3550	4076	2246	—45

(a) In addition 33,830 bbls. were shipped by other mills.
(b) In addition 1,270 bbls. were shipped by other mills.
(c) Includes an adjustment of 10,000 bbls. made after cleaning and 572 bbls. have been deducted for use at their mill.
(d) Includes 140,262¼ bbls. shipped for another mill and in addition 5,893 bbls. were shipped by another mill.
(e) Includes 165 bbls. shipped for another mill and in addition 16,759¾ bbls. were shipped by another mill.
(f) In addition 5,893 bbls. were shipped by another mill.
(g) In addition 1,173 bbls. were shipped by another mill.
(h) Includes 39,230 bbls. shipped for other mills.
(i) Includes 2,086 bbls. shipped for another mill.
(j) Includes 45,692 bbls. shipped for other mills.
(k) 197,510 bbls. were shipped for their account by other mills.
(l) In addition 3,688 bbls. were shipped by other mills.
(m) 40,890 bbls. were shipped for their account by other mills.
(n) Stock overran.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

694

Govt Ex. No. 49

Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF AUGUST, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND							
																			CLINKER				CEMENT			
	First 8 mos. 1919	First 8 mos. 1920	% Change	August 1919	August 1920	% Change	First 8 mos. 1919	First 8 mos. 1920	% Change	August 1919	August 1920	% Change	First 8 mos. 1919	First 8 mos. 1920	% Change	August 1919	August 1920	% Change	July 31 1920	August 31 1919	August 31 1920	% Change	July 31 1920	August 31 1919	August 31 1920	% Change
Allentown	389	354	—9	69	58	—16	398	349	—12	71	57	—20	423	(a)340	—20	78	(b)56	—28	8	7	9	+29	16	35	17	—51
Alpha	1465	2337	+60	343	292	—15	1451	2256	+58	333	337	+1	1573	2460	+56	330	411	+25	289	298	245	—16	258	360	184	—49
Alsen																										
Atlas	3773	4693	+24	672	525	—22	3773	4693	+24	672	525	—22	3658	4557	+25	761	824	+8	0	0	0	0	703	896	404	—55
Bath	443	468	+6	84	85	+1	500	444	—11	90	95	+6	519	442	—13	78	100	+28	55	25	45	+80	42	81	37	—54
Cayuga	190	305	+60	40	46	+15	178	313	+76	49	55	+12	188	336	+79	53	60	+13	40	41	31	—24	19	61	13	—79
Coplay	546	658	+21	94	111	+18	632	658	+4	104	111	+7	613	651	+6	121	132	+9	6	4	5	+25	52	86	(c)31	—64
Dexter	555	451	—19	80	78	—3	573	433	—24	92	77	—16	(d)570	(e)420	—26	(f)83	86	+4	30	15	32	+113	26	29	17	—41
Edison	990	984	0	148	148	0	994	990	0	152	143	—6	772	919	+19	207	147	—29	25	31	30	—3	136	406	(g)130	—68
Giant L. V.	500	658	+32	84	102	+20	500	658	+32	84	101	+20	494	667	+35	92	110	+20	1	1	1	0	26	62	17	—73
Giant Norfolk																										
Glens Falls	371	181	—51	48	0	—	367	171	—53	52	0	—	273	304	+11	58	39	—33	32	13	32	+146	95	236	56	—76
Helderberg																										
Hercules	360	351	—3	60	53	—12	360	328	—10	60	56	—7	352	327	—7	64	67	+5	39	28	35	+25	88	20	22	+10
Knickerbocker	476	491	+3	63	40	—37	486	506	+4	64	41	—36	400	617	+54	113	69	—39	65	66	65	—2	54	231	(h)26	—89
Lawrence	700	845	+21	101	119	+18	677	823	+22	111	141	+27	632	897	+42	124	169	+36	79	92	60	—35	47	122	20	—85
Lehigh	1676	2319	+24	341	345	+1	1975	2432	+23	345	393	+14	2175	2609	+20	450	443	—2	38	42	51	+21	285	461	235	—49
Nazareth	647	556	—14	74	94	+27	635	547	—14	80	103	+29	446	(i)635	+42	89	120	+35	44	59	37	—37	151	300	134	—55
Penn-Allen	386	404	+5	64	62	—3	386	404	+5	64	62	—3	318	393	+24	67	102	+52	0	0	0	0	60	133	20	—85
Pennsylvania	778	703	—10	102	93	—9	714	728	+2	123	113	—15	637	(j)688	+8	143	158	+10	20	60	0	—	121	85	76	—11
Phoenix	0	417	+	0	54	+	0	401	+	0	62	+	(k)	(l)393	+	(m)	87	+	57	23	52	+126	49	(m)	24	+
Security	428	511	+19	65	70	+8	441	501	+14	78	78	0	414	515	+24	85	82	—4	38	30	32	+7	35	82	31	—62
Virginia																										
Vulcanite	521	714	+37	94	127	+35	521	720	+38	91	127	+40	543	712	+31	119	115	—3	2	3	4	+33	38	52	51	—2
Total . . .	15394	18400	+20	2626	2501	—5	15561	18380	+18	2725	2677	—2	14990	18882	+26	3115	3377	+8	868	893	766	—8	2246	3748	1545	—59

(a) In addition 37,147 bbls. were shipped by other mills.
(b) In addition 3,517 bbls. were shipped by other mills.
(c) 620 bbls. have been deducted for their own use.
(d) Includes 140,285¼ bbls. shipped for other mills and in addition 14,628 bbls. were shipped for them by other mills.
(e) In addition 16,759¾ bbls. were shipped by other mills and included are 165 bbls. shipped for another mill.
(f) In addition 8,935 bbls. were shipped for their account by other mills.
(g) 1,372 bbls. used at their mill have been deducted.
(h) This balance takes into consideration 800 bbls. destroyed by fire in warehouse.
(i) Includes 39,236 bbls. shipped for other mills.
(j) Includes 2,096 bbls. shipped for another mill.
(k) 243,362 bbls. were shipped for their account by other mills.
(l) In addition 3,668 bbls. were shipped by other mills.
(m) 45,856 bbls. shipped for their account by other mills.
(n) Stock overran.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF SEPTEMBER, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 9 mos. 1919	First 9 mos. 1920	% Change	Sept. 1919	Sept. 1920	% Change	First 9 mos. 1919	First 9 mos. 1920	% Change	Sept. 1919	Sept. 1920	% Change	First 9 mos. 1919	First 9 mos. 1920	% Change	Sept. 1919	Sept. 1920	% Change	August 31 1920	Sept. 30 1919	Sept. 30 1920	Change %	August 31 1920	Sept. 30 1919	Sept. 30 1920	% Change
Allentown	461	420	— 9	72	66	— 8	471	413	—12	73	65	—11	498	(a)405	—19	75	(b)65	—13	9	6	11	+83	17	33	16	—51
Alpha	1788	2620	+47	324	283	—13	1821	2627	+44	370	341	— 8	1989	2373	+44	416	412	— 1	245	247	186	—25	184	314	113	—64
Alsen																										
Atlas	4452	5263	+18	679	570	—16	4452	5263	+18	679	570	—16	4640	5330	+15	983	773	—21	0	0	0	0	404	528	201	—62
Bath	526	560	+ 6	82	91	+11	580	554	— 4	80	110	+38	628	564	—10	119	122	+ 3	45	27	26	— 4	37	43	25	—42
Cayuga	225	351	+56	35	46	+31	224	364	+63	46	51	+11	256	388	+52	67	52	—22	31	30	26	—18	13	40	11	—73
Coplay	637	762	+20	91	105	+15	733	778	+ 6	100	120	+20	732	779	+ 6	119	128	+ 8	5	4	0	+	31	67	(c)21	—69
Dexter	628	524	—17	73	72	— 1	651	504	—23	78	71	— 9	(d)660	(e)506	—23	(f)90	85	— 6	32	10	33	+230	17	17	3	—82
Edison	1160	1109	— 4	169	125	—26	1168	1125	— 4	174	135	—22	1013	1082	+ 7	241	163	—32	30	27	20	—26	130	339	(g)97	—71
Giant L. V.	587	771	+31	87	113	+30	587	771	+31	87	113	+30	614	772	+26	120	105	—13	1	1	1	0	17	29	25	—14
Giant Norfolk																										
Glens Falls	419	182	—57	48	1	—98	412	176	—57	45	5	—89	349	333	— 5	76	29	—62	32	16	26	+75	56	206	32	—84
Helderberg																										
Hercules	413	406	— 2	53	55	+ 4	422	389	— 8	62	65	+ 5	413	398	— 4	61	71	+16	35	19	25	+32	22	20	17	—15
Knickerbocker	538	591	+10	62	100	+61	550	611	+11	64	105	+64	561	722	+29	161	104	—35	65	65	63	— 5	26	134	27	—80
Lawrence	803	966	+20	103	121	+17	806	988	+23	129	165	+28	798	1082	+36	166	185	+11	60	70	26	—63	20	95	0	—
Lehigh	2225	2669	+20	349	349	0	2379	2816	+18	404	384	— 5	2661	2997	+13	486	388	—20	51	30	52	+73	235	379	231	—39
Nazareth	715	653	— 9	68	97	+43	716	652	— 9	81	105	+30	544	(h)771	+42	98	135	+38	37	48	32	—33	134	283	103	—64
Penn-Allen	448	466	+ 4	62	62	0	448	466	+ 4	62	62	0	421	465	+10	103	72	—30	0	0	0	0	20	92	9	—90
Pennsylvania	887	795	—10	109	92	—16	808	820	+ 1	94	92	— 2	772	(i)835	+ 8	135	146	+ 8	0	75	0	—	76	44	21	—52
Phoenix	31	482	+1455	31	65	+110	24	476	+1883	24	75	+213	(j)10	(k)473	+4630	(l)8	80	+900	52	31	46	+48	24	16	19	+19
Security	493	581	+18	65	70	+ 8	518	570	+10	77	69	—10	502	595	+19	88	80	— 9	32	20	36	+80	31	71	19	—73
Virginia																										
Vulcanite	638	832	+30	117	118	+ 1	645	839	+30	124	119	— 4	687	854	+24	144	142	— 1	4	3	6	+100	51	32	27	—16
Total . . .	18074	21003	+16	2679	2601	— 3	18415	21202	+15	2853	2822	— 1	18748	22224	+19	3756	3337	—11	766	730	617	—15	1545	2781	1017	—63

(a) In addition 43,722 bbls. were shipped by other mills.
(b) In addition 6,575 bbls. were shipped by other mills.
(c) 1,227 bbls. used at their mill have been deducted.
(d) Includes 140,262¼ bbls. shipped for other mills, and in addition 22,893 bbls. were shipped for their account by other mills.
(e) Includes 165 bbls. shipped for another mill and in addition 16,759¼ bbls. were shipped by other mills.
(f) In addition 8,285 bbls. were shipped by other mills.
(g) 4,922 bbls. used at their own mill have been deducted.
(h) Includes 39,230 bbls. shipped for other mills.
(i) Includes 2,096 bbls. shipped for another mill.
(j) In addition 288,821 bbls. were shipped by other mills.
(k) In addition 3,868 bbls. were shipped by other mills.
(l) In addition 48,455 bbls. were shipped by other mills

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

696

Govt Ex. No. 51

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF OCTOBER, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND							
																			CLINKER				CEMENT			
	First 10 mos. 1919	First 10 mos. 1920	% Change	Oct. 1919	Oct. 1920	% Change	First 10 mos. 1919	First 10 mos. 1920	% Change	Oct. 1919	Oct. 1920	% Change	First 10 mos. 1919	First 10 mos. 1920	% Change	Oct. 1919	Oct. 1920	% Change	Sept. 30 1920	Oct. 31 1919	Oct. 31 1920	% Change	Sept. 30 1920	Oct. 31 1919	Oct. 31 1920	% Change
Allentown	727	482	—9	65	62	—6	537	479	—11	66	66	0	563	(a)471	—17	69	(b)65	—6	11	6	7	+17	16	31	16	—48
Alpha	2141	2946	+38	353	326	—8	2168	3043	+40	347	416	+20	2344	3347	+43	355	474	+34	186	262	96	—62	119	306	55	—82
Alsen																										
Atlas	5161	5971	+16	709	708	0	5162	5971	+16	710	708	0	5543	6061	+9	902	721	—19	0	0	0	0	201	399	177	—56
Bath	616	650	+6	90	90	0	680	662	—2	100	108	+8	726	694	—4	98	130	+33	26	17	8	—53	25	45	2	—96
Cayuga	266	401	+51	41	50	+22	259	417	+61	55	53	+31	399	457	+46	43	49	+14	26	36	23	—36	11	32	14	—56
Coplay	734	904	+23	97	142	+46	836	(c)908	+9	103	140	+36	839	921	+10	108	142	+31	0	8	2	—75	21	61	(d)19	—69
Dexter	717	591	—18	89	67	—25	724	584	—20	88	80	—4	(e)731	(f)584	—22	(e)91	78	—14	33	16	20	+25	3	9	5	—44
Edison	1305	1244	—5	145	136	—7	1320	1256	—5	152	130	—14	1262	1237	—2	249	156	—38	20	20	25	+25	97	242	(g)70	—71
Giant L. V.	688	895	+30	101	124	+23	688	895	+30	101	124	+23	721	908	+26	106	136	+28	1	1	1	0	25	23	13	—43
Giant Norfolk																										
Glens Falls	168	196	—58	49	14	—71	463	180	—61	51	5	—90	442	380	—19	92	27	—71	26	14	37	+164	32	163	10	—94
Helderberg																										
Hercules	471	471	0	58	65	+12	489	444	—9	67	56	—16	479	461	—4	66	64	—3	25	10	34	+240	17	21	9	—57
Knickerbocker	622	700	+13	84	109	+30	627	726	+14	87	115	+32	682	840	+23	122	118	—3	62	66	61	—8	27	99	24	—76
Lawrence	926	1122	+21	122	156	+27	974	1166	+20	188	177	+5	1001	1249	+25	202	187	—17	26	31	11	—65	0	60	11	—82
Lehigh	2579	3024	+17	354	355	0	2757	3219	+17	378	404	+7	3077	3456	+12	416	459	+10	52	30	44	+47	221	341	178	—48
Nazareth	788	763	—3	68	110	+62	808	779	—4	92	121	+32	656	(h)926	+41	112	159	+41	32	25	23	—8	103	280	66	—75
Penn-Allen	510	531	+4	62	65	+5	510	531	+4	62	65	+5	591	524	—1	110	59	—46	0	0	0	0	9	45	15	—65
Pennsylvania	992	927	—7	105	132	+26	828	962	+8	120	132	+10	915	(i)977	+7	142	142	0	0	60	0	—	21	21	11	—48
Phoenix	96	545	—531	56	62	+15	31	545	+573	57	70	+23	(j)67	(k)546	+858	(l)48	74	+54	46	29	42	+45	19	12	16	+33
Security	569	656	+15	76	75	—1	602	661	+8	85	81	—5	618	671	+9	110	76	—31	36	13	32	+146	19	46	25	—46
Virginia																										
Vulcanite	777	976	+26	139	144	+4	785	986	+26	140	148	+6	817	1006	+23	130	152	+17	6	3	2	—33	27	42	22	—48
Total . . .	20988	23993	+15	2864	2991	+4	21419	24388	+14	3004	3199	+6	22321	25678	+15	3671	3456	—6	617	637	462	—27	1017	2272	757	—67

(a) In addition, 49,841 bbls. were shipped by other mills.
(b) In addition, 5,119 bbls. were shipped by other mills.
(c) 10,000 bbls have been added to cover adjustment to August and September.
(d) 2,113 bbls have been deducted for their own use.
(e) Includes 140,282¼ bbls. shipped for another mill, and in addition 29,834¾ bbls. were shipped by another mill.
(f) Includes 165 bbls. shipped for another company, and in addition, 16,789¾ bbls. were shipped by another company.
(g) In addition, 6,941½ bbls. were shipped by another company
(h) 1,845 bbls. used at their mill have been deducted.
(i) Includes 39,230 bbls. shipped for other mills.
(j) Includes 2,000 bbls. shipped for another mill.
(k) In addition, 300,851 bbls. were shipped by other mills
(l) In addition, 3,668 bbls. were shipped by other mills.
(m) In addition, 12,040 bbls. were shipped by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS

Govt Ex. No. 52

697

Form 12

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF NOVEMBER, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND							
																			CLINKER				CEMENT			
	First 11 mos. 1919	First 11 mos. 1920	% Change	Nov. 1919	Nov. 1920	% Change	First 11 mos. 1919	First 11 mos. 1920	% Change	Nov. 1919	Nov. 1920	% Change	First 11 mos. 1919	First 11 mos. 1920	% Change	Nov. 1919	Nov. 1920	% Change	Oct. 31 1920	Nov. 30 1919	Nov. 30 1920	% Change	Oct. 31 1920	Nov. 30 1919	Nov. 30 1920	% Change
Allentown	580	537	—7	53	58	+9	591	540	—9	54	58	+7	628	(a)525	—16	62	(a)57	—8	7	5	7	+40	16	22	17	—23
Alpha	2443	3295	+35	302	349	+16	2470	3434	+39	301	390	+30	2590	3624	+40	246	277	+13	96	253	55	—78	55	362	168	—54
Alsen																										
Atlas	5825	6651	+14	664	680	+2	5826	6651	+14	664	680	+2	6184	6712	+9	641	651	+2	0	0	0	0	177	359	206	—43
Bath	696	723	+5	80	84	+5	775	754	—3	95	92	—3	810	757	—7	84	62	—26	8	2	0	—	2	56	32	—43
Cayuga	293	441	+51	27	40	+48	283	457	+61	24	40	+67	321	480	+50	23	43	+87	28	39	23	—41	14	33	10	—70
Coplay	828	1036	+25	94	132	+40	927	1041	+12	92	133	+45	944	1041	+10	104	121	+16	2	19	0	—	19	49	(c)31	—37
Dexter	776	662	—15	59	72	+22	798	661	—17	62	77	+24	(d)816	(d)656	—20	(d)65	72	+11	20	13	14	+8	5	6	10	+67
Edison	1353	1400	+3	50	156	+212	1365	1407	+3	45	151	+235	1414	1351	—4	158	114	—28	25	25	30	+20	70	134	(e)105	—22
Giant L. V.	783	1021	+30	96	126	+33	783	1020	+30	95	125	+32	808	1001	+24	88	93	+6	1	1	2	+100	13	30	46	+53
Giant Norfolk																										
Glens Falls	514	218	—58	46	22	—52	508	196	—61	46	16	—65	474	379	—20	33	20	—39	37	14	44	+214	10	176	6	—97
Heidelberg																										
Hercules	524	538	+3	63	67	+26	547	495	—10	58	51	—12	541	497	—8	62	35	—44	34	5	51	+920	9	17	24	+41
Knickerbocker	706	804	+14	83	104	+25	723	839	+16	86	113	+31	752	927	+23	70	88	+26	61	66	55	—17	24	115	49	—57
Lawrence	1056	1269	+20	180	146	+12	1127	1323	+17	154	157	+2	1141	1407	+23	140	158	+13	11	11	5	—55	11	74	10	—86
Lehigh	2929	3359	+15	350	335	—4	3145	3597	+14	388	378	—3	3445	3744	+9	368	288	—22	44	21	10	—52	176	360	265	—26
Nazareth	846	871	+3	63	108	+71	873	891	+2	65	118	+82	727	(b)1058	+46	71	130	+83	25	24	15	—38	66	257	54	—79
Penn-Allen	568	591	+4	58	60	+3	568	591	+4	58	60	+3	606	579	—4	74	55	—26	0	0	0	0	15	27	20	—26
Pennsylvania	1083	1039	—4	91	112	+23	1034	1064	+3	106	112	+6	1018	(f)1086	+7	108	109	+6	0	45	0	—	11	24	13	—46
Phoenix	121	600	+396	35	57	+63	122	615	+404	42	69	+64	(g)104	(g)607	+484	(g)47	61	+30	42	22	32	+45	16	20	24	+20
Security	637	717	+13	67	61	—9	672	722	+7	69	73	+6	678	715	+5	65	44	—32	32	14	22	+57	25	49	53	+8
Virginia																										
Vulcanite	901	1115	+24	124	138	+11	909	1125	+24	124	139	+12	924	1130	+22	106	124	+17	2	3	4	+33	23	59	37	—37
Total . . .	25462	26897	+15	2524	2907	+15	24044	27423	+14	2628	3032	+15	24924	28279	+13	2606	2602	0	468	582	369	—37	757	2229	1180	—47

(a) In addition, 49,818 bbls. were shipped by other mills.
(b) In addition, 977 bbls. were shipped by other mills.
(c) 671 bbls. have been deducted for their own use.
(d) Includes 140,262⅓ bbls. shipped for another mill, and in addition, 51,643¼ bbls. were shipped for their account by another mill.
(e) Includes 168 bbls. shipped for another mill, and in addition, 16,799⅓ bbls. were shipped for their account by another mill.
(f) In addition, 1,899 bbls. were shipped for their account by another mill.
(g) 2,120 bbls. used at their mill have been deducted.
(h) Includes 39,250 bbls. shipped for other mills.
(i) Includes 2,095 bbls. shipped for another mill.
(j) In addition, 306,002 bbls. were shipped by other mills.
(k) In addition, 3,689 bbls. were shipped by other mills.
(l) In addition, 5,141 bbls. were shipped by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

Govt Ex. No. 53

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Form 11

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF DECEMBER, 1920

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 12 mos. 1919	First 12 mos. 1920	% Change	Dec. 1919	Dec. 1920	% Change	First 12 mos. 1919	First 12 mos. 1920	% Change	Dec. 1919	Dec. 1920	% Change	First 12 mos. 1919	First 12 mos. 1920	% Change	Dec. 1919	Dec. 1920	% Change	Nov. 30 1920	Dec. 31 1919	Dec. 31 1920	% Change	Nov. 30 1920	Dec. 31 1919	Dec. 31 1920	% Change
Allentown	595	578	—3	15	38	+153	607	574	—5	16	37	+131	651	(a)543	—17	22	15	—32	7	4	8	+100	17	8	39	+388
Alpha	2578	3564	+38	134	269	+101	2663	3686	+38	193	252	+31	2786	3684	+32	196	60	—69	55	194	74	—62	168	358	360	0
~~Alsen~~																										
Atlas	6266	7312	+17	441	662	+50	6267	7312	+17	441	662	+50	6716	6928	+3	532	216	—59	0	0	0	0	206	267	652	+144
Bath	745	807	+8	49	74	+51	806	828	+3	31	74	+139	862	772	—10	52	15	—71	0	20	0	—	32	35	91	+160
Cayuga	316	485	+53	22	44	+100	306	501	+64	22	44	+100	340	503	+48	18	23	+28	23	39	23	—41	10	38	28	—26
Coplay	895	1111	+24	47	76	+62	990	1120	+13	62	(b)78	+26	1037	1095	+6	94	54	—43	0	5	0	—	31	17	55	+223
Dexter	818	730	—11	41	68	+66	838	715	—15	41	54	+32	(c)866	(d)691	—20	(e)50	36	—28	14	13	28	+115	10	5	29	+480
Edison	1398	1488	+6	45	88	+96	1409	(f)1500	+6	44	103	+134	1507	1378	—9	92	29	—68	30	28	15	—46	105	65	(g)177	+172
Giant L. V.	848	1080	+27	65	59	—9	848	1083	+28	65	61	—6	878	1034	+18	70	33	—53	2	1	0	—	46	26	74	+185
~~Giant Norfolk~~																										
Glens Falls	557	244	—56	43	26	—40	544	234	—57	36	38	+6	497	387	—22	22	8	—64	44	22	32	+45	6	190	36	—81
~~Helderberg~~																										
Hercules	578	587	+2	53	49	—8	598	535	—11	51	40	—22	583	518	—11	42	21	—50	51	7	59	+743	24	26	42	+62
Knickerbocker	771	906	+18	66	102	+55	791	949	+20	68	110	+62	797	967	+21	44	40	—9	55	66	50	—24	49	138	119	—14
Lawrence	1175	1404	+19	119	136	+14	1249	1465	+17	122	142	+16	1243	1472	+18	102	66	—35	5	13	4	—69	10	94	86	—9
Lehigh	3275	3522	+8	346	163	—53	3499	3782	+8	354	184	—48	3748	3825	+2	305	81	—73	10	25	6	—76	265	412	368	—11
Nazareth	887	936	+6	41	65	+59	923	948	+3	49	57	+16	812	(h)1087	+34	85	29	—66	15	17	24	+41	54	222	83	—63
Penn-Allen	594	620	+4	25	29	+16	594	620	+4	25	29	+16	649	596	—8	44	17	—61	0	0	0	0	20	9	33	+267
Pennsylvania	1168	1134	—3	85	95	+12	1139	1159	+2	105	95	—10	1109	(i)1165	+5	91	101	+11	0	25	0	—	13	37	8	—78
Phoenix	123	636	+417	2	36	+1700	128	649	+407	6	34	+467	(j)118	(k)623	+428	(l)14	16	+14	32	18	35	+94	24	11	42	+282
Security	647	745	+15	12	28	+133	697	772	+11	24	50	+108	708	729	+3	30	14	—53	22	2	2	0	53	44	89	+102
~~Virginia~~																										
Vulcanite	966	1195	+24	65	81	+25	975	1218	+24	66	87	+32	1005	1170	+16	82	40	—51	4	4	3	—25	37	44	85	+93
Total . . .	25200	29084	+15	1716	2188	+28	25871	29645	+15	1821	2231	+23	26912	29167	+8	1985	914	—54	369	503	363	—28	1180	2046	2496	+22

(a) In addition, 50,338 bbls. were shipped for their account by other mills.
(b) 2,000 bbls. have been added to take care of adjustment.
(c) In addition, 34,976⅔ bbls. were shipped by other mills, and included are 140,252⅔ bbls. shipped for other mills.
(d) In addition, 16,739⅔ bbls. were shipped by other mills and included are 165 bbls. shipped for another mill.
(e) In addition, 7,335 bbls. were shipped by other mills.
(f) These figures adjusted to the correct figures on their books.
(g) 780 bbls. used at their plant have been deducted.
(h) Includes 29,230 bbls. shipped for other mills.
(i) Includes 2,095 bbls. shipped for another mill.
(j) In addition, 814,380 bbls. were shipped by other mills.
(k) In addition, 3,628 bbls. were shipped by other mills.
(l) In addition, 8,375 bbls. were shipped by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

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CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF JANUARY, 1921

MANUFACTURERS	TOTAL PRODUCTION CLINKER			CEMENT GROUND			SHIPMENTS			STOCK ON HAND								
										CLINKER				CEMENT				
	Jan. 1920	Jan. 1921	% Change	Jan. 1920	Jan. 1921	% Change	Jan. 1920	Jan. 1921	% Change	Dec. 31 1920	Jan. 31 1920	Jan. 31 1921	% Change	Dec. 31 1920	Jan. 31 1920	Jan. 31 1921	% Change
Allentown	23	0	—	23	0	—	(a)6	19	+217	8	4	8	+100	39	25	20	−20
Alpha	264	72	−73	188	65	−65	143	43	−70	74	270	80	−70	360	403	381	−5
Atlas	634	223	−65	634	223	−65	406	135	−67	0	0	0	0	652	495	739	+49
Bath	70	70	0	53	32	−40	20	10	−50	0	38	38	0	91	68	113	+66
Cayuga	26	40	+54	26	44	+69	13	9	−31	23	39	19	−51	28	51	61	+20
Coplay	59	84	+42	60	84	+40	42	25	−40	0	4	0	—	55	34	(b)113	+232
Dexter	55	49	−11	56	32	−43	(c)26	20	−23	28	12	45	+275	29	36	41	+14
Edison	141	0	—	141	0	—	50	22	−56	15	28	15	−46	177	156	(d)149	−4
Giant	62	8	−87	62	8	−87	48	32	−33	0	1	0	—	74	40	49	+23
Glens Falls	8	41	+413	7	45	+543	11	10	−9	(e)12	23	7	−70	(f)50	185	86	−54
Hercules	40	0	—	44	0	—	31	6	−81	59	3	59	+1867	42	39	36	−8
Knickerbocker	58	115	+98	60	124	+107	24	12	−50	50	66	45	−32	119	174	232	+33
Lawrence	89	106	+19	90	60	−33	53	39	−26	4	15	51	+240	86	131	108	−18
Lehigh	340	0	—	333	(g)1	—	250	90	−64	6	45	6	−87	368	495	279	−44
Nazareth	41	77	+88	23	60	+161	(h)57	26	−54	24	35	43	+23	83	188	116	−38
Penn-Allen	50	40	−20	50	40	−20	18	16	−11	0	0	0	0	33	40	57	+43
Pennsylvania	90	100	+11	105	100	−5	38	60	+58	0	10	0	—	8	104	48	−54
Phoenix	46	23	−50	43	31	−28	(i)11	11	0	35	27	28	+4	42	45	63	+40
Security	32	0	—	15	0	—	22	16	−27	2	20	2	−90	89	36	73	+103
Vulcanite	76	0	—	76	0	—	40	31	−23	3	2	3	+50	(j)81	80	(k)52	−35
Total . . .	2204	1048	−52	2089	949	−55	1309	632	−52	343	642	449	−30	2506	2825	2816	0

(a) In addition, 26,967 bbls. were shipped for their account by other mills.
(b) 342 bbls. for their own use have been deducted.
(c) In addition, 4,816 bbls. were shipped for their account by other mills.
(d) 750 bbls. used at their mill and 5,540 bbls. to take care of an adjustment have been deducted.
(e) } Differences in figures reported for December, 1920, due to ad-
(f) } justments of inventories.
(g) 906 bbls. reclaimed.
(h) Includes 31,772 bbls. shipped for account of other mills.
(i) In addition, 8,522 bbls. were shipped for their account by other mills.
(j) Cement ground for December, 1920, reported as 87, was an error and should have been 83. Correction shown in stock on hand.
(k) Includes 1,858 bbls. excess in emptying bins.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

FOR PREVIOUS MONTHS AND YEARS SEE TABLES 1 TO 3 AND CHART 1 OF 1920 ANNUAL REPORT.

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Govt Ex. No. 55

Form 11

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF FEBRUARY, 1921

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND								
																			CLINKER				CEMENT				
	First 2 mos. 1920	First 2 mos. 1921	% Change	Feb. 1920	Feb. 1921	% Change	First 2 mos. 1920	First 2 mos. 1921	% Change	Feb. 1920	Feb. 1921	% Change	First 2 mos. 1920	First 2 mos. 1921	% Change	Feb. 1920	Feb. 1921	% Change	Jan. 31 1921	Feb. 28 1920	Feb. 28 1921	% Change	Jan. 31 1921	Feb. 28 1920	Feb. 28 1921	% Change
Allentown	62	30	—52	39	30	—23	59	27	—54	37	27	—27	(a)14	34	+143	(b)9	14	+56	8	6	11	+83	20	53	32	—40
Alpha	514	190	—63	250	118	—53	414	158	—62	226	93	—59	261	102	—61	118	59	—50	80	295	105	—64	281	511	415	—19
Atlas	1136	329	—71	502	106	—79	1136	329	—71	503	106	—79	582	319	—45	175	184	+5	0	0	0	0	739	822	661	—20
Bath	112	131	+17	41	61	+49	58	57	—2	5	25	+400	25	32	+28	5	22	+340	38	74	74	0	113	67	116	+73
Cayuga	61	56	—8	35	16	—54	49	60	+22	23	16	—30	23	22	—4	10	12	+20	19	51	19	—63	61	64	65	+2
Coplay	127	189	+49	68	105	+54	128	184	+44	68	100	+47	77	56	—27	35	31	—11	0	4	5	+25	113	66	182	+176
Dexter	94	106	+13	39	57	+46	86	61	—29	29	29	0	(c)39	51	+31	(d)13	30	+131	45	22	78	+232	41	52	40	—23
Edison	229	0	—	88	0	—	230	0	—	89	0	—	83	53	—36	33	32	—3	15	26	15	—42	149	213	(e)117	—45
Giant	112	44	—61	50	36	—28	112	44	—61	50	36	—28	84	71	—15	36	39	+8	0	1	0	—	49	54	46	—15
Glens Falls	8	88	+1000	0	47	+	7	91	+1200	0	46	+	18	20	+11	7	10	+43	7	23	8	—65	86	178	122	—31
Hercules	69	0	—	29	0	—	61	0	—	16	0	—	47	15	—68	16	9	—44	59	16	59	+269	36	39	28	—28
Knickerbocker	79	117	+48	21	1	—95	82	126	+54	22	2	—91	34	24	—29	10	12	+20	45	66	44	—33	232	186	221	+19
Lawrence	153	221	+44	64	115	+80	129	174	+35	40	114	+185	84	88	+5	32	49	+53	51	41	56	+37	108	139	172	+24
Lehigh	585	80	—86	245	80	—67	599	130	—78	266	129	—52	386	188	—51	136	98	—28	6	32	16	—50	279	625	310	—50
Nazareth	99	187	+89	58	110	+90	72	186	+158	49	126	+157	(f)78	53	—32	(g)22	26	+18	43	45	29	—36	116	216	216	0
Penn-Allen	74	94	+27	24	54	+125	74	94	+27	24	54	+125	25	34	+36	7	19	+171	0	0	0	0	57	57	93	+63
Pennsylvania	135	195	+44	45	95	+111	145	195	+34	40	95	+138	57	111	+95	19	52	+174	0	15	0	—	48	125	91	—27
Phoenix	78	23	—71	32	0	—	74	31	—58	31	0	—	(h)20	27	+35	(i)9	17	+89	28	28	28	0	63	68	46	—32
Security	63	20	—68	31	20	—35	46	0	—	31	0	—	51	42	—18	29	27	—7	2	21	22	+5	73	38	46	+21
Vulcanite	161	0	—	85	0	—	160	0	—	84	0	—	61	61	0	22	30	+36	3	2	3	+50	52	143	21	—85
Total . . .	3951	2100	—47	1746	1051	—40	3721	1947	—48	1633	998	—39	2019	1403	—32	743	772	+4	449	768	567	—26	2816	3716	3040	—18

(a) In addition 31,741 bbls. were shipped by other mills.
(b) In addition 4,784 bbls. were shipped by other mills.
(c) In addition 6,969 bbls. were shipped by another mill.
(d) In addition 2,153 bbls. were shipped by another mill.
(e) 400 bbls. used at their mill have been deducted.
(f) Includes 28,710 bbls. shipped for other mills.
(g) Includes 6,937 bbls. shipped for other mills.
(h) In addition 3,688 bbs. were shipped by other mills.
(i) In addition 165 bbls. were shipped by another mill.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

FOR PREVIOUS MONTHS AND YEARS SEE TABLES 1 TO 3 AND CHART 1 OF 1920 ANNUAL REPORT.

Govt Ex. No. 56

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Form 17

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

STATISTICS MONTH OF MARCH, 1921

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND					
	First 3 mos. 1920	First 3 mos. 1921	% Change	March 1920	March 1921	% Change	First 3 mos. 1920	First 3 mos. 1921	% Change	March 1920	March 1921	% Change
Allentown	105	100	—5	43	71	+65	99	97	—2	40	70	+75
Alpha	773	412	—47	259	222	—14	630	351	—44	216	194	—10
Atlas	1771	608	—66	635	280	—56	1771	608	—66	635	280	—56
Bath	163	166	+2	51	35	—31	85	77	—9	27	19	—30
Cayuga	92	70	—24	31	14	—55	70	60	—14	21	0	—
Copley	186	300	+61	59	111	+88	187	305	+63	59	121	+105
Dexter	135	168	+24	40	62	+55	107	133	+24	21	72	+243
Edison	312	87	—72	83	87	+5	299	78	—74	69	78	+13
Giant	171	102	—40	59	58	—2	170	101	—41	58	58	0
Glens Falls	12	140	+1067	4	52	+1200	8	136	+1600	1	44	+4300
Hercules	95	0	—	26	0	—	84	40	—52	23	40	+74
Knickerbocker	139	178	+28	59	61	+3	143	189	+32	61	63	+3
Lawrence	239	356	+49	86	135	+57	205	248	+21	76	74	—3
Lehigh	867	419	—52	281	340	+21	893	488	—45	294	358	+22
Nazareth	172	310	+80	73	123	+68	150	291	+96	77	108	+40
Penn-Allen	127	156	+23	53	62	+17	127	156	+23	53	62	+17
Pennsylvania	212	301	+42	77	106	+38	232	301	+30	87	106	+22
Phoenix	123	44	—64	45	21	—53	116	44	—62	41	13	—68
Security	125	84	—33	62	64	+3	108	68	—37	63	68	+8
Vulcanite	203	90	—56	42	90	+114	202	90	—55	41	90	+120
Total . . .	6022	4091	—32	2068	1994	—4	5686	3864	—32	1963	1918	—2

MANUFACTURERS	SHIPMENTS						STOCK ON HAND							
							CLINKER				CEMENT			
	First 3 mos. 1920	First 3 mos. 1921	% Change	March 1920	March 1921	% Change	Feb. 28 1921	March 31 1920	March 31 1921	% Change	Feb. 28 1921	March 31 1920	March 31 1921	% Change
Allentown	[a]51	66	+29	[b]37	32	—14	11	10	11	+10	32	56	70	+25
Alpha	479	274	—43	217	172	—21	105	338	134	—60	415	510	437	—14
Atlas	976	648	—34	395	329	—17	0	0	0	0	661	1062	612	—42
Bath	61	84	+38	36	51	+42	74	99	89	—10	116	58	84	+45
Cayuga	48	36	—25	25	15	—40	19	61	33	—46	65	60	49	—18
Copley	151	129	—15	74	72	—3	5	4	5	+25	182	52	230	+342
Dexter	[c]81	[d]117	+44	[e]43	[f]66	+53	73	41	63	+54	40	30	45	+50
Edison	172	129	—25	90	75	—17	15	40	24	—40	117	191	[g]119	—38
Giant	152	142	—7	68	71	+4	0	2	0	—	46	44	33	—25
Glens Falls	31	47	+52	13	27	+108	8	26	16	—38	122	166	139	—16
Hercules	92	51	—45	44	37	—16	59	19	19	0	23	18	31	+72
Knickerbocker	56	85	+52	22	61	+177	44	66	44	—33	221	225	223	—1
Lawrence	146	188	+29	62	100	+61	56	53	120	+126	172	153	147	—4
Lehigh	669	441	—34	284	257	—10	15	29	14	—52	310	636	411	—35
Nazareth	[h]135	104	—23	[i]56	51	—9	29	43	46	+7	216	237	272	+15
Penn-Allen	54	80	+48	29	46	+59	0	0	0	0	93	82	109	+33
Pennsylvania	[j]121	211	+74	[j]64	100	+56	0	5	0	—	91	148	97	—34
Phoenix	[k]49	61	+24	29	34	+17	28	32	37	+16	46	80	25	—69
Security	111	94	—15	60	52	—13	22	23	21	—9	46	41	63	+54
Vulcanite	126	142	+13	65	81	+25	3	3	5	+67	21	119	31	—74
Total . . .	3761	3132	—17	1712	1729	+1	567	891	681	—24	3040	3968	3227	—19

(a) In addition 32,261 bbls. were shipped by other mills.
(b) In addition 520 bbls. were shipped by another mill.
(c) Includes 165 bbls. shipped for another mill and in addition, 8,774½ bbls. were shipped by another mill.
(d) Includes 750 bbls. shipped for another mill.
(e) Includes 165 bbls. shipped for another mill and in addition 1,305½ bbls. were shipped by another mill.
(f) Includes 750 bbls. shipped for another mill
(g) 750 bbls. used at their mill have been deducted.
(h) Includes 26,230 bbls. shipped for other mills.
(i) Includes 520 bbls. shipped for another mill.
(j) Includes 2,095 bbls. shipped for another mill.
(k) In addition 3,688 bbls. were shipped for them by other mills.

ALL AMOUNTS ARE SHOWN IN THOUSANDS.

FOR PREVIOUS MONTHS AND YEARS SEE TABLES 1 TO 3 AND CHART I OF 1920 ANNUAL REPORT.

Form 25

Govt Ex. No. 59

From Company (Date)

Return to
Cement Manufacturers Protective Association
19 West 44th Street, New York

SYMBOLS
* —Bag Balance
‡ —Disputed Account
End.—Endorsed Note
Gar.—Guarantee Account
Ren.—Renewal

CUSTOMER	TOWN	UNPAID ACCOUNTS				BILLS RECEIVABLE					RENEWALS			I. H. A.	EXPLANATION
		4 MONTHS OR MORE OLD	3 MONTHS OLD	2 MONTHS OLD	LEDGER BALANCE	TRADE ACCEPT COVERS	NOTE COVERS	DATE DUE	AMOUNT	ENDORSED OR GUARANTEED MENTION IN THIS COLUMN	NOTE COVERS	NOTE DUE	AMOUNT		

Please Fill in on Typewriter
Report in Dollars Only

Form 18

Cement Manufacturers Protective Association

19 W. 44th Street, New York.

List of Unpaid Accounts and Bills Receivable

As of November 1st, 1920.

CUSTOMER	TOWN	CO	UNPAID ACCOUNTS 3 months or more old	3 months old	2 months old	Ledger balance	BILLS RECEIVABLE Trade Acceptances received	Note covers	Note due	Amt	C. M. A.	EXPLANATION
Abernathy Hdwe. Co.	Hickory, N. C.	8		690	908	1598						
Abrew & Cooper	Elizabeth, N. J.	25				2191	8-1		11-1	677		
							9-7		11-6	884		
							9-8		11-8	625		
Acme Supply Company	Newport News, Va.	6		1016		1016						
Adams, P. K.	White River Jct, Vt	8			362	362						
Aetna Contracting Co.	Nyack, N. Y.	8									148	
Akron Stge.&Contg. Co	Akron, Ohio	2	389			389						
Allen, Frank L.	Allenwood, Pa.	8			741	1347						
Alsen Portland Cement Company	New York, N. Y.	4			13	13						
Amberson Const. Co.	New York City.	0	578			578						
" " "	" " "	1	1629			1629						
American Agricultural Chemical Co.	Baltimore, Md.	20	1164			116						
American Clay & Cement Corporation	Rochester, N. Y.	3						6-25 to 7-15	12-11-20	4000		
								7-15 to 10-1	1-11-21	10000		
Amey, George W	Richlandtown, Pa.	11									48	
Arbuckle-Gordon Co.	Fort Washington, Pa.	2		624	778	1406						
Armberg & McDonald	New Castle, Va.	2			5448	10204						
Arrowtook Co-operative Company	Presque Isle, Me	8			1158	1158						
Art Marble Company	Chicago, Ill.	11		187		187						
Art Stone Company	Gloversville, N.Y.	3	237		644	881						
Arterian Ice Company	Bristol, Pa.	15			67	67						
Atkins, H. W.	Arkville, N.Y.	1	135			135						
Atlantic Gulf Oil Corp.	New York, N.Y.	20			12	12						
Atlas Brick Company	Hudson, N.Y.	5									390	
Atlas Paving Company	Philadelphia, Pa.	11	14			14						
Bachtell, Rev. T.	Edgemont, Md.	22			539	539						
Baker, Everett, L.	Webster, N.Y.	5	115			115						
Baldwin, E.S. & Co.	Salem, Mass.	20									86	
Barnes & Holliday Co.	Dunn, N. C.	20			523	523						
Barthold Ottomar	Garfield, N. J.	11	3			3						
Beat, D.F.	Allentown, Pa.	11	47	39	38	200						
Beckwith, George W.	Whitehall, N.Y.	0			22	42						
Bennet, J.A.	Tavena, Ohio	20	456			85						
Bicket, L.C.	Newton, N.C.	8	601		808	1409						
Biglerville Warehouse Company	Biglerville, Pa.	8		520		520						
Biglerville Warehouse Company	Biglerville, Pa.	22			3471	3471						
Bibl & Co. Wm.	Central Islip, N.Y.	11						Sept.	Nov. 22	300		Renewal
Biscayne Constr. Co.	Miami, Fla.	8									1372	
Black, M.	Bethlehem, Pa.	6						Oct.	Dec 17	1700		
Boise Runyon Co.	Plainfield, N.J.	15				2183		July-Aug.	Nov 9	1794		
Bonilla, M.E.	Wilmington, N.C.	22	365			365						
Booth & McLeod	Hunter, S.C.	8	616	1136		1752						
Bower, C.S.	Philadelphia, Pa.	6			1827	9004						
Boyer, F.O.	Millersburg, Pa.	0	10057			30057						
Boyle, J M.	Freeland, Pa.	0						April	11-19-20	250		
								April	12-20-20	250		
Brady's Janes Sons Co.	Bayonne, N.J.	17					Aug.		11-26-20	476		
							Sept.		12-12-20	248		
Brady's Sons Co, James	Bayonne, N.J.	18				3767	Aug.		11-2-20	475		
							Aug.		11-11-20	634		
							Aug.		11-19-20	634		
							Aug.		11-24-20	475		
							Sept.		12-3-20	475		
							Sept.		12-6-20	504		
Brant, A.A. Cor Co.	Lakewood, N.J.	19			485	485						
Bried, James L.	Englewood, N.J.	25		448	626	1074						
Briggs Mdwe Co.	Caribou, Me.	20	15*			15						
Bronk Co, Wm.	Hudson Falls, N.Y.	1			1695	1895						
Brooks Constr. & Lumber Company	Newburyport, Mass.	5		990		1937						
Brower, Alonzo	Freehold, N.J.	11						1916	Dec. 15	1478		Renewal
" "	" "	18							Jan. 1	1674		"
									11-4-20	1100		
Brown Constr. Co.	Philadelphia, Pa.	18	535	542		1685						

The balance of this Exhibit which contains eight (8) pages, not printed by consent.

[fol. 702] GOVT. EX. No. 57

Form 24

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

19 West 44th Street, New York City

—— Co.

Total Shipments

February 1st to February 15th, 1920..... ....bbls.
February 1st to February 15th, 1921..... ....bbls.

[fol. 702½] GOVT. EX. No. 58

Form 14

Cement Manufacturers Protective Association

Shipments December 1st, 1920, to December 15th, 1920

Company	1919	1920	Change, per cent
Allentown	18,624	9,719	—48
Alpha	112,327	29,843	—73
Atlas	306,006	125,828	—59
Bath	32,536	9,307	—71
Cayuga	8,422	13,419	+59
Coplay	46,612	22,832	—51
Dexter	22,449	20,529	— 9
Edison	35,259	10,748	—70
Giant	44,366	19,204	—57
Glens Falls	12,491	1,938	—84
Hercules	21,374	11,058	—48
Knickerbocker	16,853	24,857	+47
Lawrence	63,739	37,138	—42
Lehigh	178,683	43,000	—76
Nazareth	40,644	15,122	—63
Penn Allen	27,812	10,142	—64
Pennsylvania	57,492	61,099	+ 6
Phœnix	11,149	8,863	—20
Security	18,445	7,611	—59
Vulcanite	56,321	19,262	—66
Total	1,131,604	501,519	—56

(Here follow Government's Exhibits 59 and 60, marked side folio pages 703 and 704.)

Govt. Ex. No. 61

Form 16

Cement Manufacturers Protective Association

Summary of Past Due Accounts Reported by Members as of February 1st, 1921

Company	4 mos. or more old	3 mos. old	2 mos. old	T. A.	Notes	Renewals	Total	I. H. A.
0	11544	1882	8479	....	4132(3)	....	26037	17045
1	3105	3231	3176	....	4000(1)	....	13512	....
2	2706	20960	19098	....	5457(2)	....	48221	4639
3	18429	11757	7065	....	....	....	37251	....
4	155	1348	775	....	....	....	2278	....
5	928	6837	17061	....	....	....	24826	7967
6	2048	12388	10648	2439(2)	7376(6)	....	34899	1261
8	3825	21498	26343	....	6284(5)	1200(1)	59150	2933
9	1976	....	9580	....	....	....	11556	....
11	11353	6914	12326	....	21827(19)	2729(4)	55149	1158
12	2422	10953	7636	....	19021(5)	9000(5)	49032	226
15	3432	8334	16000	....	46026(10)	15810(5)	89602	....
16	2538	5025	16338	....	....	....	23901	4419
17	1893	3923	4209	3786(7)	1011(1)	900(3)	15722	....
18	68759	31650	45168	10303(6)	13178(7)	8270(9)	177328	292
19	845	1663	22459	....	6810(5)	....	31777	....
20	3433	39170	90366	....	13151(11)	800(2)	146920	....
21	2259	1112	10341	....	16982(5)	1800(1)	32494	....
22	5654	9599	22599	....	2531(3)	....	40383	499
25	2784	5164	1261	....	8155(1)	....	17364	....
Total	150088	203408	350928	16528	175941	40509	937402	40439
	16.0%	21.7%	37.4%	1.8%	18.8%	4.3%	100%	....

Previous	199838	289089	357067	35338	187883	48419	1117634	58523
Year Totals	17.9%	25.9%	31.9%	3.2%	16.8%	4.3%	100%	....

24—551

[fol. 706]

Govt. Ex. No. 62

Form 17

Cement Manufacturers Protective Association

Comparative Statement of Summaries of Past Due Accounts for the Past Twelve Months

	4 mos. or more old	3 mos. old	2 mos. old	T. A.	Notes	Renewals	Total	I. H. A.
February 1st, 1921....	150088	203408	350928	16528	175941	40509	937402	40439
" " " % of whole	16.0%	21.7%	37.4%	1.8%	18.8%	4.3%	100%	....
January 1st, 1921.....	134249	121239	452331	17340	213053	34499	972711	31961
December 1st, 1920...	148470	96603	254502	21663	210428	32799	764465	44652
November 1st, 1920...	123071	83734	207912	21567	204290	50727	691301	49192
October 1st, 1920.....	119607	148411	215785	23552	179821	29834	717010	65262
September 1st. 1920...	120082	44035	170052	18070	174536	38664	565439	65443
August 1st, 1920.....	135052	40431	141567	23684	134922	46508	522164	62260
July 1st, 1920.....	165436	23573	120264	29663	159529	84305	582770	66227
June 1st, 1920.....	180463	20291	88361	24944	164178	57008	535245	61901
May 1st, 1920.....	245051	45240	54893	25833	132605	68959	572581	73264
April 1st, 1920.....	290967	98986	122531	19057	160458	53094	745093	60045
March 1st, 1920.....	264412	205060	267384	28243	189158	59999	1014256	63390
February 1st, 1920....	199838	289089	357067	35338	187883	48419	1117634	58523
" " " % of whole	17.9%	25.9%	31.9%	3.2%	16.8%	4.3%	100%	....

February 14th, 1921.

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[fol. 707] GOVT. EX. No. 63

Form 18

Accounts Placed with Attorneys During January, 1921

Carter Corporation, Crozet, Va.	Co. 8—	$2,220.65
Melon, E. Francis, Wilkes Barre, Pa.	Co. 18—	601.44
Reimert, C. S. Lansford, Pa.	Co. 18—	243.52
*Slavin, Thomas F., Cohoes, N. Y.	Co. 8—	1,559.09
Wombacker & Webster Constr. Co., Scranton, Pa.	Co. 18—	364.94

Accounts Previously Reported and Paid During January, 1921

Warrenton Supply Co., Warrenton, Va. Co. 8—Pd. in full. February 14th, 1921.

[fol. 707½] GOVT. EX. No. 64

Cement Manufacturers' Protective Association

19 West 44th Street, New York

No. —. Date: —— —, ——.

Our records show that the name of —— —— appeared upon our monthly reports of delinquent accounts as follows:

Date of report	1917	1918	1919	1920	1921	1922	1923
Jan. 1	....	....	....	....	....	....	....
Feb. 1	....	....	....	....	....	....	....
Mar. 1	....	....	....	....	....	....	....
Apr. 1	....	....	....	....	....	....	....
May 1	....	....	....	....	....	....	....
June 1	....	....	....	....	....	....	....
July 1	....	....	....	....	....	....	....
Aug. 1	....	....	....	....	....	....	....
Sept. 1	....	....	....	....	....	....	....
Oct. 1	....	....	....	....	....	....	....
Nov. 1	....	....	....	....	....	....	....
Dec. 1	....	....	....	....	....	....	....

The number of the member Company is filled in above as an index to the monthly reports showing delinquent accounts.

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*Reported in December.

Govt Ex. No. 6 7

709

FORM 28

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

SHEET

ANALYSIS OF CONTRACTS SHOWING COMMITMENTS & SHIPMENTS ON VARIOUS CLASSES OF CONSTRUCTION BY STATES.

COMPILED FROM ASSOCIATION'S REPORT ON CONTRACTS AS OF DECEMBER 1st, 1920.

STATE	STATE & MUNIC. WORK			BRIDGES			CONCRETE ROADS			DAMS & WATER POWER		
	ORIGINAL CONTRACT AMOUNT	TOTAL SHIPPED TODATE	UN-SHIPPED BALANCE	ORIGINAL CONTRACT AMOUNT	TOTAL SHIPPED TODATE	UN-SHIPPED BALANCE	ORIGINAL CONTRACT AMOUNT	TOTAL SHIPPED TODATE	UN-SHIPPED BALANCE	ORIGINAL CONTRACT AMOUNT	TOTAL SHIPPED TODATE	UN-SHIPPED BALANCE
MAINE	1000	635	365	20000	8459	11541	....	....	....	2500	2426	74
N. H. & VT.	8473	693	7780	....	....	....	....	....	....	14672	2555	12117
MASS.	41750	19628	22122	108200	10086	98114	64000	23960	40040	3000	1270	1730
R. I.	....	....	....	....	....	....	4500	....	4500	....	....	....
CONN.	17750	6656	11094	15000	8628	6372	189200	54096	135104	129500	53945	75555
NEW YORK	234600	105831	128769	42150	14436	27714	395800	154097	241703	289235	42209	247026
NEW JERSEY	130301	68752	61549	7750	1711	6039	139335	65618	73717	18200	7003	11197
PENNA.	100880	21400	79480	212606	118799	93807	864729	427013	437716	42400	14942	27458
DEL.	19000	12906	6094	24600	4590	20010	48819	14648	34171	....	....	....
MARYLAND	4250	404	3846	....	....	....	22000	5837	16163	3338	....	3338
D. C.	33000	1067	31933	5000	4428	572	....	....	....	600	231	369
VIRGINIA	800	645	155	....	....	....	60000	16978	43022	21700	9868	11832
W. VA.	1200	650	550	29880	6889	22991	249500	76573	172927	1200	289	911
OHIO	30000	6914	23086	450	231	219	15600	6951	8649	....	....	....
N.C., S.C., GA. & FLA.	34468	15973	18495	3133	343	2790	155000	27668	127332	13000	7393	11607
MICH.	....	....	....	....	....	....	....	....	....	....	....	....
TOTAL	657472	262154	395318	468769	178600	290169	2208483	873439	1335044	545345	142131	403214

[The balance of this Exhibit which contains two pages, not printed by consent]

EDISON PORTLAND CEMENT CO.

1133 BROADWAY

NEW YORK

October thirtieth
1 9 1 6

Govt Ex. No. 68

Mr. Robert E. Griffith, President,
Cement Manufacturers Protective Association,
Philadelphia, Pa.

Dear Sir:

Perusing report of contracts booked during the past week, the writer is impressed with the thought that very little careful attention has been given by most manufacturers as to the estimation of quantities required under the work to be supplied.

As in the case of all statistics, if the total report of commitments is to be of any real value, it should be as nearly correct as possible, and when the commitments reach a point of fifteen million (15,000,000) or sixteen million (16,000,000) barrels, as it would appear to be possible on the November 1st report, a twenty per cent (20%) variation is a very large item.

In addition, regardless of advanced selling prices which may be created, in view of the constantly increasing cost of manufacture; for the very reasons set forth in the articles of incorporation of our Association, the cement market will be controlled not by actual costs of manufacture, or supply and demand, but instead by the contracts which have been written in the past few days.

I, therefore, recommend that the Association immediately employ at least six persons, competent to check the cement requirements of contracts listed, and that they begin such work immediately.

If increased dues are necessary to cover such expense, I also think whatever assessments as are necessary to cover this additional expense be levied at once.

As this is a matter of far reaching influence and effect, I think you should get into it before the next monthly meeting.

Awaiting an early reply, I am,
RMS/BC Yours very truly,

H N Scott

Assistant to President

Giant Portland Cement Company

New York, October 31st, 1916.

Govt Ex. No. 69

Mr. Charles W. Bacon,
Commercial Trust Building,
Philadelphia, Penna.

Dear Sir:-

I enclose you herewith letter received from Mr. Harold Scott of the Edison Portland Cement Company, and I would ask you to kindly write a letter to all the Members of the Eastern Protective Association, as follows:

"I am just in receipt of letter from Mr. Harold Scott, as per the enclosed copy, and beg to state personally that I heartily concur with him in this suggestion, and I feel that it would be mutually advantageous for the Members of the Association if his suggestion is adopted, and a sufficient number of Men put on to thoroughly investigate the Contracts reported,- and would ask you to kindly communicate with me at once your feeling in the matter, as to whether you approve of the plans suggested, and if so-I will endeavor to have men put on to investigate these contracts the early part of next week. I would ask you to kindly give this your immediate attention, as I do not feel that I wish to go to the expense of this investigation, without the authority of a majority of the Members, and as quick action is needed on this, I would ask you, if you have any names you would like to suggest, of men who are capable of investigating the contracts reported. If the majority of the Members are in favor of the suggestion, these expenses will be borne by the Association in proportion to shipments, and a separate account kept of same."

Will you kindly therefore, send these letters out without fail tomorrow, to all the Members, and sign my name to same.

Yours very truly,

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION,

R. C. Griffith
PRESIDENT.

R. C. Griffith

Enc.

KNICKERBOCKER PORTLAND CEMENT COMPANY

November 2nd, 1916.

Govt Ex. No. 70

Mr. R. E. Griffith,
603-610 Pennsylvania Bldg.,
Philadelphia, Pa.

Dear Mr. Griffith:--

I have your letter of November 1st, enclosing copy of communication received by you from Harold M. Scott. Any action which the majority of the members of the Association desire to take will of course be satisfactory to me, but I desire to go on record that I do not think the contemplated action is either necessary or advisable. In my opinion, each company can check and correct its contracts to better advantage than anyone else, and if they have not the inclination to do this, any checking which might be done would be valueless.

Very truly yours,

Harvey Ward

HARVEY H. WARD

HHW/EM

CAYUGA CEMENT CORPORATION

Rochester Sales Office,
821 Insurance Bldg.,
Nov. 4, 1916.

Govt Ex. No. 71

Mr. R. E. Griffith, President,
Cement Manufacturers Protective Ass'n.,
Philadelphia, Pa.

Dear Sir;-

We have your letter of the first inst. enclosing copy of Mr. Scott's letter to you in regard to placing six men on the road for the Association to check up contracts.

Our mill, as you know, is a small one and while we like to float along with the larger mills and all that they do for the good of the industry, would say frankly that we do not believe that the Association should do this checking work. In other words, if every manufacturer reports his contracts as received and if there is a question about the amount sold for any particular job, we have recourse to the Association records, and if all the reports which the different manufacturers are making are true we should not need special investigators to check our sales.

I heartily agree with Mr. Scott on what he says regarding commitments reported so far for next year, but to place six men in the field at what you might call reasonable salaries to check these different contracts would cost more than all the money we have spent so far for the Association. The larger companies have the advantage in this respect but we believe that if we reported our contracts from time to time as they happen and check carefully our estimate of requirements there would be no need of any men going out to check against our figures. It is a well known fact that our competitors check every contract that is let and are very well conversant with the amount of tonnage involved in each contract.

It certainly appeals to us that the sales managers of the various companies should know conditions well enough to know when their own salesmen were padding contracts. You know as well as we do that some of the companies have maintained a complete investigating corps outside of

R.E.G. #2

the regular selling force for the compilation of the figures they desire to get on the different contracts reported.

I know why Mr. Scott would like to have this done after our meeting in Philadelphia on the 16th ult. but I do not agree to the Association taking any part in the employment of these men. It looks to me as though some of the manufacturers did not have confidence in some of the others and it is for this reason that we vote against the resolution.

Yours very truly,

CAYUGA CEMENT CORPORATION.

R. J. Kyle Sales Manager.

R T Kyle

RJK/DS

DEXTER PORTLAND CEMENT COMPANY

11-2-16

Govt Ex. No. 72

Mr. R. H. Griffith, President,
Cement Mfrs. Prot. Assn.,
219 Commercial Trust Bldg.,
Philadelphia, Pa.

Dear Sir:-

Replying to your November 1st letter and as per our vote when this matter was brought up about six months ago, we are willing to bear share of the expenses of an investigation of specific contracts filed with the Association.

The gentleman that I had in mind for investigating contracts in Eastern Pennsylvania, New York and New Jersey was Mr. William B. Bell, of Atlantic City, N. J. I think his services can be secured at a very reasonable figure because it is necessary for him to do some outdoor work for next year or so. If you want me to have him call to see you, please advise.

Very truly yours,

R. W. Hobbs

RWH:C

Manager of Sales

The Atlas Portland Cement Company,
30 Broad Street,
New York, November 3, 1916.

Govt Ex. No. 73

Mr. R. L. Griffith, President,
Cement Manufacturers Protective Association,
Philadelphia, Pa.

Dear Sir:

In response to your letter of the 1st inst. relative to the employment of a number of men for investigating and reporting as to the existence of work for which contracts have been taken, and also regarding contracts which may have been over estimated.

This is exactly one of the reasons for the existence of the Association, and it seems to me that it would be a wise expenditure of money on the part of the Association, the funds for which I feel should be provided for on the same basis as the sums provided for running the entire Association. If we have not enough money in the Treasury, or anticipated receipts to cover it, we should levy an assessment in the same way that we handled the last assessment.

I hope to be present at the meeting Wednesday when I presume any action you may take in the employment of men will be promptly ratified.

Yours very truly,

Assistant to the President.

DHMacF/MK

D.H MacFarland.

717
Govt Ex. No. 74

PHOENIX PORTLAND CEMENT COMPANY

NAZARETH, PENNA. November 3rd, 1916.

Cement Manufacturers Protective Assn.,
932 Commercial Trust Bldg.,
Philadelphia, Pa.

Attention Mr. R. E. Griffith,Pres.

Gentlemen:-

Answering your letter of the 1st inst., we fully agree with you that the situation,as outlined by letter from Mr. H. M. Scott, is a serious one and should have immediate attention. Of course, we do not wish to incur unnecessary expense in checking these contracts, but if this additional expense for men to be hired is worked out on a proportionate basis, we should be glad to assume our proportion of such expense.

Very truly yours,

PHOENIX PORTLAND CEMENT CO.,

Ina L. Gilkyson
Treasurer.

ILG/W.

C - P.

Ina L. Gilkyson

THE LAWRENCE CEMENT COMPANY

Govt Ex. No. 75

Mr. R. E. Griffith, President,
Cement Manufacturers Protective Association,
932 Commercial Trust Building,
Philadelphia, Pa.

Dear Sir:

Your letter of the 1st instant enclosing copy of letter from Mr. Harold M. Scott, is at hand.

I thoroughly agree with Mr. Scott's views expressed relative to the investigation of recent contracts taken by the various companies.

I understand that some of the manufacturers suggest that the investigation be made by salesmen who are already employed by the various companies.

My own judgment is that it would be very much better to have this investigation made by people who are not connected with any of the companies.

I will try and attend the meeting on Wednesday.

Yours very truly,

Frank H Smith

SALES MANAGER

Frank H Smith

FHS:N.

BATH PORTLAND CEMENT CO.

NEW YORK CITY, November 3, 1916.

Govt Ex. No. 76

Mr. R. T. Griffith, President,
Cement Mfgrs. Protective Ass'n.,
Commercial Trust Bldg.,
Philadelphia, Penna.

Dear Sir:-

We are in receipt of your favor of the 1st inst. relative to the question of employing six men to check up contracts.

We agree with the principle, but if it is intended to furnish permanent employment to the six men for the work in question, we think it will be unnecessary to have such a large force.

Yours very truly,

BATH PORTLAND CEMENT COMPANY,

J. P. Manley

Vice-President.

J. P. Manley

Coplay Cement Manufacturing Company
MANUFACTURERS OF
Saylor's Portland Cement
Widener Building
Philadelphia,

Govt Ex. No. 77

November 4, 1916.

Mr. R. E. Griffiths, President,
Cement Manufacturers Protective Assoc.,
Phila.,Pa.

Dear Sir:

Replying to your favor of the 31st ult., would say that the matter of employing some special representatives to investigate recent contracts taken, meets with my approval as I think it will be necessary that something like this be done. However, I believe every Cement Manufacturer should do all they can themselves to check up their contracts, and when it comes to a case of an argument as to whether the Company is right or whether the customer is right, then I think it would be well to have one of the special representatives investigate such contract carefully and report.

There are so many contracts filed, that I do not think it could be possible - unless we had a number of men - to investigate them all through the Association, and it is on that account that I feel the Association will have its hands full by just checking the large contracts and those in dispute.

Very truly yours,

COPLAY CEMENT MFG. COMPANY

W. G. Dutton

WGD/H

General Sales Manager

Pennsylvania Cement Company

New York Nov. 4, 1916.

Govt Ex. No. 78

Mr. Robert E. Griffith, Pres.
Cement Mfgr. Protective Assn.
932 Commercial Trust Bldg.
Philadelphia, Pa.

Dear Sir:-

Replying to your letter of the 1st would say that we feel that these contracts should be taken up at once for the simple reason that if statement of contracts as filed, are legitimate, it means that there will be a big shortage of cement for next year, and we should know that without delay.

The writer expects to be in Philadelphia without fail next Wednesday.

Yours very truly,

PENNSYLVANIA CEMENT COMPANY

Wm. S. Beach
President.

WNB:Y

Govt Ex. No. 79

November seventeenth
1 9 1 6

Cement Manufacturers Protective Association,
Commercial Trust Building,
Philadelphia, Pa.

In re special contract investigation:

Dear Sirs:

Your committee have carefully considered several methods possible for the special work of investigation and verification of contracts booked, and have concluded that to attempt this work through a corps of men operating under the direction of the Association, and its appointed officers, would require a very large expenditure; also much time would be necessary in recruiting of persons for such force, and their education and instruction in the work.

Pursuant to the recommendations of the Association, we have also carefully considered the offer of the F.W. Dodge Company to perform this work.

They advise that a staff of eighty to one hundred men would be immediately dispatched on the work, and as much of the information desired is already available in their records, they can unquestionably perform this service more economically, and, probably, more efficiently than through the former method.

Although shipments on contracts now booked will not be active for several months, the item of time remains an important feature, in view of heavy bookings, increased costs, and difficulties of cement manufacture.

The inexorable law of supply and demand must govern the schedule of manufacture and sale of each company, and to intelligently forecast the demand of 1 9 1 7, each manufacturer is greatly interested in knowing that the total of contracts booked represent certain definite items of construction rather than fictitious or spurious options of the trade.

Your committee, therefore, asks that it be empowered to immediately conclude a contract with the F.W. Dodge Company for a period of thirty (30) days, on basis of Two Dollars ($2.00) per inquiry or report, the F.W. Dodge Company to supply the Secretary of this Association with the following information - The Secretary in turn to transmit such information to each member company:-

A - Verification of purchaser
B - Description of work
C - Brand purchased
D - Number of barrels required.

If the above recommendation is approved, your committee would further request that it be instructed to co-operate with the Secretary of this Association in completing the details of forms, reports, etc., in connection with this special work.

Yours very truly,

H.M. Scott, Chairman

W.S. Dutton

Albert Moyer

B.L. Swett

F.M. Coogan

J.F. Twamley

R.W. Hilles

HMS/BC

[fol. 708] Govt. Ex. No. 65

Form 26

Cement Manufacturers Protective Association

19 West 44th Stretet, New York, N. Y.

—— Co.

Bag Returns for the Year Ending December 30th, 1920

Total bags returned	Total bags rejected
.....	.....

[fol. 708½] Govt. Ex. No. 66

Form 19

Cement Manufacturers Protective Association

Bag Returns for the Year Ending December 31st, 1920

Company	Total bags returned	Total bags rejected	Per cent rejected	% rejected yr. ending 1919
Allentown	2,334,506	65,584	2.81%	2.60%
Alpha	10,909,979	109,329	1.00%	1.01%
Atlas	18,232,407	289,434	1.59%	1.82%
Bath	2,022,475	35,956	1.78%	2.20%
Coplay	3,287,649	76,588	2.33%	4.60%
Dexter	2,427,089	19,949	.82%	1.42%
Edison	4,564,298	132,642	2.91%	4.26%
Giant	3,096,349	67,904	2.19%	2.98%
Glens Falls.....	1,193,984	43,610	3.65%	2.33%
Hercules	1,746,847	43,127	2.47%	1.05%
Knickerbocker ...	3,168,532	23,694	.75%	.79%
Lawrence	5,146,018	136,725	2.66%	3.52%
Lehigh	10,241,343	125,127	1.22%	1.19%
Nazareth	2,840,338	49,714	1.75%	1.95%
Penn Allen.....	2,049,644	52,006	2.54%	1.77%
Pennsylvania	3,298,541	54,485	1.53%	2.25%
Phœnix	1,612,155	29,609	1.84%	1.44%
Security	2,776,888	32,456	1.17%	1.56%
Vulcanite	3,746,554	53,489	1.43%	2.81%
Total	84,695,596	1,437,428	1.70%	2.11%

2-18-21.

(Here follow Government's Exhibits Nos. 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, marked side folio pages 709-723, inclusive)

[fol. 724] GOVT. EX. NO. 80

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
—— Portland Cement Company. Nazareth Cement Co., by J. A. Horner. G. F. W.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Penn Allen Cement Company, by W. E. Erdell, Pres.

Endorsed: Received July 27, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Pennsylvania Portland Cement Company, by W. N. Beach, Pres't.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

[fol. 724½] We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Phœnix Portland Cement Company, by J. W. Walker, Prest.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Security Cement & Lime Co., by Loring H. Cover, President.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Bath Portland Cement Company, by B. S. Stradley, Prest.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Cayuga Cement Corp'n, by J. I. Maugi, V. P.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

[fol. 725] We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Atlas Portland Cement Company, by W. A. Holman, Asst. to Prest.

7/27/17.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

Alpha Portland Cement Company, by G. S. Brown, President.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

Virginia Portland Cement Company, by B. L. Swett, Sales Manager.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

[fol. 725½] We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

The Allentown Portland Cement Company, by R. L. Cope, Mgr. of Sales.

Endorsed: Received Aug. 8, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

July 27, 1917.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

Vulcanite Portland Cement Company, by W. D. Lober, V. P.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

Coplay Portland Cement Company, by Ferdinand L. Loeb, President.

Endorsed: Received Jul. 27, 1917. Cem't Mfg. Pro't Ass'n per —— ——.

[fol. 726] We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

Dexter Portland Cement Company, by Joseph Brobston, Vice President.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.

Edison Portland Cement Company, by W. L. Mallory, President.

July 26, 1917.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Giant Portland Cement Company, by R. E. Griffith, V. P.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

[fol. 726½] We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Hercules Cement Corporation, by Morris Kind, Pres

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Knickerbocker Portland Cement Company, by Sheldon Bassett, Pres.

Endorsed: Received Jul. 31, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

July 30, 1917.

We vote in favor of the plan for extending the activities of the Cement Manufacturers Protective Association.
Lawrence Portland Cement Company, By Marion S. Ackerman, V. P.

Dear Mr. Lober,

Gladly sign the above, but do not see that it is "in accordance with the resolution adopted July 16th."
We vote in favor of the plan for extending the activitives of the Cement Manufacturers Protective Association.
Lehigh Portland Cement Company, by B. L. Swett, Eastern Sales Manager.

Endorsed: Received Jul. 30, 1917. Cem't Mfg. Pro't Ass'n, per —— ——.

[fol. 727] Govt. Ex. No. 81

New York, September 18, 1917.

Dear Mr. Gaines: I am attaching herewith copy of letter which the Atlas Company sent to its various sales offices in April of this year for their instruction and guidance in checking up specific work contracts. In connection with this letter the salesmen were furnished "Instructions for Guidance in Checking Contracts" copy of which is also attached, and the form known as "Building Report."
This will indicate to you the thought that our Company had in mind in investigating and checking contracts, and it is my opinion that it applies to the work which you are to undertake.

Next Tuesday we will get the benefit of the individual experience of the Companies represented by the other members of the Committee, and I should like to have you bring this up at that time as a suggestion to the Committee covering some of the points which we will consider and provide for.

Yours very truly, W. A. Holman, Chairman.

Mr. H. S. Gaines, Cement Manufacturers Protective Association, Widener Building, Philadelphia, Pa.
Enc.

[fol. 727½] Checking Contracts

April 26, 1917.

District Managers:

We are attaching hereto a sheet bearing general instructions for the checking up of specific contracts. We want you to study this with great care, and distribute copies which we are sending you under another cover, to all of your salesmen, and especially see that the men who are going to do most of the contract checking are thoroughly well-grounded in what we are after.

In addition to this, we are sending you a sample of the sheet which we want started in each of the district offices, and completed by the salesman who checks each contract. We do not want the salesman to send in any of these reports until every question on the report has been fully and completely answered.

In all cases where an adjustment of the contract is possible on the ground—that is, where there is anything to be done in the way of cancellation or reducing quantities—we want it done on the ground after we are absolutely sure that our information is correct and we can satisfy the dealer to that effect.

You cannot impress the men checking the contracts too strongly with the importance of their work to the Company both from a monetary standpoint, and from a diplomatic standpoint; that is, from the standpoint of maintaining relations with dealers, and at the same time making adjustments on all contracts which need them, which adjustments will be absolutely fair to the —— Company. If the adjustment is in accordance with the requirement of [fol. 728] the work as far as quantity goes, such adjustment will necessarily be fair to the dealer, and anything in excess of such an adjustment will be manifestly unfair to the —— Company.

From time to time someone will visit the branch office, and will go over these contract reports with you in general and in detail, and in order that no second trips may be necessary on these contracts, please see that everything is cleaned up at the time of the first check.

Our suggestion is that you use Mr. —— to check up these contracts in your territory.

Of course, the more important propositions should be handled by the district manager personally but the information which the district manager secures on the contract should be just as detailed

as he requires his salesmen to secure, which is in line with the attached form.

Please bear in mind too that the attached form represents a minimum of the information required. If there is any additional authentic information from any source which throws light on the contract, please secure it and report it.

Yours truly, —— ——.

[fol. 728½] Govt. Ex. No. 82

Cement Manufacturers Protective Association

932 Commercial Trust Building, Philadelphia, Penna.

Charles W. Bacon, Secretary

Office of Cement Manufacturers Protective Association, Philadelphia, Pa.

This letter sent to all the member companies and addressed to the Managers.

Oct. 5, 1917.

Dear Sir: We are ready to make a beginning of contract investigation under Mr. Gaines' direction for the purpose of supplying member companies with accurate information regarding contracts filed, which will enable the member companies to protect themselves against the kinds of misrepresentation and deception which have been more or less common in so-called "specific job contracts" and tend to move such transactions toward a more honorable and reliable basis.

It has come to be pretty generally recognized that these transactions, while in the form of contracts, are, as a practical matter, one-sided obligations which only the manufacturer can be compelled [fol. 729] to perform; and it has become common to secure such contracts by misrepresentation, to serve as options extending over long periods, misguiding the manufacturer in the adjustment of his selling and manufacturing operations and frequently occasioning great loss.

The misrepresentations commonly resorted to in these contracts are duplication, padding of contracts, and calling for shipments on expired contracts. The service of the Association will embrace the investigation of the facts, so that each manufacturer may be informed that he is being thus imposed upon and enabled to free himself from such contracts or shipments as are based on misrepresentation, by cancellation, refusing to ship or otherwise.

In providing this service the Association is simply attaining more fully the object for which it was created, namely, "the collection and dissemination of such accurate information as may serve to protect each manufacture against misrepresentation, deception and imposition and enable him to conduct his business exactly as he pleases

in every respect and particular, free from misdirection by false or insufficient information." The Association does not undertake to direct or control or influence the acts of the manufacturer. It simply provides him with accurate information, which enables him to act as he chooses. If, for instance, a manufacturer has one of these "specific job contracts" calling for, say, ten thousand barrels of cement for a particular job, this service will develop the truth concerning that job, which may be that it involves only two thousand [fol. 729½] barrels or has been completed. This information will enable the manufacturer to protect himself by cancelling the contract or declining to make further shipments. But the work of the Association stops with supplying the truth. It will consist simply in ascertaining the truth, in investigation of the facts, and the communication of them to the members.

It is understood that investigations, which we shall term Audits, will be intelligently undertaken and efficiently and diplomatically conducted resulting in reliable information for the guidance and protection of members in the proper conduct of their business, together with fair and business-like treatment of their customers, the dealer and the contractor.

We shall not undertake investigations in number and volume at the expense of thoroughness and reliability, and with this in mind our beginning must of necessity be of moderate volume, and our growth from such a beginning will be as rapid as the proper training of an organization to successfully handle such increased work as may become desirable.

Investigations of Contracts Now in Effect

When suggesting investigations of contracts previously filed and now in effect, members are requested to consider only such contracts as are not completed or nearing completion, and which if not bona fide and legitimate would be detrimental to the future interests of the manufacturer having such contract and the industry generally. [fol. 730] As our present facilities are limited, we cannot undertake a general investigation of expired or soon to expire contracts, or other than the more important contracts of reasonable size in and adjacent to large centers of population, such as Philadelphia, New York and Boston, and the co-operation of members in making the work as valuable as possible to the future will be appreciated. Upon receipt of such requests, Mr. Gaines will undertake investigations and reports to members requesting such at as early a date as possible.

Investigations of New Contracts from This Date

We do not believe an investigation of every contract filed to be either necessary or desirable. The organization required to do this would be out of all proportion to the results obtained. Each Company should carefully look over the daily report to members of contracts filed, and the monthly report of contracts in effect, and report

to the Association office any information leading such Company to believe that any contract filed is not bona fide, and in what particular which information will be used as the basis of an investigation, and report, both to the Company making the request and furnishing the information, and to the Company making and filing the contract.

If each member Company will give to other member Companies through the Association such information as it may have, we feel that investigations of contracts which are brought to our attention will correct a large percentage of abuses and misrepresentations and, [fol. 730½] at least for the present, be as much as we can undertake for proper investigation.

Attached herewith are the following forms, which will be used in connection with contract investigation and report as follows:

Form No. 1.—This form to be used by members in calling the attention of the Association to "Special Contracts" upon which they desire further information.

Form No. 2.—This form is to be used by the Auditor on the work.

Form No. 3.—This form is to be used by the Auditor on the work.

Form No. 4.—This form will be used by the Association when sending information on audited contracts to the manufacturers.

A supply of form No. 1 is being sent you for calling the attention of the Association to "Specific Contracts," upon which you may desire further information.

Yours very truly, W. D. Lober, President; F. M. Coogan, W. G. Dutton, W. E. Erdell, H. M. Scott, B. L. Swett; W. A. Holman, Chairman.

[fol. 731] GOVT. EX. No. 83

November 10, 1917.

Mr. H. I. Norton, Bancroft Hotel, Worcester, Mass.

DEAR SIR: We are sending under separate cover, a supply of Business Cards, Expense Books, and a copy of estimates on specific contracts, which may be of some value to you in making estimates.

There are some contracts in the vicinity of Providence that should be taken care of at an early date. Also a few other towns in the vicinity of Boston, which you can clean up and then will send you the first of the week, at your Boston address, the list of the Boston contracts which we wish investigated, as we are anxious to clean up the situation in Boston, as soon as possible.

We are very much pleased with reports that you are sending us, and we want you to bear in mind that we would rather have one report a week from you and have it absolutely correct, than have one hundred reports and have one wrong.

We are always especially interested in knowing what brand of Cement is used on the job which you visit. And we also like to have

[fol. 731½] as fully as possible, the report of your conversations with the source of your information; as oft-times details that may seem of small importance to you, are of vital importance to us.

I now think that I will be in Boston the latter part of next week, and will look forward to seeing you then.

With kindest regards.

Yours very truly, —— ——, Vice-Pres. HSG/E.

[fol. 732] Govt. Ex. No. 84

November 26th, 1917.

Mr. Broomall, Mr. Oberman, Mr. Norton.

Dear Sir: In every instance where you are not entirely satisfied that you have full and complete information you should visit the dealer or purchaser, as in many cases this is the only party who can give you specific information as to the amount of cement actually delivered upon the operation and this information we would always like to get wherever possible to do so.

However, when you find a complete contract, whether or not it shows a balance due, it is not necessary to go to the contractor or dealer for the amount and brand used, unless such information can be obtained without annoyance or waste of time. As a rule when the operation is completed, that is the only information we require.

You should be especially careful not to discuss prices with anyone, as this Association is not in any way interested in the prices charged by the various companies.

A recent case in Brooklyn where an investigation of a requirement contract did not develop full information, leads me to caution [fol. 732½] you to carefully follow up all avenues of information until you are thoroughly satisfied that you have developed the full facts in every case.

In the case in question there were five operations covered by one contract. One operation was checked and a report made, which indicated that the work was about completed, when as a matter of fact construction was under way in four other places where material was being furnished under the contract, which operations would consume the full amount of cement as specified.

In the main, your reports are coming through in good shape and we are very much pleased with the results you are securing, but I again desire to caution you that I would rather have one report correct and complete in every detail from you, as the result of a week's work, than to have you send me a hundred during the week and one report incorrect and incomplete. Your results will not be measured by quantity, but quality.

Yours very truly, —— ——, Vice President. HSG/GY.

[fol. 733] GOVT. EX. NO. 85

The Emerson, Baltimore, Maryland

December 13th, 1917.

MY DEAR MR. GAINES: I had quite a long talk with Mr. Clement Green over the 'phone this afternoon. I apoligized for not having called on him last week, at which time he had said he would be in a position to give me the information on the balance of his contracts, and asked him when it would be convenient, for him, to have me call to get this information.

He said it was a good thing I didn't see him last week, as he might have wiped up the floor with me. I did not ask him where I would have been while that was happening; but asked him what the trouble was and he said "why! you reported to the Alpha people that those jobs were all finished," and I said, "Mr. Green, I reported on those Alpha contracts that the full amount of the contracts had been used and that your Alpha contracts were all cleaned up, which is exactly what you told me." He said I did not tell you anything of the kind. I told you, and my brother will *bare* me out, as he was there at the time, that when I had received the balance that had been ordered shipped on these contracts, that they would be cleaned up.

[fol. 733½] I said, no, you did not tell me that; if you had I would have reported accordingly and asked him what possible motive I would have for turning in false reports on any contracts and that this was the first time a thing of this kind had arisen, etc. and finally wound up by having him agree to have me come out to his place for the information on the balance of his contracts next Tuesday, and I was thinking if it would be policy to keep from him, until after that time, the information gathered on the 100 house operation at 12th & North. He said I had better see Mr. Kent of the Alpha Co., whom he said, was down to see him and had visited the jobs with him, and tell him that I had misunderstood him on those Alpha contracts. I made no promises.

I had lunch with Mr. Behrens today and he is trying to make appointments for me to meet the balances of the Dealers tomorrow and Saturday and if he does that will give me a chance to attack along the entire front and get cleaned up.

Very truly yours, Frank Broomall.

Received Dec. 15, 1917. Cem't Mfg. Pro't.

[fol. 734] Govt. Ex. No. 86

The Emerson, Baltimore and Calvert Streets

Cable Address—Hoemerson

Baltimore, 12-18, 1917.

Dear Mr. Gaines: Mr. Graham of Pen-Mar Co. was to have given me the amounts delivered on their contracts the early part of this week; but when I talked to him today he said he had no additional information for me at this time. I asked him when I could expect to receive this information and he said he would get in touch with me if anything new turned up.

He has gone over each contract with me and has given me some information; but what I was after was the amount of cement delivered on each contract. This he does not seem to want to give me although he has not come right out and refused to do so. I am, therefore, going right ahead and checking their contracts along with the others and in case I get any information from him after having mailed them in, I shall report further.

[fol. 734½] I also talked to Clement Green today. He also had promised to give me the am'ts. delivered on their contracts; but he said, today, that they hadn't had the time to get this in shape for me and did not know when they would have as they were very busy just at this time, so I shall not wait on him; but will investigate his contracts along with the others.

I just received telegram instructing me to try to complete investigation of Edison contracts with Green tomorrow and will get busy on same first thing in morning; but hardly think I will be able to investigate them all tomorrow as there are twenty-three altogether. I will devote all of my time to these contracts until I have investigated them all and shall mail my reports on same direct to Seville Hotel as fast as I can check them.

Mr. Gaines I wish to thank you very kindly for my increase in salary and also want to assure you that the confidence you have placed in me is greatly appreciated.

Yours very truly, Frank Broomall.

Am enclosing to office under separate cover seven reports; but none are Green's.

[fol. 735] Govt. Ex. No. 87

Lehigh Portland Cement Co.

Young Building

In reply please address and refer to 60882-C

Allentown, Pa., December 27, 1917.

Mr H. S. Gaines, V.-Pres. Cement Mfgrs. Protective Asso., Philadelphia, Pa.

Dear Sir: No doubt you have noticed the large number of contracts which have recently been extended for 1918 delivery. A number of these contracts have been at the present market price, while the others are considerably lower.

It occurs to me that the Association should endeavor to check up such extended contracts as early as possible. This applies particularly in the case of contracts which are extended only for the first few months of 1918, as, naturally, the check up, in order to be of any value, should be made before the cement has been delivered.

Yours truly, B. L. Swett, Eastern Sales Manager. BLS.

Received Jan. 2, 1918. Cem't Mfg. Pro't Ass'n, per —— ——.

[fol. 735½] Govt. Ex. No. 88

Alpha Portland Cement Company

General Offices: Easton, Pa.

January 25, 1918.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Protective Association, 916 Widener Building, Philadelphia, Pa.

Personal

Dear Sir: I note on the reports which you have recently made to this office that you have investigated an industrial requirement contract of the Vacuum Oil Co. I want to make the suggestion for your consideration, that it is absolutely useless to attempt to investigate such a contract, in fact, if we were to attempt to investigate such contracts it would have a very bad effect on the standing of the industry, and I would like to have you take this matter up with the committee for such action as they may see fit.

Yours very truly, F. M. Coogan, H., 2nd Vice-President.

FMC-H.

[fol. 736] Govt. Ex. No. 89

January 30th, 1918.

Dear Sir: Responding to your letter of January 25th, relative to the investigation of industrial requirement contracts, the results secured from such investigations are in most cases very unsatisfactory, and I will be very glad indeed to bring the matter up for the consideration of the Committee at the next meeting.

Yours very truly, —— ——, Vice-President. HSG:GY.

Mr. F. M. Coogan, Second Vice President Alpha Portland Cement Co. Easton, Penna.

[fol. 736½] Govt. Ex. No. 90

January 31st, 1918.

Mr. W. G. Dutton, President; Mr. H. M. Scott; Mr. W. E. Erdell; Mr. F. M. Coogan; Mr. B. L. Swett; Mr. W. D. Lober; Mr. W. A. Holman, Chairman.

Dear Sir: It occurred to me that you would be interested and to your advantage to know the problems with which we are from time to time confronted and I am therefore sending you a copy of my weekly letter, which is an interchange of information among our auditors

In reading this letter, it is well to bear in mind that these men know practically nothing of the history and traditions of the industry; that they are looking at it purely from the angle of an investigator of contracts and not as salesmen.

Yours very truly, H. S. Gaines, Vice-President. HSG:GY.
Encl.

[fol. 737] January 31st, 1918.

Dear Sir: I beg to herewith hand you the weekly letter for your information:

From Mr. Norton

"Haven't run across anything out of the ordinary in my travels about New England. Have experienced similar cases to the one Broomall speaks about. The thing the hardest to overcome here is to break through the combinations that dealers and industrials form, such as Hersey of Winslow and Co., Portland, Me.

All his customers swear by him and won't give out any word before talking with him and he puts the words right in their mouths. Mr. Hersey is a very decent fellow to meet and treats one as courteously that you are with him, as soon as you talk to him, although you feel certain he is putting something over. For instance, the Maine R. R. say that all their large work is contracted out and con-

tractor furnishes his own cement; then the first question is, what do they want of 25,000 bbls. unless to help out Hersey. Hersey says in order to keep up with the people whom you have business with, it is necessary to do business their way, and he claims to know the manufacturers as well as they do themselves.

The rumor around among the dealers here is that the mills are overstocked and that cement is very plentiful. At first, when start-
[fol. 737½] ing out, the requirement contracts seemed to be the easiest to check, but now it is different, for dealers use them to cover up all their phoney dealings and I had rather investigate building operations. Most dealers are not in favor of requirement contracts, although some think them very necessary. Have found very few dealers with anything but verbal contracts, and in many cases the dealer asked the mill for more than contractor has asked for. Written contracts between dealers and users would eliminate all this, but dealers say contractors would not give them."

From Mr. Broomall

"In checking contracts, a great amount of time is spent in locating contractors, and sub-contractors, who have no offices and who are not listed in directory or telephone book and who very often live in a town or city other than the one in which the job is. Very often the dealer will furnish the auditor with the address of the contractors, but not always. In one case, I devoted an entire day trying to locate the contractor.

If the auditors could conveniently be furnished with the addresses of the contractors, it would greatly facilitate their work and many more contracts could be audited in the course of a year."

From Mr. Oberman

"In checking contracts, one finds that it is a common practice for dealers to execute a specific time contract with one of the cement com-
[fol. 738] panies without receiving any definite order or like contract for cement from contractor. Such purchasers who have not filed contracts with their dealers, often resent our interference, as they put it, in their business; and it also must be noted, even if the contracts under investigation are not entirely valid, that the checking of such contracts might cast some reflection upon the integrity of the dealers organizations which might not be solely at fault for, as we have been told, much of the chaos in the cement trade industry is due to the objectionable business practices fostered upon the dealers because of the lack of organization in the cement trade.

If this is found to be the case with contracts under investigation, it is best to state at the outset that we are collecting our information for the manufacturers of cement, so that they may better be able to reconstruct their business to meet war conditions. Nearly all contractors, as well as every one else, are troubled by the present economic changes and they all seem ready to discuss conditions. In

this manner, we can get our information without giving the contractors the idea that we are checking up the dealers methods of doing business.

No doubt, if every specifi- time contract between dealer and manufacturers had a copy of the contract executed between contractor and dealer attached thereto, the above condition would not exist.

The following extract from page ten of the pamphlet entitled 'Trade Practices in the Cement Industry' will make my point clear:

If all the manufacturers insist that every specific work contract with a dealer have attached thereto an executed copy of contract between the dealer and his customer for that particular work, it will largely eliminate the abuses recited. (Diverting cement.)"

Yours very truly, H. S. Gaines, Vice President. HSG. GY.

[fol. 739] Govt. Ex. No. 91

February 5th, 1918.

Dear Sir: Referring to the attached report on Vulcanite contract 4729, I beg to herewith hand you copy of the auditor's daily report of February 1st and call your attention to the fact that he called on T. Shea, Inc. twice, but found the party out.

In the meantime he visited the jobs and contractors and on February 2nd had an unfortunate experience with Mr. Hayes of the Shea Company when he called.

It seems strange that all the other dealers in Springfield would treat Mr. Norton courteously and that Mr. Hayes of the Shea Company should take the attitude he does unless, of course, his contracts, as appear to be the case, are not in good shape.

It seems that these distressing incidents are bound to occur and I am very proud of the fact that our Mr. Norton conducted himself with dignity and courtesy.

Will you kindly return Mr. Norton's letter and report when you have noted same, and oblige.

Yours very truly, —— ——, Vice President. HSG:GY.

Mr. Albert Moyer, Manager of Sales, Vulcanite Portland Cement Co., 8 West 40th Street, New York City.

Encl.

[fol. 739½] GOVT. Ex. No. 92

Lehigh Portland Cement Co.,

Young Building

In reply please address and refer to 62988-C.

Allentown, Pa., March 26th, 1918.

Mr. H. S. Gaines, V. Pres. Cement Mfgrs. Protective Asso., Philadelphia, Pa.

DEAR SIR: I am attaching cards on a number of contracts closed for delivery at Philadelphia and Newark, N J.

If it is possible for you to arrange for an early check up on these operations I will appreciate it, for although according to all information at hand they are correct, yet in view of the price advance last week I feel there is some question and am anxious to learn the results of your check up.

Yours truly, B. L. Swett, Eastern Sales Manager. BLS.

Encs.

[fol. 740] GOVT. Ex. No. 93

Lehigh Portland Cement Co.

Young Building

In reply please address and refer to 63170-C.

Allentown, Pa., April 1st, 1918.

Mr. H. S. Gaines, V. Pres. Cement Mfgrs. Protective Asso., 19 W. 44th St., New York, N. Y.

DEAR SIR: As you have doubtless noticed, several of the companies have filed a large number of contracts for Baltimore, Md., during the past week.

According to the information I have, a number of these jobs are very badly inflated.

I am not calling each individual case to your attention separately, but suggest the advisability of a general check up on Baltimore contracts at the earliest possible opportunity.

Yours truly, B. L. Swett, Eastern Sales Manager. B. L. S.

[fol. 740½] Govt. Ex. No. 94

May 20th, 1918.

Mr. Broomall, Mr. Norton, Mr. Oberman:

We are sending you under separate cover a copy of the Monthly contract report, which you are to use for your personal information in auditing contracts.

Please bear in mind that this information is absolutely confidential and that you should not under any circumstances divulge to any dealer, salesman or any other person, any information contained in this report.

You are likely to be asked by some dealer or contractor to tell him something about some other contracts in his immediate vicinity and ask you to get this information from this report, but under no circumstances should you do so.

As soon as the next report has been issued, a copy will be mailed to you and upon its receipt you should mail the previous copy back to this office, notifying me by letter when your old copy has been mailed.

Yours very truly, —— ——, Vice President. HSG. GY.

[fol. 741] Govt. Ex. No. 95

July 2nd, 1918.

Mr. W. D. Lober, Vice-President Vulcanite Portland Cement Company, Land Title Building, Philadelphia, Pa.

Dear Mr. Lober: Enclosed herewith is suggested copy for the proposed booklet to be used by the auditors to hand out to dealers and others with whom the Cement Companies have contracts, whenever the question arises as to why contracts are being investigated.

This has been passed upon favorably by Mr. Cox, Mr. Dutton, Mr. Holman, Mr. Coogan and Mr. Swett.

I expect to see Mr. Scott and Mr. Erdell within the next few days, and will appreciate hearing from you as to whether or not this will meet with your approval.

Yours very truly, —— ——, Vice President. HSG-G.

Enc.

[fol. 741½] Govt. Ex. No. 96

August Twentieth, Nineteen Eighteen.

Mr. Frank Broomall, 1 Oakland Avenue, Pleasantville, N. J.

Dear Frank: Enclosed find request for investigation of two contracts at Coatesville, Pa. As soon as you get an opportunity I would like to have you go up there.

I have a report that C. J. Domsohn & Co. who are dealers, had been buying cement through another dealers in that town at a lower price than the manufacturers can sell in that market. Understand he bought three cars last month. Before you start investigating the two contracts I am sending you, and before you make yourself known in the town, wish you would try to find out what this brand of cement is, as there is no question in my mind but that some dealer there is taking advantage of the manufacturer and drawing cement on contract for resale instead of putting it on the contract covering the purchase of same.

They are no doubt loading cement out of their warehouse from time to time, and if you are not able to get into the warehouse easily, if you would hang around the vicinity of the yard until some cement [fol. 742] goes out on a truck, by following the truck you would have no trouble in finding out what brand of cement was delivered from the warehouse.

This is the kind of a job I do not like to have anything to do with, but these are extraordinary times and this seems necessary now. You will have to be particularly careful on old contracts, because we find that there is such a great difference between the price of cement now and the price when the contracts were made, early in the Spring, that many of the dealers are using every effort to cover up their operations and draw cement on their old contracts for resale on jobs other than the ones covered by the contracts, and it is of course under such circumstances that we can be of great value to our members.

Keep me advised, as usual, how you are getting along, and in case you have any extraordinary difficulties you might call me up from Coatesville.

Kindest regards.

Yours very truly, —— ——.

[fol. 742½] Govt. Ex. No. 97

August Thirty-first, Nineteen Eighteen.

Mr. Harry I. Norton, 166 Devonshire Street, Boston, Mass.

Dear Mr. Norton: Beg to hand you herewith request for the investigation of Edison contract B-280-1239; one-third requirements of the City of New Bedford.

I have information to the effect that the dealer in this case is selling Edison cement in New Bedford at less than the present dealer's price, and what I would like to have you do is to investigate this contract from the city end first, and without making any more noise than possible get all the information you can before you go to the dealer. It is more than likely that the dealer will refuse to give you any information, or in case he does, it is liable to be faulty, therefore you should be on your guard and be as careful as possible in verifying everything in connection with this contract.

In the future we are not going to have much trouble along these lines, as the situation is changing, in accordance with another letter I am writing you explaining the situation fully, but on many of these old contracts where the dealers have been stealing cement, [fol. 743] we are going to have to do some cleaver work in turning up the facts, and it is a matter of great gratification to know that I am able to depend upon you entirely in such matters. We will not have a large number of contracts to investigate in the future, but the quality of the investigation will have to be very rigid, as everything depends upon our getting complete information as well as accurate information.

Best regards, and hoping you have a nice holiday over Labor Day, I am,

Yours very truly, —— ——, Vice President. HSG.-G.

Enc.

[fol. 743½] Govt. Ex. No. 98

September Fifth, Ninteen Eighteen.

Mr. Harry I. Norton, 166 Devonshire Street, Boston, Mass.

Dear Mr. Norton: Herewith are requests for the investigation of six Edison contracts. Contracts B-228-1011, B-225-1013, B-276-1225 and B-277-1226 reported as completed, which means that all the cement called for by these contracts has been shipped, and it is supposed that the work is completed. I want you to find out if you can, without making too much noise about it, whether or not this cement was used on these jobs and estimate the total requirements of the jobs. The other two contracts are still alive and should be investigated in the usual way.

From one of your recent reports on work in Quincy, Mass.; if there is cheap cement being sold in the market, the investigation of these contracts that cement was shipped on should develop what cement it is. Of course if you can pick up any information along the line as to what cement is being sold by the dealers or used on other jobs than those covered by contracts, I would like to have a special report, advising what cement it is and what is being done with it.

Yours very truly, —— ——, Vice President. HSG-G.

Enc.

[fol. 744] Govt. Ex. No. 99

Borden & Remington Co., Importers and Dealers, Fall River, Mass.

June 9, 1919.

Mr. H. S. Gaines, Cement Mfg. Protective Ass'n., 19 West 44th St., New York City.

Dear Mr. Gaines: Your Mr. Norton called on us a few days ago and the Writer will admit he was not in a mood to discuss contracts with him, and left matters saying that we would write to you along the same lines as we talked with him.

Just to show you how ridiculous the matter appears to us, will say that on the only contract discussed, we have the following comments to make:

Cement for Paving Work—New Bedford, Mass.—Simpson Bros. Contract

Mr. Norton admits that he has been to Mr. Knowlton of Simpson Bros. Co. for this information. Hence we would not attempt to check up Mr. Knowlton's records on this matter. The information Mr. Norton would secure of us is how much we have delivered, how much more is to be delivered, how much is booked, specific [fol. 744½] names of streets, whether they will use the entire amount specified, when, etc. As we have just started this work, the request for information along these lines, seems to us to be ridiculous.

We haven't the time on a margin of ten cents per barrel, to keep posted on any such lines as would be necessary to answer Mr. Norton's inquiries.

The writer is in hopes of getting on to New York the latter part of this month, and will endeavor to talk with you a few moments on this subject if you care to.

Assuring you that we have no personal feelings in this matter, and with kind regards, we beg to remain

Very truly yours, Borden & Remington Co. F. H. Kingsley. FHK/S.

Dictated, but not read.

[fol. 745] Govt. Ex. No. 100

June Twelfth, Nineteen Nineteen.

Mr. F. H. Kingsley, c/o Borden & Remington Co., Fall River, Mass.

Dear Mr. Kingsley: Have your letter of June 9th. If you will advise me a few days ahead when you expect to be in New York, I shall, of course, be more than glad to see you here and advise you of the scope of the operation of this Association.

When you have gone over this matter I am sure you will feel that the Association is doing everything that is proper and for the best interests of the entire industry.

With kindest personal regards, I am,

Yours very truly, —— ——, Vice-President. HSG-G.

[fol. 745½] GOVT. EX. No. 101

Hercules Cement Corporation

New York

May 19th, 1920.

Cement Manufacturers' Protective Ass'n, 19 West 44th Street, New York City.

GENTLEMEN: We have been advised by our Philadelphia Office that the Auditor who is auditing contracts in the neighborhood of Bethlehem, Pa., has told some of the dealers as well as some of the contractors in that section that he was checking contracts at our request. Of course his statement was true, but at the same time we feel that the best interest will be served if he made no mention of our request, and simply say, if he has to say anything, that he was sent there by the Association to check the contracts.

[fol. 746] This is not in the nature of a criticism but a suggestion, and we will be very glad to have your opinion.

Very truly yours, Hercules Cement Corporation. E. B. Goode, Jr., Sales Manager.

Above matter was taken up with Mr. Goode by C. R. Hulsart. EBG/MSF.

Endorsed: Received May 20, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 746½] GOVT. EX. No. 102

Vulcanite Portland Cement Co.

Office of Manager of Sales

New York City, August 13th, 1920.

Cement Manufacturers Protective Association, 19 West 44th Street, New York City.

GENTLEMEN: Following is a quotation from a letter received from the Sears Lumber Company, Middleboro, Mass., dated August 12th:

"Mr. H. I. Norton, Auditor for the Cement Manufacturers Protective Association called on us only last Saturday looking up the prospect of the cement being wanted on the Casper Ranger contract, and we informed him that we had just placed an order for the last two cars. He informed us that the manufacurers were frequently [fol. 747] troubled with their customers not taking the amount of cement contracted for and they having it left on their hands."

If Norton made any such statement as this, which is doubtful, he should be severely reprimanded.

Yours very truly, Vulcanite Portland Cement Company. Albert Moyer. Albert Moyer, Manager of Sales. AM:MT

Endorsed: Received Aug. 14, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 747½] Govt. Ex. No. 103

August 16th, 1920.

Mr. Albert Moyer, Mgr. of Sales, Vulcanite Portland Cement Co., 8 West 40th Street, New York City.

Dear Sir: Replying to yours of August 13th relative to a reported statement of our Auditor, Mr. H. I. Norton, to a representative of the Sears Lumber Company, Middleboro, Mass.

We have taken this matter up with Norton to get from him a memorandum of the conversation as he recalls it. We at the same time impressed upon him the necessity for avoiding any references to the relations between our member companies and their customers, of the seriousness of lack of care in this respect.

We will be pleased to submit to you any information in connection with the reported conversation that Norton may furnish.

Yours truly, Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice President. CRH/B.

[fol. 748] Govt. Ex. No. 104

August 16th, 1920.

Mr. Harry I. Norton, 77 Summer Street, New York City.

Dear Mr. Norton: The following is a quotation of a conversation which has been reported as having taken place between you and the Sears Lumber Company, Middleboro, Mass.

Mr. H. I. Norton Auditor for the Cement Manufacturers Protective Association called on us last Saturday looking up the prospect of the cement being wanted on the Casper Tanger contract, and we informed him that we had just placed an order for the last two cars. He informed us that the manufacturers were frequently troubled

with their customers not taking the amount of cement contracted for and they having it left on their hands."

Will you please forward at once your recollection of the complete conversation in question, especially as it refers to the subject of the last sentence of the above quotation.

In this connection I wish to caution you that our field men must confine their remarks to only such conversation as may be necessary to secure the facts in connection with the contract under investiga-
[fol. 748½] tion. This of course would include the necessary conversation required by courtesy and to establish as cordial relations as possible with person interviewed. In all interviews our field men must avoid any reference or remarks concerning the relations between member companies and their customers.

Please give me a complete report covering the above at once.

Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice President. CRH/B.

[fol. 749] Govt. Ex. No. 105

Boston, Mass., 8/23/20.

Mr. C. Raymond Hulsart, 19 West 44th St., N. Y. C.

Dear Sir: In reply to yours of 16th regarding conversation with Mr. Sears of the Sears Lumber Co. in response to his question of the reason of our investigations, I outlined as near as possible our aims and during our talk told him that through overestimated contracts the manufacturers had on their books large balances which were automatically cancelled each year as contracts expired and the mills were very anxious to know just what was actually to be delivered on each order placed.

Mr. Sears had had recent correspondence with his mill and wanted to know all manner of things but I told him that we had nothing to do with any mills except to furnish the information regarding the status of contract under investigation, cannot see how he misunderstood me.

Yours respectfully, H. I. Norton.

[fol. 749½] Govt. Ex. No. 106

August Twenty-sixth, Nineteen Twenty.

Mr. Albert Moyer, Mgr. of Sales, Vulcanite Portland Cement Co., 8 West 40th Street, New York City.

Dear Sir: In further reference to your letter of August 13th, concerning a reported statement of our engineer, Mr. H. I. Norton, to a representative of the Sears Lumber Co., Middleboro, Mass.

Norton reports the conversation as follows:

"In reply to yours of the 16th regarding conversation with Mr. Sears of the Sears Lbr. Co. in response to his question of the reason of our investigations. I outlined as near as possible our aims and during our talk, told him that through overestimated contracts the manufacturers had on their books large balances which were automatically cancelled each year as contracts expired and the mills were very anxious to know just what was actually to be delivered on each order placed.

Mr. Sears had had recent correspondence with his mill and wanted to know all manner of things but I told him that we had nothing [fol. 750] to do with any mills except to furnish the information regarding the status of contract under investigation."

The first paragraph of the above, it appears that Norton had a desire to establish friendly relations with the dealer by answering his questions as made on statement concerning matters that he is unacquainted with concerning which he should have frankly said that he knew nothing about. I have written Norton to this effect and have given him very emphatic instructions that all matters pertaining to relations between cement manufacturers and their customers must be avoided in his interviews.

Very truly yours, Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice-President. CRH/F.

[fol. 750½] Govt. Ex. No. 107

August Twenty-sixth, Nineteen Twenty.

Mr. Harry I. Norton, 77 Summer Street, Boston, Mass.:

Replying to yours of August 23rd relative to your conversation with Mr. Sears of the Sears Lumber Company. You state that—"during our talk, I told him that through over-estimated contracts the manufacturers had on their books large balances which were automatically cancelled each year as contracts expired and the mills were very anxious to know just what was actually to be delivered on each order placed." This is a matter that is also all relations between cement companies and their customers, that our engineers are entirely unacquainted with. This is evident from the fact that your statement is not correct. Notwithstanding the correctness or incorrectness of such statements, our engineers must avoid in their interviews all reference to the relations between cement companies and their customers to relations between dealers and contractors and to what use that it made of the reports submitted by our engineers.

Please observe these instructions very carefully in the future.

Cement Manufacturers Protective Ass'n. C. Raymond Hulsart, Vice-President. CRH/F.

[fol. 751] Govt. Ex. No. 108

Coplay Cement Manufacturing Company, Manufacturers of Saylor's Portland Cement

200 Fifth Avenue, New York

August 23rd, 1920.

Cement Mfgrs. Protective Assn., 19 West 44th Street, New York City.

Gentlemen: Enclosed please find letter received at our Philadelphia office from the Stichter Hardware Company of Reading, Pa.

These people are very old customers and it is quite natural that they should take exception to anyone telling one of their customers that Gring & Company of Reading were general agents for Saylor's. [fol. 751½] We sell Gring & Company as well as Stichter and they are both valuable accounts. We try to treat them both on an equitable basis without giving preference to either.

It seems to us if your inspector has made the remarks which he is said to have made, that he has been very indiscreet and we shall be obliged if you will give the matter careful investigation and report, returning enclosed letter.

Yours very truly, Coplay Cement Mfg. Company. J. F. Twamley, General Sales Manager. JFT-F.

Endorsed: Received Aug. 24, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 752] Write Coplay.
Write Davis.

Stichter Hardware Company

505 to 509 Penn Street, Reading, Pa.

August 19th, 1920.

Mr. Geo. L. Stewart, c/o Coplay Cement Company, Philadelphia, Pa.

Dear Sir: Since writing you the letter in regards to Beard & Company, we had some information that the New York inspector was here several weeks ago, checking up different cement contracts with different contractors. We know he called at our place in regards to several contracts for which we were supplying cement. One of our contractors had a long conversation with him, stating that he was very much in need of your cement, that he had ordered a car through Stichter Hardware Company. The inspector stated that the Stichter Hardware Company was not in it for cement, that Gring & Company were the general agents, and from what he could learn were getting the preference. This is certainly not a very pleasant thing to hear. We have handled your cement long before Gring & Com- [fol. 752½] pany was in existence and if there is any general agency given or a man like Gring has the preference, we would like to know

the correct facts. We know that we do not sell a great deal of cement, but at the same time we do not care to hear reports from some of our customers as we have just heard.

Yours truly, Stichter Hardware Company. A. B. S., Secy. ABS/H.

Investigated 5 Coplay contracts Gring & Co. dealer.
" 1 Vulcanite, Stichter.

[fol. 753] GOVT. EX. No. 109

August twenty-sixth, Nineteen Twenty.

Mr. J. F. Twamley, Gen. Sales Mgr., Coplay Cement Mfg. Company, 200 Fifth Avenue, New York City.

DEAR MR. TWAMLEY: Replying to yours of August 23rd relative to a conversation reported to you by the Stichter Hardware Company, as having taken place between one of our engineers and a contractor who is purchasing cement through the Stichter Company.

The engineer in question is now on vacation. I have directed him to report at this office on August 30th, at which time I will get his detailed report of any conversation that he may have had with contractors in the vicinity of Reading, Pa.

The statements report by the Stichter Hardware Company as having been made by our engineer are in violation of very specific instructions and also show a woeful lack of tact and good sense,—so much so, that I can hardly believe that such statements were made by our engineer who has heretofore given excellent satisfaction and has [fol. 753½] used very good judgment in his interviews. I will report to you at once the result of my talk with him.

The Stichter Company letter to your Mr. Stewart is returned herewith.

Very truly yours, Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice-President. CRH/F.

[fol. 754] GOVT. EX. No. 110

September Seventh, Nineteen Twenty.

Mr. J. F. Twamley, Gen. Sales Mgr., Coplay Cement Mfg. Co., 200 Fifth Avenue, New York City.

DEAR MR. TWAMLEY: Replying further to yours of August 23rd, relative to a conversation reported to you by the Stichter Hdwe. Co., as having taken place between one of our engineers and a contractor who is purchasing cement through the Stichter Co.

I have had a talk with our engineer in question, Mr. Gaynor, who says he recalls no such conversation. While in Reading, Penna. ter-

ritory, he investigated five Coplay contracts for which Gring & Co. were the dealers and one contract of another cement company for which Stichter Hdwe. Co. were the dealers. Our engineer claims that while investigating each of these contracts, he was very particular not to refer in any way to any dealer except the dealer for the contract under investigation.

While interviewing a contractor in connection with a particular cement contract, our engineer would state that his information was to the effect that a certain dealer was furnishing cement for that contract. Our engineer's only explanation of the story that reached [fol. 754½] the Stichter Co. is that this reference to a dealer was misunderstood or misinterpreted in some instance.

I regret that we are unable to secure any further facts in the case as I am anxious to get at the bottom of all reported instances of lack of tact or judgment on the part of our field men.

I made use of this instance to again call the attention of our engineers to the importance and necessity for avoiding any reference to the relations between dealers, contractors and cement companies.

Very truly yours, Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice-President. CRH/F.

[fol. 755] GOVT. EX. NO. 111

Vulcanite Portland Cement Co.

New York City, October 14, 1920.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York City.

Re S. Slotnick, Chelsea, Mass.

GENTLEMEN: We quote from letter received from our Boston Office dated October 11, 1920:

"Mr. S. Slotnick has just been in and is all up in the air. I tried to get all the details of his grievance but being afraid I only had part of it straight I have asked him to write you fully the whole story. As near as I can make out, the inspector from the Cement [fol. 755½] Association has been round investigating the contracts, and has been telling the contractors that there was plenty of cement, and that Slotnick got the cement for the contracts, with the result that they have all descended upon him declaring he kept their cement for his own use, or to sell at the higher price, which he declares is absolutely untrue, as he has parcelled out to the contracts the cement the company sent for those contracts. He has promised me that he will write you just exactly what the matter is, as I told him you were always interested to know of any difficulty like this and would do all you could for him. He says that the Vulcanite Company have treated him very well this summer, in fact that they

have done better by him than Penn. has, and he appreciates it very much, and that he had not a word of fault to find until this man, as he says, "kicked up this mess and upset everybody."

We would be pleased to have your report on this matter.
Yours very truly, Vulcanite Portland Cement Company. Albert Moyer, by W. L. Hanavan. TGB:F.

Endorsed: Received Oct. 15, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 756] Govt. Ex. No. 112

October Sixteenth, Ninteen Twenty.

Mr. Harry I. Norton, 77 Summer Street, Boston, Mass.:

One of the member companies has received a complaint from their Boston office concerning matters claimed to have been told by you to contractors in connection with some of your investigations. This complaint is out-lined in the following quotation from a letter received by the member company, from their Boston office:

"Mr. S. Slotnick has just been in and is all up in the air. As near as I can make out, the inspector from the Cement Association has been round investigating the contracts, and has been telling the contractors that there was plenty of cement, and that Slotnick got the cement for the contracts, with the result that they have all descended upon him declaring he kept their cement for his own use, or to sell at the higher price, which he declares is absolutely untrue, as he has parcelled out to the contracts the cement the company sent for those contracts. —— this man, as he says, 'kicked up this mess and upset everybody'."

On account of the several complaints of this nature that have reached this office, I am wondering if you use sufficient care in your [fol. 756½] interviews. Again, I must insist that you make no statements whatever, concerning the general cement situation, shipments of cement, relations between cement companies and dealers or relations between dealers and contractors. These are matters concerning which you have no authoritative information whatever and concerning which you must not, under any circumstances, discuss with any one. If you are questioned about any such matters, or concerning the object of our investigations, or the use that is made of the reports, you should say frankly that you do not know. Any time that an auditor presumes to discuss these matters, it will lead to trouble and complications.

Please give me, at once, a complete report covering the subjects of conversation in all interviews that you have had in connection with Slotnick's contracts.

I cannot emphasize too forcibly, the necessity of avoiding all

references in your interviews to the above matters and I must insist upon your very careful observance of this in the future.

Cement Manufacturers Protective Ass'n. C. Raymond Hulsart. CRH/F.

[fol. 757] Govt. Ex. No. 113

The Master Builders Association of Boston

77 Summer Street

10/19/20.

Dear Mr. Hulsart:

Yours of the 16th regarding Slotnick at hand and I wish to say that I never told any of Slotnick's customers that he was using their cement for other purposes, although several of his customers accuse him of doing it. You realize that when you go to a contractor, you have to lisen to all of his troubles before he is willing to tell anything. [fol. 757½] However I tell them all, that we are not in a position to know cement conditions, that our sole purpose is to get facts upon existing contracts. This particular class of people are the worse class that I come in contact with and they will say anything, their contracts are all mixed up and when you get through with an interview, you have few facts. Trusting this explanation is satisfactory I am

Yours truly, H. I. Norton.

[fol. 758] Govt. Ex. No. 114

October Twenty-eighth, Nineteen Twenty.

Mr. Harry I. Norton, 77 Summer Street, Boston, Mass.:

Referring to your letter, in reply to mine of October 16th, concerning interviews which you had in connection with Slotnick's contracts.

You have not given me a complete report covering the subjects of conversation in all interviews that you had in connection with Slotnick's contracts. I wish that you would furnish this at once, outlining as far as you can, remember just what was said by you and the person interviewed in each case.

You state in your letter that several of his customers accuse him as using their cement for other purposes. It is such matters as this that I wish covered in your report, together with such replies that you may have made when these accusations were made.

It would seem that something must have been said which led some of the contractors to infer that cement that had been shipped to Slotnick had not reached them.

Please give this your immediate attention and report in detail.

Cement Manufacturers Protective Ass'n. C. Raymond Hulsart, Vice-President. CRH/F.

[fol. 758½] GOVT. EX. No. 115

Hotel Kimball

Springfield, Massachusetts

Nov. 1/20.

DEAR MR. HULSART: I cannot write you a detailed account of my interviews with Slotnick's customers, there were ten or a dozen as I remember, all I can do, is to restate that I told no one that he was using their cement, although several accused him of it. Knowing them as I do, they would say anything and from the fact that they told me about it, no matter what my reply, they would say I said so.

I am surprised that you would believe that I made such a statement after more than three years on this work. Getting information around Boston is very distasteful at the best.

Would suggest if you care to appease Slotnick it might be well to replace me with another man and notify him.

Yours truly, H. I. Norton.

[fol. 759] GOVT. EX. No. 116

November Ninth, Nineteen Twenty.

Mr. Harry I. Norton, 77 Summer Street, Boston, Mass.:

Replying to your letter of November first, relative to your interviews with Slotnick's customers. I was very careful in my former letter to avoid expressing any beliefs as to what statements were made. My only thought was that in some of the conversations that took place, consisting as they naturally would, of many questions and answers that something may have been said which a contractor either misinterpreted, misquoted or inferred that cement shipped to the dealer had not reached him.

My insistance upon a detailed report of the interviews involved was not to "appease" Slotnick but to convince the complaining cement company that the matter was properly handled by you. I am constrained in this connection to remind you that any suggestion from one of our auditors as to how the matter of complaint concerning alleged conversations of that auditor should be handled is a bit out of place.

I wish also to again remind you of the very great care that all of our auditors must use in avoiding subjects in interviews that may be misquoted, misinterpreted or lead to inferences not intended by the auditor. Some of these subjects are covered in the third paragraph of my letter to you of October 16th.

Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice-President. CRH/F.

[fol. 760] GOVT. EX. No. 117

Organization Meeting of Cement Manufacturers' Protective Association

Meeting at the Engineers' Club, 32 West 40th Street, New York City, at 2:30 p. m., Thursday, January 6, 1916.
John B. Lober, Esq., Presiding.
Archibald Cox, Esq., Counsel.

Companies represented:

Allentown Portland Cement Company, R. L. Cope.
Alpha Portland Cement Company, by G. S. Brown and F. M. Coogan.
Atlas Portland Cement Company, by D. H. Macfarland and J. R. Morron.
Coplay Portland Cement Company, by W. G. Dutton and F. L. Loeb.
Dexter Portland Cement Company, by Joseph Brobston and R. W. Hilles.
Edison Portland Cement Company by W. S. Mallory.
Giant Portland Cement Company, by R. E. Griffiths.
[fol. 761] Glens Falls Cement Company, by G. F. Bayle.
Lawrence Portland Cement Company, by M. S. Ackerman, and F. H. Smith.
Lehigh Portland Cement Company, by B. L. Swett and E. M. Young.
Penn-Allen Portland Cement Company, by W. E. Erdell.
Pennsylvania Portland Cement Company, by E. P. Alker and W. N. Beach.
Phœnix Portland Cement Company, by I. L. Gilkynson.
Vulcanite Portland Cement Company, by John B. Lober, and Albert Moyer.

The Chairman: We all understand what we are here for. I was requested to call you here to consider the plan, copies of which have been sent to you; and the idea was to have you go over it carefully, and I presume you have done that; and we have Mr. Cox here who prepared the plan and who is ready to answer any questions and listen to any criticism. You need not hesitate, any of you, to make any criticisms of the plan or any suggestions; we are very glad to have them.

Of course, you understand that the idea of this thing is cooperation, and I think it is not necessary to say any more on that point. We all agree that the necessity of cooperation is acknowledged by [fol. 762] everybody in the industry. The only question now we have to determine is how we can best make use of cooperation. I will not repeat the story of Mr. Arnold, as you all heard that, which I think is a very apt illustration of how not to use it.

I do not think it is necessary to occupy any more of your time, but simply to say that the first question to be determined here today is, "Do we want an association; and if so, do we want one along the lines laid down in this plan?" And, therefore I ask you individually to make any criticism, any objection which you may have to make to it; and if you have none, if we agree that it is a good plan and are willing to adopt it, we will do that, and then go on with the details later.

I might say that I had responses from Penn Allen, Alpha, Giant, Alsens, Allentown, Dexter, Lehigh, Lawrence, Glens Falls, Phœnix, Pennsylvania and Coplay; all of these companies promised to have representatives here. The Bath Company stated that they had referred the plan to counsel and would act according to his advice. I have not heard from them since.

Mr. Brown: Mr. Chairman, in order to present this matter to the meeting, I offer this resolution: It is the sense of this meeting that the printed plan of organization prepared by Mr. Cox be adopted.

The Chairman: Are there seconds to that motion?

[fol. 763] Mr. Loeb: I second the motion.

The Chairman: You have heard the motion and it is before you for discussion, if you want to discuss it.

Mr. Loeb: Gentlemen, I want to make this statement in regard to this proposed plan. If you adopt it, we will be heartily in favor of it, and with that in view you are to see that we are thoroughly in earnest; but I want to present some slight alterations in the outline of the prospective association, in the constitution as well as in the by-laws, which in our opinion might improve it. If you adopt those changes, we would like to see them adopted. On the other hand, if they are not adopted we will stand on this outline just as you have printed it, and be with you heartily.

The Chairman: Mr. Loeb, will you tell us what those changes are?

Mr. Loeb: Well, they are quite lengthy, but the underlying principle of those changes are first, a repetition that every manufacturer is to do business as he pleases. That had better be left out, because that is self-evident. Another thing, "Members shall not violate the law."

The Chairman: That is Article III?

Mr. Loeb: Well, in a number of instances we come across remarks that the manufacturer is free to do business as he pleases, and then in some instances you have that the members shall not violate the law. [fol. 764] In other words, you have one particular paragraph here, under Artice VIII "Freedom of Trade."

The Chairman: Yes.

Mr. Loeb: We suggest that that first paragraph be entirely struck out. It is unnecessary, because if we do violate the law, the law will be after us. We do not have to say that we will not violate the law.

And then there are a few minor changes which I think we had better go into as we go along a little later; but in general we are with you on the whole proposition.

The Chairman: The motion before the meeting is to adopt the plan, including the constitution and by-laws, as a whole. Therefore, if any changes are to be made, they should be made in the form of amendments, and where you want changes made or think they should be made or want to take the sense of the meeting in regard to them, I think it would be advisable to submit an amendment to the present plan.

Mr. Loeb: Then I will present this plan, with the corrections, as the amended proposition (producing paper).

The Chairman: I do not think anybody has been elected chairman of this meeting, or anyone has been elected Secretary. I was asked to take the chair, and I will stay here if there is no objection.

Mr. Young: I move that Mr. Lober act as chairman of this meeting.

[fol. 765] The motion was seconded.

Mr. Young: Since the motion is seconded, I will put it to a vote.

The motion was carried unanimously.

The Chairman: Mr. Young, will you complete it by having Mr. Coogan made secretary?

Mr. Young: The motion before you is that Mr. Coogan act as secretary.

A Member: There is a stenographer acting as secretary.

The Chairman: I think someone should be elected secretary. The stenographer will work with the secretary.

Mr. Young: The motion before you is that Mr. Coogan act as secretary of this meeting. All in favor of the motion please say aye.

The motion was carried unanimously, and Mr. F. M. Coogan acted as secretary.

The Chairman: Now, Mr. Secretary, I will pass this paper which Mr. Loeb submitted down to you; and you, with the help of Mr. Loeb, will read those changes and give us some idea of what we are considering.

Mr. Brown: Mr. Chairman, in presenting that resolution I did so with the idea that if there were any objections of any kind to it, they would be brought out at once. I presume that the question of joining or not joining has been in most cases referred to counsel for opinion. In our own case, our counsel approved the plan as pre-

[fol. 766] sented, and said that he had no hesitancy whatever in advising us to join the association, in the event that we felt that it would be a good thing to do, from a practical standpoint. He then went on and made some suggestions for changes, and it seems to me that it may be that other companies have suggestions for changes, and I wondered whether it might not be just as well to adopt this Constitution and By-laws and plan as presented, and then have a committee appointed to take up the matter of changes in the By-laws and Constitution, consider them all in detail, take Mr. Cox's advice in regard to them, and then bring them up before a later meeting for final action. I do not know how that would strike Mr. Loeb.

Mr. Loeb: That was the idea. I wanted to say that in general we are agreed on the idea. As to the details, let them be corrected later on.

The Chairman: Perhaps I might say a word right here. I had a conference with Mr. John G. Johnson yesterday, on this, and Mr. Johnson had had the plan in his hands for two or three days and he told me that after going over the Constitution and By-laws carefully he could see no reason why we should not adopt them and use them; that the only danger that he saw in an organization of this kind was in the possibility of our doing things outside of the lines laid down here; that sometimes organizations of this kind were tempted to go beyond the lines of the original plan. I then called [fol. 767] his attention to the fact that it was proposed to have stenographic reports of the proceedings, and that those reports would constitute a record of our transactions, and would be subject to investigation by anybody who had any right or authority to investigate us. He said he thought that was a very good idea, and then repeated what he said before, "As long as you work within the lines laid down there, there is no danger, and you are entitled to do everything that you have provided for in your Constitution and By-laws of that plan." That is so far as the legality is concerned.

Mr. Morrin (Mr. Morrin had arrived late), there was a motion made to adopt this plan, including the Constitution and By-laws as a whole. Mr. Loeb, representing the Coplay Company, said that his company was heartily in favor of the plan; that he had some suggestions as to changes, and those proposed changes have been placed in the hands of the Secretary, Mr. Coogan. They have not been considered. That is as far as we have gone. Mr. Brown stated that his idea in making the motion was to bring the matter properly before the meeting, and, of course, he expected that if any member took exception to any part of the plan or to the Constitution or By-Laws, he would suggest changes. That is where we are now.

Mr. Loeb: Mr. Chairman, I want to say that I seconded Mr. Brown's motion in order to bring it before the meeting, and I made [fol. 768] also a very important statement that whether the changes be adopted or not, we are in favor of the Constitution and By-Laws as it is going to be outlined or as it is now outlined.

The Chairman: Now, gentlemen, the subject is before you. If it is thought advisable we can appoint a committee to take into consideration these proposed changes. Are there any other changes? Does anybody want to make any changes?

Mr. Morrin: Is there any provision in the plan, for making changes in the plan itself?

The Chairman: In the form of amendments.

Mr. Cox: Yes, in Article VII.

The Chairman: But we have not adopted this thing at all as yet, you know.

Mr. Morrin: No, but I understand there is a motion to adopt it, and what I meant to cover was that if it was adopted there would still be the provision for amendments under Article VII.

The Chairman: Always.

Mr. Morrin: Which would cover Mr. Loeb's suggestions.

Mr. Young: Mr. Chairman, are there any answers to the ques-

tion which you just asked, as to whether there are any other proposed changes?

The Chairman: I have not heard them.

Mr. Mallory: I have one amendment. It is just a matter of detail; it is not material, but I think it would strengthen it a little bit.

[fol. 769] Mr. Brown: Mr. Chairman, would it be proper to ask if any of the members here have had any advice from anyone, that the scheme as proposed is not a perfectly proper one, from every viewpoint?

The Chairman: Is there any answer to that? (No response.)

The Chairman: I imagine that every one has consulted counsel about it.

Mr. Mallory: We have not, Mr. Lober.

The Chairman: You have not?

Mr. Mallory: No.

The Chairman: What do you want to do about this? Do you want to adjourn for a few minutes, appoint a committee to make these changes, or go ahead and adopt this Constitution and By-Laws as it is, leaving the amendments and changes for a later period?

Mr. Morrin: Mr. Chairman, I suggest that you go ahead on this proposition as it stands, because if, as we have heard, this proposition has been submitted to counsel and been approved by counsel in every detail, then I think that this proposition having been submitted to counsel and approved by counsel ought to be passed now; and if there are any amendments, I think it would be just as well to submit those amendments to Mr. Cox as the proposed changes. Therefore, I think we ought to vote on this as it stands, rather than vote on any amendment.

[fol. 770] The Chairman: I think that if you attempt to change this now, it is going to take up probably a large part of our time, and lead probably to more or less confusion. It seems to me that Mr. Morron's suggestion is a good one, that we adopt this Constitution and By-Laws as it has been prepared for us, and then amend it, if we want to, in accordance with the ideas of the majority.

Mr. Loeb: Mr. Chairman, with that in view I want to withdraw the amended constitution as I handed it in, so that you are free to act in the manner indicated.

The Chairman: Then that brings us back to the original proposition, which was to adopt the Constitution and By-laws, the plan as a whole, as it is embodied in this printed pamphlet. Is there anything more to be said on it?

Mr. Morron: And that motion, Mr. Chairman, would carry with it the idea of the desirability of an organization of this character?

The Chairman: Certainly. Are you ready for the question? All in favor of the motion will say Aye.

(The question was put.)

The Chairman: It is a unanimous vote in favor of the adoption of the plan, including the Constitution and By-laws.

Mr. Morron: Now, is the Chair going to appoint a committee on the officers of the Association?

[fol. 771] "The Chairman: It has been suggested to me that after the adoption of the plan we take a recess of about fifteen minutes, but I think previous to that we should appoint a nominating committee. Is that your idea, Mr. Brown?

"Mr. Brown: Yes, that was my idea, that the Chairman appoint a nominating committee of four or five men and declare a recess of fifteen minutes while they should——

"The Chairman: Prepare a ticket?

"Mr. Brown: Prepare their ticket. That was the idea I had when I made the suggestion.

"Mr. Beech: Mr. Chairman, in fifteen minutes I think we can get the larger room upstairs, on the tenth floor.

"The Chairman: I will appoint a committee of five then, consisting of Mr. Brown, Mr. Brobston, Mr. Bayle, Mr. Erdell and Mr. Griffith.

"Now, we will stand adjourned for fifteen minutes.

"Mr. Young: Before we adjourn, Mr. Chairman, what plan will be followed in connection with the formulating of the proposed amendments, so as to meet——

"The Chairman: They will have to be submitted in accordance with the provisions of the Constitution.

"Mr. Young: Would it not be well to have some general plan by which all suggestions would be merged into one general amendment?

[fol. 772] "The Chairman: Suppose we appoint a committee to consider these amendments, and let the members who have amendments to offer submit them to that committee? The provision here is that they must be presented to the Secretary two weeks before the next meeting of the Association.

"Mr. Young: As long as Mr. Cox has prepared this plan, it would seem to me that possibly a good scheme would be to send all suggestions to him to formulate.

"The Chairman: We will put him on a committee. It does not matter, it is immaterial how you do it. Mr. Young, in regard to the By-laws, 'Amendment to these By-laws may be proposed at any regular or special meeting of the association, provided that it has been presented to the Secretary, signed by three members, and a copy sent to each member in the notice of the meeting, and such proposed amendment may be discussed at such meeting and adopted by a two-thirds vote of those present, if it is in accord with the Constitution of the Association.'

"It seems to me that it would be better to let these amendments go over until the first regular meeting we have. What we have got here is not going to affect us seriously, one way or the other. It is simply a starting point. We have got to start somewhere; we start with this plan, with this Constitution and these By-laws. If they are not entirely satisfactory, at the next meeting, the first regular [fol. 773] meeting of the Association, those amendments or proposed amendments can be offered and acted upon.

"Mr. Morron: Mr. Young, would it cover your point if those amendments were submitted to the Secretary, to be elected, and

then the Secretary have Mr. Cox approve them before being presented to the meeting for consideration, to see that they had proper legal guidance?

"Mr. Young: Yes, I think so.

"Mr. Morron: Then if that is so, the only thing we would have to take into consideration would be the commercial aspect of the proposition, and then we could take that up from time to time.

"The Chairman: Yes. My idea is that Mr. Cox is to pass upon practically everything that is proposed.

"Mr. Morron: Yes, but the order of procedure would be to send them in to the Secretary, then the Secretary take them to Mr. Cox, and then the Secretary bring them out at this meeting after Mr. Cox's approval in his form.

"Mr. Young: Proposed amendments should be presented, regardles of whether Mr. Cox approves or not, but it should be so represented at the meeting, that Mr. Cox does not approved.

"Mr. Morron: Yes.

"The Chairman: Oh, yes.

"Mr. Morron: And only adopt that which he approves.

[fol. 774] "Mr. Young: The appointment of a committee would hardly facilitate it.

"The Chairman: It is not necessary.

"Mr. Cox: It is not necessary.

"The Chairman: My thought was that there might be a number of members who might have something to suggest; but then, they can say it just as well to the Secretary, and I think it would be better for them to take and write the amendment out, stating that it is an amendment to Section so-and-so of the Constitution and By-laws and stating specifically wherein they want to change that By-law or that section of the Constitution, so that there can be no confusion about it.

"Mr. Cox: I might say, Mr. Chairman, that the theory of Article VII is that every member of the Association should have an opportunity to submit any question that goes to the changing of the Constitution to his own counsel, and for that reason the provision is that it should be by letter only, so that each company can ask his counsel whether he thinks this proposed change is right or wrong, whereas the By-laws can be amended at any meeting. I think it is a good scheme, in a thing of this kind, to follow that general plan, which would be followed by the present suggestion.

"The Chairman: It is not necessary, as I see it, to take any action on the subject.

"Mr. Cox: No.

"The Chairman: But simply state to those present that the Secre-[fol. 775] tary will receive any amendments which they have to offer, he will consult counsel, Mr. Cox, in regard to it, and they will be presented for action at the regular meeting in the regular way, as provided for.

"Mr. Morron: On a letter ballot.

"Mr. Cox: Yes.

"The Chairman: That is in regard to the Constitution; that is not on the By-laws.

"Mr. Morron: No.

"The Chairman: We have to follow, of course, the plan laid down by the lawyers. That is why I thought it would be wise to have the Constitution and By-laws adopted as they are, because then we have something to work on, something to guide us.

"Mr. Morron: Are we adjourned now, Mr. Chairman?

"The Chairman: We will adjourn for fifteen minutes.

"Mr. Brown: The committee, I may say, will be glad to have notice from all candidates as to the office that they are seeking, so that we can consider just which ones are best."

(Whereupon at 3:07 P. M., the meeting adjourned, and reconvened on the 10th floor at 3.33 P. M.)

"Mr. Bayle: I would like to apologize for coming into the meeting rather late, but I would like to inquire whether any particular number have signefied their intention of joining the organization, [fol. 776] or whether it is simply taken for granted that all these companies will?

"The Chairman: It is taken for granted that all the companies represented here today have signified their intention of joining. The Alsens Company promised to have a representative here; Mr. Sinclair promised to be here; and I have been in communication with his office and find that he was obliged to go out of town; and he delegated Mr. Corbin, and the people in the office thought Mr. Corbin was here.

"Mr. Beech: I would like to say a word, if I may, Mr. Lober. I have a telephone right now from the Alsens Cement Company, and they said Mr. Corbin had left for this meeting, and they do not understand why he had not arrived.

"The Chairman: The only other company that I heard from that they approved of the proposition, was the Bath, and they did not frankly say they would be here. The Bath people had submitted the plan to counsel, and will be governed by his advice. I have not heard from them since.

"Mr. Bayle: Did you hear from the Knickerbocker or the Helderberg?

"The Chairman: No, not from the Helderberg.

"Mr. Erdell: And the Nazareth will join, too.

"Mr. Bayle: It is very important to get those in.

"The Chairman: It seems to me that Mr. Young's suggestion is a [fol. 777] good one, that the officers take up this question and make an estimate of expenses, and then also an estimate of the amount to be assessed to cover those expenses, and also an outline of the territory so we will know what we are doing, what we are working on; and the President has the power to call a meeting at any time when the officers are ready to report.

"Mr. Bayle: Do you want that suggestion in the form of a motion, Mr. Chairman?

"Mr. Young: I did so move.

"The Chairman: Yes, he made that motion. Are you ready for the question?

"(The question was put and carried unanimously.)

"Mr. Young: My thought was, in making the motion, that the question of the time of the meeting could be left to the president.

"Mr. Bayle: I think, Mr. President, it would be also necessary that the newly-elected officers should try to see the companies that are not here represented, and get them in here. One or two companies staying out might destroy all the good work the rest of us might do.

"The Chairman: Mr. President, will you take that up with the Knickerbocker and the Helderberg?

"President Griffith: Yes, sir."

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"President Griffith: Gentlemen, if it is agreeable to this Associa-[fol. 778] tion, I would like to call a meeeting for eleven o'clock in this room, on Friday of next week, the 14th.

"The Chairman: Mr. President, you will have to make sure that we can get this room, you know.

"Mr. Beach: You can get the front room, I think, all right.

"Mr. Morron: Just one thought, on that, Mr. President. I am wondering whether having the meeting in this Club is a particularly good thing? You come in contact with people with whom you are doing business, who might misinterpret it to some extent. A great many men that you do business with are members of this Club, and it seems to me that that might be misconstrued by some who are always willing to misconstrue things. If they saw a great big group of cement men coming into this Club constantly——

"The Chairman: How about a hotel?

"Mr. Morron: I should say that until you have some regular place to meet, a hotel would be a better proposition. Make your date for whatever date you want to appoint it, that is 11 o'clock Friday if you say so, and then send out notices where you will hold the meeting.

"President Griffith: All right, sir.

"The Chairman: Let us know where.

"President Griffith: Yes, sir. I want to find out if 11 o'clock will suit, on Friday the 14th?

"Mr. Ackerman: Would not 2 o'clock be better?

[fol. 779] "Mr. Young: I do not think it would be a bad stunt at all to have your meeting up at the Biltmore. We are accustomed to going there, and we could get one of the rooms upstairs and serve a light luncheon, as we generally have at the Association meetings.

"President Griffith: That was my idea."

* * * * * * *

"Mr. Brobston: Is it understood that the Whitehall Company are to be notified to be present at this meeting, and other companies not represented here today?

"The Chairman: I will try to see the Whitehall Company tomorrow, and see why they are not present. Mr. Herring promised me to be here, personally."

* * * * * * *

"Mr. Moyer: Would it be advisable at the present time to get suggestions as to the location of the office that might be engaged? There has been some talk in regard to it.

"The Chairman: You mean in the City?

"Mr. Moyer: Yes, the location of the office.

"Mr. Morron: It is up to the officers, is it not?

"The Chairman: I will tell you, I did hear a suggestion during recess, that it might be just as advisable to have the office at some other place than in New York.

"Mr. Brobston: If you really want an economical situation where they really work, the most economical one is Bethlehem, Pa. I can prove it.

[fol. 780] "The Chairman: That is a splendid place. You will get a large attendance.

"Mr. Brobston: I mean for the working office. You can hold your meetings wherever you please. It will save in the office on telephone calls; it will save money on traveling expenses. It is less expensive to run it there. If you figure it out, the people you send to that place, you send your credit men there and you send your salesmen there to get this information for you. It is the nearest point to all the offices; that is, the representatives of all the companies you mentioned would travel a less distance going to Bethlehem than they would to any other point.

"The Chairman: Would not the office be rather conspicuous in a place like Bethlehem?

"Mr. Young: Very.

"Mr. Brobston: I do not believe so. I do not believe you have got to have a very large office to do this work.

"The Chairman: Besides we might all be blown up some day.

"Mr. Brobston: That might be, too.

"Mr. Morron: I think you have your counsel here, Mr. Brobston, and things of that kind, and it would be very important sometimes to call upon him. Just as conspicuous, too.

"The Chairman: It suits me.

"Mr. Young: Mr. President, the handiest place for the Lehigh Valley would be in Allentown, but I would not want it there.

[fol. 781] "The Chairman: It would not give you an opportunity to get away from there, would it?

"Mr. Young: No, I mean for the very reason that you bring out.

"President Griffith: I think, Mr. Morron's idea of holding it in New York is very good, in view of Mr. Cox's being here. We might have a great many questions to ask him.

"Mr. Morron: And we are sort of swallowed up in the great big life around us.

"Mr. Loeb: It is very much more convenient for the people from

the Adirondacks; the other sixty or seventy thousand do not make much difference.

"The Chairman: Of course this is simply an expression of opinion of the members of the Association, and I suppose the officers will take it into consideration."

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Meeting of the Cement Manufacturers Protective Association Held at the Hotel Biltmore, New York City, January 14, 1916, at 11 o'clock a. m.

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"The President: The election of new members. Are there any new members to come before the Association?

"Mr. Brobston: In that connection, Mr. President, I understood [fol. 782] the president was to appoint a committee to see the representatives of those companies who were not present at the last meeting and the secretary sent out notices not only to those who were present at the last meeting but to all of the companies in the Lehigh Valley District and Maryland District and the New York State District. Under those circumstances I might give you a list of the companies to whom notices were sent and the president could report as to the status of the companies as their names are called. The Helderberg Company.

"The President: I think you have a report to make on that, Mr. Coogan.

"Mr. Coogan: The Helderberg Company? Mr. Covert has been very sick, and I tried to get in touch with him on Wednesday but he has gone away for some little time and there can be no report as to whether he will join, that is, whether his company, the Helderberg Company, will join until he has returned.

"Mr. Brobston: The Alsens Company.

"The President: Mr. St. Claire is at the present time away, but I think we have his thorough cooperation and he expects to return before very long and I expect he will join with us on his return.

"Mr. Brobston: The Cayuga Lake.

"The President: Mr. Rice telephoned me he would be here after lunch. I think he could not get here at 11 o'clock.

[fol. 783] "Mr. Brobston: The Millen Company. As to the Millen Company, I don't know whether they received my notice or not. I didn't know whom or where to send it to and I fear it miscarried.

"The President: They did get the notice and they told me, they would be here. They are not thoroughly decided in the matter they wanted to see the by-laws so that they could submit the same to their attorney. They only received the notice yesterday and I sent him a copy of the by-laws and he is to let me know the first of next week whether they can join.

"Mr. Brobston: The Whitehall Company.

"The President: I think Mr. Coogan has got a report on the Whitehall.

"Mr. Coogan: I had a conversation with Mr. Reading the early part of this week and he told me their attorney, Mr. Glasgow had been away but was to return in a very short time, and consequently they had not been able to submit it to him and get his opinion on it and he said that if it met with his approval he would have no objection to joining, but he said he could not give me any definite answer on it until after he had seen Mr. Glasgow and received his opinion of the matter. I will see him again the first part of next week, Monday or Tuesday and be able to report further on it."

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"Mr. Moyer: Does that provide for an efficient traffic bureau?

[fol. 784] "Mr. President: No, except on that point I will say that Mr. Coogan has very kindly consented to turn over to the Association eight or nine hundred freight books which stand, I believe, about $265 still on those books.

"Mr. Coogan: Something like $285 or $265, I don't know which it is.

"The President: And from those temporarily, we can cut down the expenses of the traffic bureau very materially. Those freights will be kept up from time to time as we receive information from Mr. Coogan."

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"The President: And from those temporarily, we can cut down the expenses of the traffic bureau very materially. Those freights will be kept up from time to time as we receive information from Mr. Coogan.

[fol. 785] "Mr. Coogan: By all of the members as I understand it. As I understand it in order to make the traffic department effective it would take quite a few years and a great deal of expense. I don't believe that we could run a traffic department as a thorough and competent traffic department for less than $25,000 or $30,000 a year at the very least, so we felt that temporarily instead of any one company sending out notices of changes in freight rates that all companies which notice any error or correction which ought to be made in the freight books, that they would report them to the secretary and the secretary could tabulate them and send them out to the individual companies so that they could correct their books and bring them up to date, and then we would have, all of us have the corrections and receive them at the same time and from the same source.

"Mr. Moyer: One clerk would be sufficient for that.

"Mr. Coogan: I don't think you would require any clerk for that because any of your stenographers in their spare time could easily do that. Now then, I think after a while, after we got going, then we could decide whether we wanted to develop into a thorough, and a real traffic department or not. For the present I think that would be the right way to do it.

"Mr. Lober: I think you are right about that, to go a little slow

[fol. 786] and work it up and develop it gradually, I think that would be the safer plan. And I think you will have plenty of clerical service in the office from the secretary and the stenographers together. They certainly ought to be able to do all the work you have to do of that kind.

"Mr. Coogan: I think so, too, Mr. Lober.

"Mr. Moyer: The Alpha Cement Company have turned over to this Association something which I know to be of very real value, and of large money value, and I think the Association ought to thank them for it.

"Mr. Coogan: It is not necessary. We were advised when we got out these freight rate books, advised by counsel that there was no objection to getting them out and paying for the printing, provided—that is, and distribute them among the different companies—provided we would bill the different companies for the books. We have got to show that it hasn't cost us anything except for the books which the Alpha Company used and that is the reason that we did it that way. Now, we sent them out and if a member company wanted one, the charge for the same would be fifty cents or one dollar and that would continue up until such time as the expense had all been wiped out. We find that we have a great many of those books on hand. By this method of charging for them as they were given out and of also charging ourselves for them when we used them ourselves we have been [fol. 787] gradually reducing the cost of them. We find that we have left between seven and eight hundred books on hand of the different states and I think they stand on our books something like two hundred and eighty some odd dollars at the present time. At the time that they were gotten out the total printing bill on them was a large one, somewhere between nine and eleven hundred dollars. There has been collected, including what we have used ourselves, something like seven or eight hundred dollars, therefore, leaving that balance.

"The President: Any further questions on that subject?

"(No response.)

"Mr. Coogan: I move that the dues for membership in the Association be fixed at .6 of a mill, based upon the shipment of the member companies in 1915, and that the dues be payable quarterly in advance.

"(Motion seconded and carried.)

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"The President: Is it the feeling of the members that we want to go to the southern mills and ask them to join us in this Association?

"Mr. Covert: Why not?

"Mr. Swett: The suggestion is that we do.

"Mr. Weaver: Will they file their contracts with us just the same as the western association?

"Mr. Swett: The same as the western.

"Mr. Coogan: I think they could become affiliated with us.

[fol. 788] "The President: Would that be satisfactory to you, take

them as an association of their own for instance, an association of all those companies of the far south, if they reported their contracts as an association themselves to us—because it would be so hard for them to join this Association and meet with us, Mr. Scott, so far away from their own mills, would that then present a satisfactory situation?

"Mr. Scott: In that case I think we would consider the idea of affiliation with those southern companies.

"Mr. Weaver: You would probably join a southern association?

"Mr. Scott: I think we would join the southern companies.

"The President: Would it not be the same after all, if you joined this and if your contracts were filed with us or reported to this Association, you would then have the full report of those contracts that they make in the south, as well.

"Mr. Swett: That then, of course, would make no difference, as it would be a case of exchange of information.

"Mr Scott: It would not make any difference, possibly, at all, not any practical difference, but it might make a difference in feeling. The Tidewater Company has been recognized as a southern company.

"Mr. Swett: Mr. Scott, coming back to the Maryland and Virginia [fol. 789] situation, the southern mills are not really or cannot really consider that Virginia and Maryland territory as a southern mill territory, that would be considered an Old Dominion, Maryland and the Lehigh Valley mill territory. I cannot see why those states would not be as well in part of the territory governed by this Association?

"Mr. Scott: Well, it is southern territory, Mr. Swett.

"Mr. Swett: The New York State mills could raise the same objection regarding the eastern New York and western New England.

"Mr. Scott: I should think that they would.

"Mr. Hilles: Is not Mr. Scott in relation to the southern association like the western association as regards Pennsylvania points?

"Mr. Scott: As regards certain Pennsylvania points I should think it would be much the same.

"Mr. Brobston: Mr. Chairman: I would suggest that the one point that Mr. Scott has not considered in connection with this Association and that is in getting his credit information for the very section he is directly interested in and that is, namely, Maryland, that he would get very much more information in getting the credit records of the Lehigh Valley mills than he would get in the credit record from the [fol. 790] southern mills except the Security; because all of the companies in the Lehigh Valley district sell, and have credit reports all through the State of Maryland, whereas I do not think any southern companies sell in Maryland at all, which is the district in which the information would be the most valuable.

"Mr. Scott: That is true, Mr. Brobston, but a large part of the information is already in the Tidewater Company's files. It does the largest business in the State of Maryland. Therefore, its files contain all the credit information covering a large part of the business that is done in the State not the major part or anything of that kind, but a large part, larger in proportion than that of any other single company—larger in the aggregate than several companies.

"Mr. Brobston: What I had in mind was this, the value of this Association to you would be in the exchange of the credit information because you are more vitally interested in getting good credit information in the State of Maryland than anywhere else. For instance, you take our company last year, I think, we did possibly some fifty or sixty thousand barrels of business in the State of Maryland, and the year before that we sold eighty or ninety thousand barrels, that is my recollection offhand. Now, if in proportion, [fol. 791] the other companies of the Lehigh Valley did the same amount of business in Maryland, the aggregate amount of business done by those companies in Maryland would be a great deal more than the aggregate amount of business done by the Tidewater. The aggregate amount of business is a million and a quarter, I believe, a year, and the Tidewater Company would find that the value of that information that it could get from this Association would be of very great value. I may be wrong, but that is an idea that I had in mind.

"Mr. Scott: The total business in the State does not anywhere near exceed a million and a quarter in the entire State of Maryland of all the companies, not to exceed million and a quarter.

"If you did that proportion of the business and the other companies did a like proportion I would say that the exchange of such information would be of value, but I hardly think that that is the case. And our business in that territory—Mr. Hilles speaks of where we have equal rates along the northern and central, so far as Williamsport—our business in that territory is comparatively insignificant.

"The President: Is it the feeling of the Association that we should endeavor to bring the southern mills into this Association either individually or as a Southern Association, and you will see if not now at some future time, which you care to join?

[fol. 792] "Mr. Brobston: Mr. Chairman, I don't think that it would be of advantage to have the mills south of the Virginia line in this Association. This is a homogeneous Association, one where the information that is got for one is gotten for all of us; and I think it would be very much better for the mills south of the Virginia line if they would have their own Southern Association.

"Mr. Swett: I agree with you, Mr. Brobston, I think the southern mills should have their own association because they will want to come in and affiliate with the Western Association and the Eastern Association just as we have now with the Western Association and have an exchange of information.

"Mr. Scott: Personally, I agree with Mr. Brobston. The business of this entire plan is the matter of exchange of information and we cannot accomplish very much if a few of us file the information and the rest of us not do so.

"Mr. Brobston: As a matter of fact, I think we should go ahead anyhow and let Mr. Scott use his best judgment as to what is to his interest in the matter. I don't think that is a vital point at all. I think Mr. Scott can think the matter over and when he does that his conclusion will be right.

"Mr. Swett: Mr. Scott, I think if you think this thing over, I don't think the southern mills will be considered at all in this matter because this is a territory governed entirely by yourselves and [fol. 793] ourselves in Virginia and the Lehigh Valley mills."

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"Mr. Swett: That is my idea entirely, Mr. Scott. I thing if the Western Association really works along the same lines as we are here and the southern mills, of course, ought to organize and [fol. 794] support an association—it will be necessary for them to organize and support an association, they cannot come all the way from Alabama, all the way up to Philadelphia every two or three weeks to attend the meetings."

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"The President: That is my understanding. It seems to me that it would be in order for us to see if we cannot stir up the southern mills, and get them to form an association along the same lines as ours and as is formed also by the western people, and we would be then, as Mr. Scott expresses it, in the position of the 'Three Musketeers.'"

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"Mr. Twambley: Mr. Chairman, how is the report made out? I believe certain information is called for on the printed blanks, that is, on these printed reports or forms that came in before the formation of the Association and I believe they asked for the buyers' names and the number of barrels and there was some other information there as to price, and so forth.

"Mr. Coogan: Yes, the idea is to give a complete description of the contracts, that is with whom the contract is made and a description of what it calls for, the original amount of the contract and the amount that is left, that is the balance that has not been shipped as of the first of the month and the price at which the contract was taken. It will also show the name of the company that has the [fol. 795] contract. In other words, it would give the information as fully as if you have the contract before you, only give it briefly.

"Mr. Twarbley: You probably are going to get up a regular special form for reporting that on, are you?

"The President: Yes, but I will say that it will be submitted to Mr. Cox to be passed on before it is gotten out.

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"Mr. Coogan: Don't you think when inasmuch as the next meeting will be held before February 1st, that we ought to include the credit men at that meeting?

"Mr. Lober: Yes. You are going to have the credit men at all your meetings, aren't you?

"The President: Mr. Lober, I think it will be more or less of a waste of time to have them, that is to have both them and myself here at the same time. I think it is taking up, unnecessarily, the credit men's time and the salesmen's time when the meeting is called for or the meeting is intended to discuss other than the different points which they are interested in.

"Mr. Lober: The question naturally would arise in connection with your general discussion affecting credits, freight rates affecting all the business that you are going to take up, and for that reason you would want all these men present. Of course you run your own business in your own way, the most convenient way and the one that will cause the least friction and the least loss of time, but I have no question at all, but what you will invite and probably direct that these men attend the meeting."

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[fol. 796] "The President: Gentlemen, it is in order that we move to adjourn for lunch, as I understand the lunch is now served.

"It was thereupon so ordered, and an adjournment was taken for lunch."

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"Mr. Coogan: With regard to the statistics, it seems to me—we are sending out statistics to the Association and we are sending to Mr. Mallory and we will send them to this Association. This Association ought to work out their own statistics, so that if we could get a copy, I think, of what the different companies furnish Mr. Mallory, why then I do not think we should need to ask any more of this Association. You see, we are going to have three people to do work to whom we can send these statistics. Our idea was if we could get, say those and this Association alike, all we need to do is to make two copies and send one to the Association and one to you."

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"Mr. Swett: As I understand it, the information that is given to the two associations is a little bit different in form, they are two separate associations and let us treat them as such and keep them separate.

"The President: Kepp that as it is.

"Mr. Coogan: This duplication of work we ought to look after [fol. 797] and have it all done at the same time. At the present time, of course, until we get the thing going there may be a little extra work, but there won't any of us mind that and we will be glad to do it to keep busy. As I understand it, we are asking for different information than what the association is asking for.

"The President: Let us see the two reports and keep them separate.

"Mr. Swett: I think we are a little ahead of our time on this topic, anyway.

"The President: That disposes of that question, anyway. Now, is there any other business that you gentlemen would like to take up? If there is, now is the time.

"Mr. Erdell: Where is the meeting to be held?

"The President: In Philadelphia, in two weeks.

"Mr. Erdell: Notices will be sent out?

"The President: Yes, as soon as we get these reports in. I want to see this first time how long it takes to get up these reports, because it will be a little longer this time than in the future. We want to see if we can get this report ready to be used at the next meeting.

"Mr. Swett: As to the manufacturers that are not members of this Association steps should be taken immediately to interest them in the Association and there ought to be someone delegated to attend to that."

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[fol. 798] "The President: Is there any other business, gentlemen? Now, while we are taking this up, how many of you gentlemen have adopted the general form of contract as suggested by the Association?

"Mr. Swett: By the trade's relations or the Association Committee?

"Mr. Weaver: As reported by the Committee?

"Mr. Cox: The general association, not this association.

"The President: Yes.

"Mr. Swett: I think very few have at this time, because most of the manufacturers are waiting for their final forms to be put out by one or some individual company.

"Mr. Weaver: I do not know of any individual company here in the east that has put that plan in use as yet, do you?

"Mr. Hilles: Ours are being printed."

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"Mr. Coogan: I suggest to avoid discussion on that subject because it goes pretty close into what we are going to do in the future and I suggest we avoid touching on that.

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[fol. 799] GOVT. EX. NO. 118

UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

vs.

THE ATLAS PORTLAND CEMENT COMPANY et al., Defendants

Stipulation

With a view to facilitating the introduction of evidence in the above entitled case, it is agreed by Counsel for the Government and the defendants as follows:

(1) That without formal proof, it is admitted that, except The Allentown Portland Cement Company, the defendant corporations are duly chartered and organized as corporations; that The Allentown Portland Cement Company, a New Jersey corporation, was duly dissolved and ceased to exist June 27, 1919, as appears by the records in the office of the Secretary of State of New Jersey of that date.

[fol. 800] (2) That without formal proof, minutes of the Cement Manufacturers Protective Association may be used in the manner hereinafter indicated, but no part of such minutes may be used under this agreement and without formal proof, in any other manner. Without formal proof, either party may read either (a) the whole of the minutes of any meeting, or (b) such portions thereof as shall have been first submitted to counsel for the other side outside Court, together with such additional portions as opposing counsel may desire to have read with the portion submitted to show the context or setting of the portion submitted.

In other words, it is agreed that without formal proof, either party may read either (a) the complete minutes of any meeting, [fol. 800½] or (b) such portions as are agreed upon outside Court, but no other use of said minutes in evidence may be made under this stipulation or without formal proof.

(3) Either side may offer either the original or a carbon copy of any letter or memorandum (including interoffice communications and records) without proof of genuineness or objection that it is not an original, unless the other party believes and states that the letter is not genuine and objects on that ground.

(4) Tabulations prepared by the defendants in summary form of matters appearing in defendants' documentary records, may be offered in evidence with the same force and effect as if competent witnesses were called to testify to the genuineness and accuracy of the documentary records and accuracy of the tabulations therefrom, provided the tabulations and these portions of the documentary records from which they are drawn and such portions as have a bearing upon the accuracy of such tabulations are sub-

mitted to the examination of the Government, accountants and attorneys, in New York, and provided further that the admission of such tabulations without proof shall not be construed as precluding either party from introducing any competent evidence with respect thereto that it may desire to introduce. If the Government desires to question the accuracy of any such tabulations it shall have the opportunity of examining the records on the subject and presenting [fol. 801] evidence on the same. It is understood that the Government will be furnished copies of tabulations proposed to be offered by defendants a reasonable time in advance.

(5) That reports of appraisals of properties may be offered the same as if proven by the person making the appraisal, provided such reports set forth are accompanied by a statement of the time and purpose of making the same, and provided further that the introduction of such report shall not prevent either party from offering any evidence relevant thereto, either confirmatory or contradictory.

(6) All grounds of objection not hereinabove waived are reserved.

[fol. 802] GOVT. EX. NO. 119

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., at 11 o'clock A. M., Monday, January 31st, 1916.

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"Mr. Alker: I would like to suggest that we signify in some way the accounts that are under dispute. In that list of accounts — are under dispute and for that reason have not been settled.

"Mr. Dutton: This is the idea: we have several cases of accounts laying there, for instance, for a little adjustment on freight rates or something which really should not be held against the customer, and I think that is a good idea.

"The president: Bag adjustment and different things like that.

"Mr. Dutton: It might be well to have such notes there with respect to such accounts reported so that we might distinguish between them.

"Mr. Hilles: It occurred to me in that connection that perhaps it might be well to omit all accounts less than $10 of which on this list there are 121. Just think of it. 121 which I have actually counted below $10. There were 121 of them apparently on which there were little disputes and not germane to the question mostly in which we are interested.

"Mr. Lober: There are a great many of them that are very small.

"Mr. Hilles: About twenty-five $1 accounts.

"The President: Do I understand that this would mean the disputed accounts or those ones in which there might be some question as to a small balance on the matter of bags or something of that sort?

"Mr. Hilles: For instance, if the account showed a disputed balance of $10 and less, and there was no other account outstanding, sixty days or more old, we would omit that from our report which would make it easier for the bookkeepers in going over our books; [fol. 803] our orders to them would read, 'Omit in making up your report all accounts of $10 or under.' I am, however, in favor of reporting disputed accounts of $10 and over.

"Mr. Lober: And have that accompanied by some note or sign or symbol.

"Mr. Hilles: Like 'disp.' or whatever it might be suggested.

"Mr. Lober: Some symbol of some kind that would indicate the account was in dispute or under adjustment owing to some misunderstanding or other.

"The President: Then I understand that all accounts that are below $10 or are an even $10 shall be eliminated or is that to be simply below $10?

"Mr. Hilles: Eliminate everything below $10." Then skipping two pages:

"Mr. Lober: Those small things you will find, I am sure in many of these cases, are on the question of cash discounts or discount not allowed, for instance. Some fellow thinks he should take ten days from the arrival of the goods and insists that that is the way he bought them instead of ten days from shipment. I had two or three good stiff fights with our customers during the last couple of months on that very subject. Then there is some other fellow that takes out a credit of $50 on bags returned and bags have not been returned but are in transit and when they do come there may be some short and he only gets credit for $48.50 for the bags and there is a balance of $1.50 and there are all kinds of little accounts and that might really come under the term of 'short payment,' which [fol. 804] may be from various reasons. You will find them constantly and a great many of these little balances of $1, $2, $3, $4, or $5 will be for things of that kind.

"Mr. Walter: Those little balances bring out exactly the nature of the customer, that is just what we want to know. If he is in the habit of making settlements and taking off his bags, if he does it five or six or seven times, why of course there we know how to handle him. These little things are the ones that bring up the other ones and it is a good indication to follow.

"Mr. Hilles: Perhaps I might suggest it would be a good thing to have a regulation of some kind as the sentiment of this meeting that we should report—that we should be obligated to report all accounts of $10 and upwards whether disputed or not, and that it should be left to the pleasure of the members whether they should report those under $10. If we did that, there is not any doubt but what if I had a man who was notoriously troublesome and unfair in the matter of these subjects that we have under discussion and he

owed me less than $10 I would be sure that he'd be placed in my report; and the very fact that anything under $10 appeared on the report would indicate that that fellow was very troublesome to me. If that is the feeling, I think something of that kind put in a motion might meet with our approval.

"Mr. Medler: I do not see why you eliminate any amount. If you keep out of the record accounts of the customers who owe $9 [fol. 805] and less, you have just a chance to make an allowance of that $9 to this customer. In other words, you might cut your price $9 whereas if that was reported it would be a different proposition.

"Mr. Hilles: It might be discrimination, that is what you are driving at, it might be discrimination?

"Mr. Lober: It might be, why not?

"Mr. Hilles: Mr. Medler's point is well taken, it would be much better that we report everything.

"Mr. Medler: That is a way a discount might be forced, if a man habitually holds out $4 or $5 and you make that concession to him which he is not entitled to, after that has been repeated you realize that enters into the question of credit of that man, and that is something that we should all know.

"Mr. Matthes: I move that the companies report their accounts as they have in the past and designate any of these small balances that may be disputed items.

"Mr. Alker: I second the motion.

"The President: Gentlemen, you have heard the motion, all in favor of it will say 'aye.' (Ayes.) The contrary 'No.' Carried."

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"Mr. Bacon: Of course, I do not know just what you want, but we thought that would be desirable so we put that column in there. You could cut that out if you did not want to use it or you could use it for something else. Is there any other information that you [fol. 806] would rather have as to the account in the attorney's hands besides what is indicated there, the matter of date and the action?

"Mr. Jiggins: Are we to report that an account placed in an attorney's hands has been paid later?

"Mr. Matthes: I do not know as that is essential. It is valuable information to have but the fact that there had to be action taken of placing your account with an attorney is what you want to get at.

"Mr. Medler: That is all I want to know.

"Mr. Hilles: We do not care whether he pays or not.

"Mr. Lober: The fellow interested in whether he pays it or not is the fellow who owns the account.

"Mr. Medler: If we have to sue a man to get the money we won't sell him that's all.

"Mr. Gilkynson: When he has paid the attorney or the attorney has had to bring suit and he has paid after suit that would be interesting information.

"Mr. Matthes: You are the only one interested in that."

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"Mr. Lober: No objection simply that it was regarded at the last meeting, and so decided that they were not interested in the amount but interested only in the accounts that had to be referred to an attorney for collection. The fact that they were referred to an at-[fol. 807] torney for collection was the important thing, the placing of the account in an attorney's hands.

"Mr. Hilles: Mr. Bacon can leave his column there in having his cards printed and we do not need to fill it out and in case that later he wants to have that included why it will be there ready to be used.

"Mr. Lober: We have on this list that has been handed around here some suggestion which Mr. Bacon might explain further to you."

"Mr. Bacon: This is simply a form that is gotten up, as you might say a proof, which incorporates in unpaid accounts and bills receivable all on the same page. I think that was suggested by Mr. Hilles and I had the proofs made up so that if it meets with your approval we can go ahead with it as it is. Of course this was just gotten up as a printer's proof and means nothing permanent.

"Mr. Lober: It was simply to show what the idea was, as I understand it. Is that so, Mr. Bacon?

"Mr. Bacon: Yes.

"Mr. Sheppard: What is the idea as contained in this?

"Mr. Lober: This will bring everything except the accounts in attorneys' hands on one list and will make just that much less searching necessary, and will also show you if this particular man is a customer of one company and he is giving notes in payment and to [fol. 808] another company he is running an open account; for instance, he may be giving one man notes and he may be meeting these notes promptly as you will see by comparing that list from month to month, he pays them when due or on the other hand he may be giving notes and stringing along indefinitely in renewing them. This informaton will all be on one sheet here and by a quick comparison you can determine just what his status is and if he is playing fast and loose with you, if he is in one case doing directly opposite from what he is in another."

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"Mr. Matthes: Mr. Chairman, I still do not know what the sense of the meeting is in regard to the reporting of these disputed accounts or marking disputed accounts. Mr. Dutton raises the point that whether it was a bag deduction or whether some other kind of a dispute, he thinks they should all be marked with some mark which would distinguish it as disputed. I think if a man deducts for bags in advance, even though it is contrary to the terms, that should not be considered as a disputed account."

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"Mr. Matthes: I move that some special symbol be placed opposite each account that may represent a deduction for bags and a separate, distinct symbol for an account that may represent a dispute in the account."

"Mr. Gilkynson: I second the motion."

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[fol. 809] "Mr. Lober: 'SXD' stands for 'Sacks in Transit,' and 'DNA' stands for 'Discount Not Allowed.' 'SXR' stands for 'Wants to return sacks to offset.' 'CSD' stands for 'Claim Shortage Damage;' they have a lot of them. Their idea in using all these symbols was not to have any columns at all, they would simply have the man's name and the company, the amount and the symbol. The symbol would show the age of the account if there was no question about it; that is, they had these words, six, nine and twelve, you know; they put in here 'Sixty days past due.' As I have already told you, I was strongly urged by Mr. Todd not to say anything about their being due or old or past due or anything else. Then if they did not put those symbols, if they put these CSD or N for notes, and so forth, we would indicate on the account what the thing was for, whether it was an account held up for some reason and so forth. We have here 'CA'—'Collection in Advance, reason given on special request.' If we do not go into that detail, it seems to me, of these symbols, in view of Mr. Bacon's making up his cards, just using an initial for the company, we had better have some arbitrary symbol, such as a star or word, or these paragraph marks or tit-tat-too or double cross.

"Mr. Sheppard: 'Double cross' might be a good thing to give the fellow that has a bad condition.

[fol. 810] "Mr. Gilkynson: That would be very appropriate.

"Mr. Hilles: In making these condensed marks they should be known to us so that we could hand them to our bookkeeping department to use in making up these statements for us, so that they could designate them as desired.

"The President: I suggest you refer to the secretary, and he advise you the notations he wants made.

"Mr. Gilkynson: I would suggest the using of symbols usually found on a typewriter.

"The President: That is right.

"Mr. Lober: One of those that have been suggested is found on all typewriters, that is the double cross. That would be a good one to use.

"Mr. Gilkynson: And the asterisk.

"Mr. Lober: In sending out this dope, these symbols, we want to get quick answers as we want them in for the February list real quick.

"Mr. President: Mr. Bacon will advise you as to that.

"Mr. Bodin: As to one thing, it occurred to me, I would like to point out, that is as to these accounts in attorney's hands. If we are not going to write the amounts, it seems to me that I feel that I would like to have you give us some information as to whether the account has to be sued out, because I feel where there are two men in a fight, why, there is always the possibility that you might be in the wrong, [fol. 811] and it might not be this man that is at fault and the man's credit should not suffer by reason of your judgment.

"The President: I think Mr. Matthes can answer that proposition, he is the one who suggested not reporting, I think.

"Mr. Matthes: It was the sense of the meeting we had in New York that regardless of what the facts were that made it necessary for you to sue a man, the mere fact that you did find it necessary to sue him was all that the other companies wished to know as they didn't like to go on with anybody who would make it necessary for you to bring action against them and if there was any detailed information desired by any member company from the company reporting that account in an attorney's hands, the member desiring the information could take it up with the other member and get it without any trouble.

"Mr. Lober: I think we brought out in that meeting over there in New York, that these lists were not arbitrary, or absolute, they were a guide, that any use of them ought to be made with discretion, no conclusion jumped at. That is, you found the name there, and it would be wise if you were taking any particular action or had been asked for an extension of credit, that you should communicate with the company who had reported that the name had been handed to an attorney, and the reasons could be entirely privately interchanged, you might say, with respect to an inquiry that was perfectly legitimate.

"Mr. Bodin: Then, if that were so, there might be a case even [fol. 812] where they had to be sued out, and his reason was satisfactory and we believed that there was some basis for the action he took, we might possibly take a chance with them without asking the other companies their experience, or you might say, notwithstanding their experience.

"My idea was that if I could get that information as to what basis there was in the claim, that might have a big bearing on whether or not we extended the credit.

"The President: You are at liberty to do that at any time.

"Mr. Bodin: Well, it was brought out so strongly by someone here that they didn't care to have anything to do with anybody that had to be sued, if that was the idea, I thought we ought to know more about it.

"Mr. Lober: That is one personal view taken as to a personal feeling about the matter, but that might very well not be the personal feeling of some other member or other credit men of the Association's various companies, and that information as to the result of the suit, etc., is very easily accessible to anyone who has a legitimate desire to know it.

"Mr. Bodin: If I understand I can find that out, that is all right.

"Mr. Lober: I am sure that if you apply to any one of the members an inquiry of that kind they will gladly furnish you the credit information, immediately on the application.

[fol. 813] "Mr. Bodin: It might be a case of mistaken judgment, that is possible, you know.

"The President: Does that answer your question?

"Mr. Bodin: Yes.

"Mr. Bacon: Do I understand the report comes in as to placing in the hands of attorney are not to have any description or are to have any description of what the action has been, but simply a statement showing they are in attorney's hands, is that it?

"The President: Yes.

"Mr. Lober: On the first of February all you will have to report, is this is placed in an attorney's hands, those accounts that have been placed there during January, without any report as to the result on previous accounts.

"Just as an illustration of that, Mr. Hilles had an occasion to take up with me one particular account which I had reported as in attorney's hands, and he had obtained some information, I understand him to say he had it intimated that that account was all right, that it ought to be all right, and he came to me asking for that information as to why we placed it in an attorney's hands, and as to what progress we had made with it, and which I gave him. Incidentally I got $50 from him.

"Mr. Hilles: Very satisfactory.

"Mr. Lober: He still owes us about $50."

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[fol. 814] "The President: Speaking from the Giant standpoint, we only issue a credit for the bundles of bags actually received.

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"The President: We do not issue credit for what he claims at any time, only what is actually received, the actual delivery or turning over to us of bags by the railroad company.

"Mr. Dutton: Is not that the tendency among all the companies, to handle it in the same way.

"The President: I should say at first blush, it was.

"Mr. Hilles: I would like to know of any who do not?

"Mr. Lober: I have found it has not been practicable or desirable to handle all of those matters in the same way. That is, I have found it better to handle the cases as the particular cases seemed to require. Now, we have a great many of our customers who prefer to make all of their own claims either for loss or damage of cement or loss or damage of bags returned to us; they want to make them themselves; they would not thank us to make a claim for them. We have other customers who very much prefer to have us make the claim and as a general proposition we do make the claim for the customer's account, and credit him when it is paid. However, there may be a circumstance where a man has returned ten bundles of bags and deducted $50 for the bags, and we get nine bundles, in other words, that allows a charge still of $5 to remain on the man's account, and possibly that $5 is all that man owes us. I have cred-
[fol. 815] ited him at the time I made the claim simply to close the account, to get rid of him. If I didn't collect that claim I would charge it back to him.

"Mr. Sheppard: That is different from the way I understood that it was in the habit of being handled.

"Mr. Hilles: No, I make that our regular practice.

"Mr. Matthes: We handle that matter, I think, in practically the same manner that Mr. Lober has just expressed."

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"Mr. Lober: The only case in which that is done is simply in the matter of straightening up the balance and clearing it off the books, I rather do that than have the balance of $5 hanging on my books, as usually it is only for one bundle, or at most two, that have not been returned.

"Mr. Matthes: You won't make any claim, Mr. Lober, unless you absolutely have the original bill of lading, will you?

"Mr. Lober: No, not unless all of the original papers are given to us. I won't make any claim unless they are all forwarded to me together with what I may have forwarded to the customer and making the claim in his behalf.

"The President: I do not think it is necessary for any of the cement companies to give a credit except on the bags that they actually receive. I don't think that question is really pertinent to this meeting anyhow.

[fol. 816] "Is there any other question you gentlemen would like to take up?"

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"Mr. Medler: We do not give anything that is done here to the salesmen, do we?

"Mr. Lober: No, the question is whether those attending this meeting—and this will be brought up further this afternoon because there are a number here who will be at the afternoon meeting, the question is whether the minutes of this meeting and the minutes of the afternoon meeting be printed in one and also whether a representative of a company attending this meeting could attend the afternoon meeting.

"Mr. Medler: I don't think so. As far as my information is concerned on this Federal Trade Commission I doubt very much whether a sales manager could attend a credit men's meeting.

"The President: In answering that question Mr. Lober took that up in the last meeting, and it was more or less the understanding that anyone designated by his own company had the right to attend the meeting, whether he operated as a sales manager or a credit man.

"Mr. Medler: That is all right as far as we are concerned ourselves, but are we within our rights in having such people there? We want to avoid any suspicion that there is any kind of a black list or any objection that we are restraining business, and the very minute that you bring in the sales manager, you raise that question.

[fol. 817] "The President: Your point is well taken.

"Mr. Medler: As far as I can understand, our attorney said you

must not have it. And I am not willing to be put in the position until he says otherwise, that we ought to have these things.

"The President: Well, the statement made a moment ago was of course if the executive officer designates any one man, from his company to attend the meeting, I think that that man would have to attend.

"Mr. Medler: Of course, he has got to attend but the executive officer is not above the law. He cannot tell you to send anybody in here to attend the meeting.

"The President: He would not send anyone perhaps.

"Mr. Matthes: If the sales manager should attend this meeting of the credit men would not he be acting in the capacity of a credit man of the company rather than as a sales manager?

"The President: Absolutely.

"Mr. Matthes: Therefore I should think that would overcome Mr. Medler's objection.

"Mr. Medler: I suppose you have all heard of the famous character at the opera that occupied a thousand different positions, but that may or may not apply here.

"Mr. Hilles: Take Mr. Gilkynson and I, for instance, we are in a similar position.

Mr. Medler: Precisely and that is just the point, you were going to put me in jail if I should attend the meeting, that is what it [fol. 818] would amount to, and I'll get out of that by not attending the meeting.

"Mr. Gilkynson: I am here today as treasurer of the Phœnix Portland Cement Company and that alone, and I think that answers the question as far as my company is concerned.

"Mr. Medler: You as treasurer, yes, but you are acting as sales manager also?

"Mr. Gilkynson: You cannot avoid that, where a single man has to cover more than one job, that can not be avoided as I see.

"Mr. Medler: I do not know how we are going to get around that.

"Mr. Gilkynson: That is a pretty hard one. I will say this that the credit information that comes to us does not go to our sales department? I make it a point to see that it does not. If all the other companies will do the same I think that will answer the question.

"Mr. Lober: That is of course one reason for having only one list to a company, for the credit man as he will want to keep that list, the fellow that is the actual credit man, he will want it and he won't be sending that around.

"The President: He is responsible for that one copy.

"Mr. Medler: It is not the copy, it is the information. This information that we get may be a great help or a great abuse.

"The President: Very true.

[fol. 819] "Mr. Matthes: I do not see how it is going to be abused because you are going to be the man that is going to pass on the entire information.

"Mr. Hilles: He is not afraid of that, he is worrying along about us.

"Mr. Medler: I am worrying about the sales manager being an attendant at both meetings.

"Mr. Hilles: Then to avoid that I will resign as sales manager each time I come to this meeting and be reappointed after I get out—reappoint myself.

"Mr. Medler: Each time?

"Mr. Hilles: Yes.

"Mr. Medler: I am not objecting to this you understand.

"Mr. Hilles: I am glad that you put it in that way.

"Mr. Medler: You understand that the situation as far as we are permitted to go in it, we are going and we have to go as a body. There was a great difference of opinion among attorneys around the country on this proposition, and you can go to two different men and each one will have a different idea on the subject as to what he thinks is right, and they are all trying to dope out in advance what the Federal Trade Commission is going to determine and we don't want to get on the wrong side with the Federal Trade Commission, that is sure.

"Mr. Lober: As to the Federal Trade Commission, they seem to be issuing statements down there in Washington that they are not going [fol. 820] to do anything to you if you are conducting your business in good faith.

"The President: I would like to have Mr. Cox's opinion on this point that has been raised.

"Mr. Cox: Why, I have been very much pleased to see how careful you are of it here, at the beginning of everything. I think in this matter you are disturbed about a danger that does not exist. As I understand it, this information as to credit is designed to enable the credit people of each company to determine whom to trust for cement. Now if it is to be kept completely from the sales department, it is of no use at all. I mean, the whole purpose, frankly speaking, is to find out whose credit is sufficiently good to sell cement. Is that not so?

"Mr. Israel. Certainly, you are right.

"Mr. Hilles: Yes, I appreciate that very much, but I would like to tell Mr. Medler the way that we work it is this: that I have a young man up there that is an assistant, and I do not know the orders that come in, we leave that to our salesmen to act under certain strict rules which they are under, which I have formulated, but I could not tell you from day to day unless I looked at the daily report, just what orders I get in. So long as the man does not pass his credit limit, and so long as his account is not any more than so old, it would not come to me. It seems to me that in the sense that Mr. Medler expressed himself, that we could say I was acting there as a credit man and then as a sales manager.

[fol. 821] "Mr. Medler: You are entitled to your opinion.

"Mr. Cox: I was going on to say that being so that it would resolve itself into practically raising the question, the broad question as to whether you have or have not the right to furnish each other this information which you are furnishing about past accounts. If there

were anything, as there is not, in the nature of an understanding amongst you, that the men whose names appeared in the attorney's hands should not be sold or anything of that kind, it would be all wrong of course. But simply to extend the information and then each company having an interest in it, and a perfect right to act on that information certainly as he sees fit, it seems to me altogether plain, that you are entirely within your rights. The thing as I see it is not a question of adopting some artificial means to tell one member of the company something and have him keep it from any other, it is rather a question of whether the company as a company was entitled to this information, and I think that is the whole foundation of this section of the association and perfectly proper.

"The President: Mr. Israel, have you anything to say on that subject?

"Mr. Israel: Well, gentlemen, I would like to make this clear to begin with: I am vice president of the Coplay Cement Manufacturing Company and I attend this meeting in that capacity. I don't think—there is no necessity for any member, if he happened to be an officer of the company and at the same time a lawyer to have sub- [fol. 822] mitted to him a question of law and that he should deliver himself of an opinion on the law, give his advice as counsel under those circumstances.

"The President: Have you anything further to say?

"Mr. Medler: I have nothing further to say, I have given you an opinion of a very able attorney of New York City and I have nothing further to say on that subject.

"Mr. Israel: I would like to say one word and I will say it at this time: Mr. Cox has made this so plain to you that you have a right to exchange with each other this information, but that you have no right to agree between yourselves what you are going to do on the basis of that information. If you agree that if a manufacturer or a customer appears upon the list of 'In attorney's hands' either that or any other branch of the report, if you agree beforehand, all of you, that you won't trust that man after that, then you are clearly outside of your right. But if you reserve to yourself the right to do just what you believe under the circumstances, whatever seems to you proper, why then you are entirely within your right. Mr. Cox has told you the same thing and I have used a few more words to say the same thing.

"Mr. Medler: That is no difference of opinion on that subject—on this sentiment. The only thing is that you are viewing this from one point and I am viewing it from another, you have your advice and I have mine. I have not said at any time that I did not intend to be with you, but there has ben that objection or some statement [fol. 823] of that nature brought up here, an opinion that differs from the opinion that has been expressed by your counsel. I don't wish to intimate that there has been any objection as to the exchange of information as to what has passed.

"Mr. Israel: I think there must be a misunderstanding somewhere.

"Mr. Medler: We are perfectly free to go on and to do what in our own mind we think proper. We shall appear in the credit meeting but not in the sales managers' meeting as according to the opinion given to us by our attorney that is not wise, that question has been thrown under suspicion by his dissenting opinion and until such time as an agreement has been reached where we feel that we are free to go ahead why we shall not take any chances. There cannot be any decision on this question until the powers that have the power of decision make that decision. There is no attorney in the United States can tell what the Federal Trade Commission will decide on that subject. You can guess as well as I and my guess is as good as your guess, but as I say we will be guided by the opinion of our counsel.

"Mr. Israel: Mr. Medler, I can hardly agree with you on that proposition. I hardly think it is right to say that your guess or mine is as good as a doctor's about the diagnosis of a disease.

"Mr. Medler: We are the doctors in this case.

"Mr. Israel: No, it is a question of law, and I think you will have [fol. 824] to agree that the lawyer's opinion is worth more than ours.

"Mr. Medler: That is just the point, we have the opinion of our lawyer in New York and you have the opinion of Mr. Cox. One says one way and the other one says the other.

"Mr. Israel: Perhaps we have not understood it properly, that is I mean the attorney that you speak of has not understood the situation properly.

"Mr. Medler: I have absolutely explained and made it clear to him.

"Mr. Israel: Your point is this, that if the sales managers for instance were to attend a meeting of the credit men it might be objectionable?

"Mr. Medler: Yes.

"Mr. Israel: That is your point, I get your point very clearly. I cannot see any harm in that at all, Mr. Medler.

"Mr. Medler: I don't, but I am advised not to do so.

"Mr. Israel: Because the information as Mr. Cox has explained to you is not given to the credit men, it is given to the company of which the credit man must be a representative and when it is sent to him it goes into the channels of the information of the proper departments of his company because he is here only in his representative capacity. I cannot see that it makes any difference whether the sales manager gets his information here at the meeting [fol. 825] or gets it in strict accord with the rules of his company, through the department of his company where such information is disseminated.

"Mr. Cox: I think I will have a talk with your attorney and straighten that out.

"Mr. Medler: All right, go ahead. He agrees with what you say up to that one point, they all concede that.

"Mr. Cox: Why wouldn't it be a good scheme, if I might make the suggestion, if Mr. Medler feels uncomfortable about that one point, for me to have a talk with his attorney whom I happen to know?

"Mr. Israel: That is very good.

"Mr. Medler: I don't want to vote on a question today, and I am not voting today. I simply came here under instructions, and advice from our attorney, and he has not changed that. However, give me a chance to talk to him.

"Mr. Israel: Surely.

"Mr. Cox: I might say that I have read the opinion of the particular attorney to whom Mr. Medler refers on the by-laws and outline, and what we propose to do, and it is altogether favorable so that I think there must be some element of being at cross purposes about this particular point somewhere, and if we could talk, we could straighten it out.

"Mr. Israel: Go on and do it.

"The President: I suggest we leave this matter in the hands of our counsel, or at least of our attorney for adjustment."

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[fol. 826] Govt. Ex. No. 120

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., January 31st, 1916, at 2 o'clock P. M.

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"Mr. Bacon: I had some cards printed roughly as a printer's proof for the daily report for contracts. Which include the name and address of the purchaser, the work, the location and the freight allowed. This is simply an idea to put a number on the contract as it came in and forward it to this office so it would be tabulated and kept on our record.

"The President: If you have any suggestions to make, we would like to hear from you in reference to them because this is the way it will be that you will be asked to fill them out.

"Mr. McFarland: The idea is to report these individually as the contracts are taken?

"The President: Yes. I will explain that, Mr. McFarland, as soon as we get on to the change of the by-laws which we will take up at this meeting. The intention is to change the by-laws to state that the contracts are to be reported as closed instead of monthly which will simplify the matters very much insofar as the secretary's office is concerned instead of having the contracts all rushed in on him on the 31st of the month or the 1st of the next month, if they [fol. 827] come in as they are closed he can compile his data, and file them and put the facts on his cards and handle it much more easily than if they all came at the first of the following month.

"Mr. Gilkynson: May I ask what this 'price' means, it says 'price' here and 'freight allowed to.' Is that the mill price?

"Mr. Bacon: No, that is the delivered price.

"The President: That is another thing that I want to take up with you gentlemen, the question of reporting price. Some have been reporting the delivered price, others reporting the mill price, and I think the simplest way would be for the companies to report the actual delivered price including the freight and everything.

"Mr. Swett: I didn't get that, Mr. President. You mean the delivered price or the mill price?

"The President: The delivery price including the freight and packing and any other charge on the same line."

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"Mr. Moyer: The only thing that I thought in regard to that 'freight allowed to' whether there was any real necessity for putting that in there. I have particularly in tidewater deliveries, it would make it very difficult to put in the freight allowed as the freight varies as to water delivery points. That is, we figure New York City as the freight from Hudson to New York and then we would pay a [fol. 828] certain amount for lighterage and that might vary, and it would be impossible to tell what the freight allowed would be as a very large proportion of the water delivery freight is prepaid.

"The President: That is not one of the essentials of the request, that is only put down there in case we can at any time arrive at a figure.

"Mr. Swett: It means a lot of work. If we give our price, then that shows all that is necessary if we indicate the price that we get.

"The President: Yes, that is only intended to be put down in case they should be requested, it is not essential to the report.

"Mr. Moyer: If you know that, then your own secretary can make that from the freight rate books as well as we. I move that that be stricken out.

"The President: Would you mind it being left there for the simple reason that we might need it?

"Mr. Moyer: Hardly any necessity to put in something you can just as well get along without.

"Mr. MacFarland: As I understand the explanation of the secretary that all he wanted was in where the 'freight allowed to' is, simply to show the destination.

"Mr. Israel: No, the point of delivery, just the point of destination.

"Mr. Moyer: That is shown here in the location of the work.

"Mr. Bacon: I would like to get that point of delivery as to your [fol. 829] price, your price is based on a certain point, that point I would like to get so that I can tabulate my cards on that point.

"Mr Moyer: Instead of the words, 'freight allowed to' say 'delivery point.'

"Mr. Bacon: Very good.

"The President: Location of the delivery point and the price?

"Mr. Bacon: I understand that is to be 'location or delivery point?'"

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"Mr. Ackerman: If this card is approved in the final form in which it is now it is to be sent to every one of the companies?"

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"Mr. Coogan: I want to bring to the attention of the Association the fact that the Western Association has put in a system which greatly simplifies the work of the central office: They have sent out forms on a very thin onion skin paper, and they ask you to report your contracts on that form, and they furnish you a binder for that form, and ask you to send in so many copies of your contract obligation. Now then, they can be distributed to the members without any work on the part of the Association office other than the tabulating of the information on his cards. In other words, it does away with all of the printing and it puts in the hands of each member the [fol. 830] contract from each company and he has a binder where they can be filed and kept in shape. It seemed to me that system would enable us to get the information out to the members very much quicker than if it has to be sent in individually, tabulated by the Association and sent to the printer, and I believe before we decide on having many of these forms printed, that it might be well to investigate that system and see whether it would not simplify the work.

"Mr Bacon: Do I understand that you just file in that folder, the original memorandum you get from the company?

"Mr. Coogan: Yes, sir.

"Mr. Moyer: There is no report then sent similar to the one that you intend sending out at the next report, that is sent out which will be a little different than this?

"Mr. Coogan: Yes.

"Mr. Moyer:: No report of that kind?

"Mr. Coogan: No report of this kind, but you would have before you the full list of the contracts made by the Alpha Company together with the balance due and all the other information and you would have that come on here in our own office, and the secretary would be furnished with a sufficient number of copies to enable him to distribute them and keep a proper report of the number.

"Mr. Moyer: I understand each of the companies' reports sent out will be tabulated and all of the contracts as filed by the different members will be made out by States, and then by towns, and under [fol. 831] each town will be shown the contracts, taken by each member as reported. The object of that, as I believe, will be so that we can quickly ascertain duplications, therefore protecting ourselves against the purchaser buying from several companies for the same job. Now, it would seem to me that the scheme that they have out west is a litle bit weak in that particular: That you would have to go

all over these sheets of the different individual members, and check each contract by it, with your own contract, in order to ascertain if you had any duplications; whereas under the system that is proposed in reporting by this Association, we would know obviously, right at a glance, whether there is any duplication or not.

"Mr. Swett: Why, Mr. President, that Western Association of course we all understand, that they have no salaried secretary, and that is one of the reasons why the individual companies do all the work. As I understand there are twenty-one copies, whereas it might be a very easy matter for some manufacturers to send in twenty-one copies to the Association, I imagine it would be more or less of a hardship on some of the other members. But inasmuch as we have an organization here, and a force, why not just send them the data and let that data be compiled in this office?

"The President: Have you anything further to say on that question, Mr. Coogan?

"Mr. Coogan: Only what I have said, only in the interest of economy.

[fol. 832] "The President: I think he had better try this, at least for a month."

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"Mr. Cover: Mr. President, it strikes me that a very important feature of Mr. Coogan's suggestion if we adopted the western plan would be that that would give us every condition of the contracts, the terms and everything else, and I imagine that some companies are going to have different terms than others, and sometimes the discount and some other features of the contract would have a very great bearing on the contract, and if you had an exact copy of the contract this way, that might require a great deal of work on the part of the separate companies, nevertheless it would be furnishing a perfect duplicate of the contract in all respects.

"The President: I think that is borne out there, Mr. Cover, by taking the wording on this little slip.

"Mr. Cover: You give there the essentials only.

"The President: That is all you get on the plan that Mr. Coogan speaks of.

"Mr. Cover: Don't you get a copy of the contract itself?

"Mr. Coogan: No, just a list of the contracts.

"Mr. Cover: I misunderstood you then.

"The President: Any further remarks on the subject of reporting contracts?

"Mr. Coogan: I have none. I would like to know whether it is the intention to include export contracts in the report of contracts?

[fol. 833] "The President: I so understand it.

"Mr Coogan: I understand it too, but I think, Mr. Secretary, that I included some export contracts, I didn't see them on here though.

"Mr. Bacon: Yes, they are right there.

"Mr. Israel: That is what might be termed a last item?

"Mr. Bacon: Those were put in there because your delivery point

was New York. Unfortunately it got mixed up with the New York contracts.

"Mr. Coogan: All right, I see, I will put it in as export hereafter.

"There is one other point I want to bring out in reference to how we should tabulate these contracts, and keep a list of the contracts and everything of 1,500 barrels and over in a different list. All I sent in on account of the limited time, was simply a list of the contracts. Now, as I understand it, everybody should report every contract which extends beyond fifteen-day delivery. Does everybody understand that?

"The President: I think that is a general impression among all the members if not, they will so understand it now, I am sure.

"Mr. Coogan: In the report of February 1st I have a list with me now of all the contracts which I did not report on my previous list, and can either file them now or file them as of February 1st which I suppose will be the proper way to file them.

"The President: I think it is the general understanding, gentlemen, that anything that carried beyond fifteen days delivery, no mat-[fol. 834] ter whether it is a car or not is to be reported to the secretary. Is that the understanding?

"Mr. Twamley: I was under the impression that thirty days delivery was the limit instead of fifteen.

"The President: The Association of Portland Cement Manufacturers is very anxious indeed to have the uniform quotation brought out which is for immediate acceptance, fifteen day delivery—fifteen day shipment. Did you get a copy of the Association's suggested contracts?

"Mr. Twamley: Yes, I have a copy of them.

"The President: That is on a fifteen-day delivery, Mr. Twamley.

"Mr. Twamley: I was under the impression it was thirty.

"Mr. Dutton: Mr. President, that uniform quotation rate has been generally adopted, hasn't it?

"The President: I think a good many of the companies have adopted it as being a very good plan for quotation.

"Mr. Macfarland: Mr. Chairman, have we got this matter in shape now so that every one understands it? I think it would be in order to pass a motion to the effect, that the secretary prepare his small card and large sheet as suggested in these various changes, sending them out to the individual members with a full letter explaining just how we would like to have them reported. I will make that as a motion.

"Mr. Hilles: I second that motion.

"The President: Gentlemen, all those in favor of Mr. Macfar-[fol. 835] land's motion will say 'Aye.' (Ayes.) Contrary, 'No.' So ordered."

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"Mr. Coogan: I might say further, that I think that this Association starting in new ought to start in from this base and gather their statistics getting all the information from the member companies

rather than taking over the statistics from any one who has been preparing those statistics in the past."

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"Mr. Coogan: That is more or less of a personal matter between Mr. Mallory and the various cement companies. We will adopt our form and send it on to the member companies and if they wish to advice Mr. Mallory that he is to continue handling the statistics in the shape that he has been handling them, that is up to the individual companies and Mr. Mallory, as that is a personal matter between them.

"The President: If agreeable, I should like to appoint a committee of four to draw up these forms of reporting statistics. I would like to appoint Mr. Coogan, Mr. Swett, Mr. Moyer and Mr. Macfarland.

"Mr. Macfarland. Mr. President, I am going to be away for a month, starting tomorrow, and I would prefer that you put someone else on that committee for that reason. I am not desiring to [fol. 836] shirk any work at all but I will not be able to give it any attention.

"The President: I will let the committee stand as appointed. If you gentlemen can get together on this rather shortly and have this form in shape by the latest at the end of this week, it would be very much appreciated.

"Mr. Moyer: I understand Mr. Swett is going to be in New York this week, so I think we can arrange to get together there.

"Mr. Swett: Tomorrow?

"The President: Seriously, gentlemen, I should like you to get together as soon as possible so that the forms can be gotten out.

"I would like the secretary to read a letter from Mr. Macfarland.

"Mr. Bacon: 'Charles W. Bacon, Secretary' (reading).

"The President: I have asked that to be read because there was a little misunderstanding in reference to reporting prices. We have now gone over the matter so it is thoroughly understood we are to report delivered prices on all contracts."

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"The President: About a week from now.

"Mr. Swett: What New York State mills are not members of this Association at the present time?

"The President: We have not heard definitely from Helderberg, Glens Falls, Knickerbocker and Alsen; four.

[fol. 837] "Mr. Swett: Really it is the Alsen and the Helderburg that have not joined.

"The President: As soon as we talk to them I think they will come in.

"Mr. Swett: I suppose there have been people to see them about it?

"The President: Yes. There is a very interesting letter from Mr.

Law, and at the request of Mr. Swett, I sent a copy of the constitution and the by-laws to Mr. Law and also to Mr. Hardy and have received a letter from Mr. Law acknowledging receipt of it, which the secretary will read.

"Mr. Bacon: Kingsford, Tennessee, January 24, 1916 (reading).

"The President: I thought you gentlemen in particular would like to hear that because if they follow the same lines as are being followed in the west and in the east, I think we will have a chain of associations that will give to one another the information that is applicable to all these sections and it will bring us very closely together in all our business relations: Namely, the matter of credit, contracts and statistics both in the west, east and south.

"You have a letter from Mr. Coogan in reference to our freight books and you may now read that, Mr. Bacon.

"Mr. Bacon: 'Mr. R. E. Griffith, at Mr. Coogan's request we forwarded to you today—— (reading).

"The President: I would like to say in that connection, if you gentlemen wish any of the freight books, we would be very glad [fol. 838] indeed to furnish them to you free of charge. As soon as the books which we have now are exhausted we will get them out with the Association cover on, which will give you your freight rates brought up to date and then the secretary will notify you from time to time of any changes in the freight rates as he receives it from the companies and the railroads.

"Mr. Cope: Mr. Chairman, these corrections, wherever they may come up, as I understand it, from time to time, they will be sent to us by the secretary of the Association.

"The President: Yes, by the secretary.

"Mr. Cope: And he will be able to get them?

"The President: We have asked Mr. Coogan, who is very closely in touch with the different changes, to advise this office at once, and as soon as he has advised us, we will advise you as promptly as we can, I presume 24 hours after we get the information it will be in your hands, of any changes in freight.

"Mr. Coogan: We have felt until the Association gets in working order that we had better continue notifying everybody for say another month, at least, and by that time things here will be in such shape as to handle it from this office. So until then, gentlemen, we will continue to notify you of all changes. In connection with those freight rate books we believe that with the corrections that we have made on them that at the present time they are correct. I guess practically all of the companies are using that book as a basis and it seems [fol. 839] to me that if any company notices any difference from what it shown in those books there that the secretary of the Association, or for the present if you want to do that, notify us at once if there is any error, we are sure we have a correct list of the freight rates as they are.

"Mr. Swett: It is further understood that the member companies use these association freight rates until they are notified of the change in the rates by our secretary regardless from what source they secure information as to a change in rate, or from Mr. Coogan.

"Mr. Coogan: For a little while. There is one member that I think I made a promise of a complete set of freight books, to give them to him, I claim I left them in his office, but he says he did not get them. However, there is another set corrected right up to date which out to go to him in the next day or two.

"The President: There is another question I was asked to bring in reference to including in your quotations the question of freight rate. A good many of the companies do not put in the question of the freight rate in basing the price. If there is an advance in freight or a reduction of freight it might be just as well for the freight rate to be stipulated so they can either advance the price on delivery or reduce it, and I would like to hear any arguments in reference to it.

"Mr. Twambley: In connection with that I noticed in the freights which the Association of the American Portland Cement Manu- [fol. 840] factureres furnished us, a practice recommended that there was no provision in any of those forms on the quotation forms for an advance in the freight. I spoke to one of the committee who drafted the form about it and he told me that it was discussed and decided that the manufacturers would take a chance on that. If the freight went up he stands a loss; if it went down he would take the gain. I have been accustomed to make quotations subject to change reductions that have been taking place for the last ten years or so, that there have been more reductions than advances, but it seems as though that might be the reverse from now on, that the freight rates will rise again.

"Mr. Coogan: Gentlemen, I think there is a number of reasons why it is not a good trade practice to include such provisions in quotations, and I think the Trade Relations Committee of the Association gave those matters very careful attention, and I think before we do anything with that, it would be well to take it up with the Trade Relations Committee of the Association, and I believe you will learn the reason for their not putting it in was probably a good reason. Therefore I would recommend that we take no action, and I make the motion that no action be taken on the matter.

"Mr. Swett: I second the motion.

"The President: I think you might just as well drop it and not put it off, not put it up to the Association so that it would have to [fol. 841] come up later, and if agreeable to you gentlemen I would rather table the whole thing because I do not think it is within our province to go into that. I think that is a matter that the Trades Committee of the Cement Manufacturers' Association have gone into thoroughly and have acted on it, evidently, very wisely from a thorough understanding of the subject.

"Mr. Twambley: That is the way I view it, too.

"The President: If that is agreeable that is a question that we won't raise.

"Mr. Coogan: Then I withdraw that motion.

"The President: There is a letter from the Glens Falls stating that Mr. Coogan will explain to the members his reasons for not caring to report his contracts just at the present time.

"Mr. Coogan: I think you will find that explained at the other meeting. Mr. Bayle talked to me and explained that until such time as the status of the other New York mills was clearly defined that he would not care to report his contracts. And I told him I thought his stand was well taken and that there would be no disposition on the part of the Association to criticize him for not filing his contracts until we have the New York State situation settled.

"Mr. Cover: In that connection, Mr. President, I think it should be explained to all of you present that that is the same reason why the Security Company has not, so far, filed its contracts. I stand [fol. 842] ready to come forward and bring everything up to date the minute that the other companies join the Association, and do likewise, but is is or may be perfectly clear to you in the start that that is the only condition under which our company could come in at this time. I do not know whether it is proper for us to even stay in. It is up to you gentlemen, I do not know whether we should take the benefits of this Association in the meantime.

"The President: It is perfectly proper, Mr. Cover, and we thoroughly understand your position and we are willing to furnish you the information that you have with the distinct understanding that you need not furnish your contracts at the present time.

"Mr. Cover: I so understand this from the President that this was the understanding, but I wanted to be sure that we all understood it and that I should not be put in the embarrassing position of having taken the benefits here of your Association and you not know the conditions under which I was here and they not be agreeable to you.

"The President: I think we all so understand it and we all appreciate your feeling in the matter."

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[fol. 843] GOVT. EX. No. 121

Special Meeting of the Cement Manufacturers' Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., at 11 o'clock A. M., Monday, February 28th, 1916.

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"Mr. Medler: On reading over these minutes, I am afraid that some of the remarks I made at the last meeting might be misconstrued, as what I said was intended in a general way only. Now, there has never been any objection on my part to a sales manager, or anybody else connected with a cement company, attending a credit men's meeting, so long as the discussion was confined to credit subjects. We did not seem to make ourselves clear to each other at the last meeting, in the short time that we had this under discussion,

which of course was very unfortunate. There is no objection on our part, as our minds have always been in accord, and there is not any reason to change our minds on this subject. We have agreed from the start.

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"Mr. Cox: Mr. President, I think in the minutes of the last meeting, I had some duty to perform in connection with those remarks; and I might say now that I have made inquiries as to the supposed legal point, at which they were directed, and find that it had to do, not with the personality of the one attending the meeting, but what he said; that is, it was not whether a man was a sales manager, but whether it was sales talk, and the ideas that underlay that as to the law, were exactly in accord with the ideas, on which we have been proceeding here, and the whole thing has straightened itself out."

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"Mr. Bacon: I have some communication from Mr. McGuire, the [fol. 844] secretary of the Western Association, I would like to read."

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"Mr. Cover: I have a matter to bring up I think previous to that, in connection with this discussion. It has been my understanding, that it would be the rule of the Association that all its members should be careful about giving out information that we acquire from these lists. We have been very much embarrassed in two different instances, recently, by several large customers of ours, having been told by another company that we had reported them to the Association. I think that is rather a breach of faith, to say the least of it, and certainly very bad policy. It would get us into trouble sooner or later, but now I do not know what to do about that, unless in making up our lists, to disseminate among the members, that we would designate the companies by some numeral or some key, of some kind, so that the name of the company would not appear prominently all the time on the list. Still, that would not cure the trouble, if anybody in any company sees fit to go out and tell somebody that they have been reported. It would help, it seems to me to be a check on publicity, it would help the list, not to have the name of either company printed thereon, if that list falls into the hands of somebody, who ought not to have it. We discussed that subject a great deal at the last meeting. If it got into the hands [fol. 845] of somebody who ought not to have it, if they did not have the key to those companies, they would not know how to tell who it was. It is just a little check on publicity.

"The President: I think this point is very well taken.

"Mr. Cover: I think that is carried out by the Builders Supply Association of Pennsylvania, with headquarters in Philadelphia. They have a system of numbers and different colored papers, and different things, and it seems to work very much to their satisfaction;

and I thought it might be well to suggest to our secretary, that he get in touch with those people, and see what their system is, so that at our next meeting he might be able to report to us, whether he thinks it has any features that it would be desirable for us to adopt.

"The President: How about that?

"Mr. Israel: Mr. Cover, your point is, all that is essential is that a certain concern that is behind in its payments be reported. It is perfectly immaterial what company reports the delinquent debtor, and there is not any reason in the world why the company that did report him should be said as having been the one to report him. You are perfectly right. Now, I get Mr. Cover's point; is there not some way; I think it is very important, and you are perfectly right. If, for example, your company gives information which is valuable to others, it is a sort of expressive of very poor kind of appreciation, to use that information to your injury.

"Mr. Cover: It was done in two cases to our injury, by another [fol. 846] company, which has large business relations with the same people that we have.

"Mr. Israel: I see the point.

"Mr. Cover: I think it was done to our detriment, but whether or not, it was a bad thing to do.

"Mr. Hilles: Would not Mr. Bacon's key be sufficient, if he has a key? For instance, he may have a letter D for Dexter, but it might also stand for some other company. It might stand for the Dragon cement, for instance. You might have "A" for Alpha, and Atlas. He has a letter he already uses, to designate each company. If he puts the letter on the list, and we all have the key, is not that sufficient?

"Mr. Lober: I do not see why we need anything but a letter, symbol, or number, to represent companies, and each responsible party in the company's interest could keep that key to himself.

"Mr. Cover: I would like to direct the attention of the secretary to the association I mentioned, which he can easily get in touch with, within a couple of blocks, and he can find out whether that system can be adopted to our needs or not.

"Mr. Bacon: Give me the name again, Mr. Cover.

"Mr. Cover: I think it is called the Pennsylvania Builders' Supply Association. I am not sure of the name, but I can tell you where to find the man. Ask for Mr. J. L. Durnell. He is with the Knickerbocker Life Company, in the Finance Building.

[fol. 847] "Mr. Lober: On the 24th floor.

"Mr. Cover: I think he is the secretary or vice president of that association, and he is thoroughly familiar with the committee.

"Mr. Lober: Mr. Israel's suggestion that we do not need names or symbols, or anything of the companies reporting, would cut out one feature that we had in mind in this plan, and that was that seeing a name of a debtor reported here by a particular company did not necessarily mean that that account was bad. It might mean one of a number of things, and our idea was that before jumping at any conclusion, that it would be wise to communicate with the company

reporting. We have no name or symbol, we will not know with whom to get in touch, excepting by asking Mr. Bacon, and that would mean a delay, of course, excepting those who can reach him easily by telephone.

"Mr. Israel: Cannot we all reach him by telephone?

"Mr. Lober: We can.

"Mr. Hilles: Not easily.

"Mr. Matthes: It would mean expense.

"Mr. Hilles: I am in favor of the symbol.

"Mr. Israel: A symbol idea would do it, I think.

"Mr. Lober: I think having a symbol would be much better than printing the name in.

"Mr. Cover: We might know the symbol, but everybody else in our company would not know it, I think.

[fol. 848] "The President: In other words, Mr. Cover, I understand you would like instead of the name being printed, that a key be furnished to each credit man, who was to be responsible for that key.

"Mr. Cover: Or each man that attends the meetings.

"The President: That is up to the company whom they designate, and the key can be furnished to that man, and him only, and the symbol be put on each one of the reports, so that the man knows exactly which company is reporting.

"Mr. Lober: I think the easiest thing would be to give each company a number, and No. 1, for instance, would be for Alpha; No. 2, so and so, and straight through the list that way; and if you wanted to mix them up, so that it would not be absolutely alphabetical, that would be a perfectly easy thing to do. Of course, if we had them absolutely in alphabetical order, it would be an easy matter for anybody seeing that, and guessing that, to figure which particular company reported the names.

"The President: Does that answer your question, Mr. Cover?

"Mr. Cover: Yes.

"The President: Is that motion seconded?

"Mr. Israel: I second that.

"The President: You have heard the motion. All in favor will say 'aye.' (Ayes.) All to the contrary 'No.' Motion carried.

"Mr. Bacon: I understand the next report to be gotten out is to be by symbols and the symbols are to be numbers, and I shall write to [fol. 849] each company requesting them to reply designating the man to whom I am to mail the key.

"Mr. Israel: Yes.

"Mr. Lober: How about the lists to be furnished to Mr. McGuire. Is he to be furnished with a copy of the key? He will have to be one added.

"The President: I would rather not have to go outside of our own family at the present time. If they want any information, they can easily call or write Mr. Bacon.

"Mr. Israel: Yes, sir.

"Mr. Bacon: Do I understand it is the opinion of the Association that I should send ten copies to Mr. McGuire at the time?

"The President: Yes, I think it was.

"Mr. Israel: But not the key.

"Mr. Bacon: There is not any key this month.

"Mr. Israel: Or hereafter?

"Mr. Hilles: Before we pass from this subject, I want, without taking any more of the Association's time than is necessary, to express my sympathy with Mr. Cover's remarks, and state that I consider the complaint he has made is one that indicates most unjustifiable and careless action on the part of some one, or more cement companies. It is a most reprehensible proceeding.

"Mr. Lober: I agree with that remark.

"Mr. Israel: I think that is the sentiment of every person here.

"Mr. Cover: I could read you what the party offended says about it, if you would like to hear it. His reputation is assailed. He is a man whose note a good many of you would be very glad to take.

"Mr. Israel: Exactly. It ought never to have happened."

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[fol. 850] Govt. Ex. No. 122

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., February 28, 1916, at 2 o'clock P. M.

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"Mr. Bacon: The proposed amendments to the constitution, discussed at the meeting on January 31st, last, and voted on by letter ballot, were defeated. The proposed amendments to the constitution, Article 3, page 5, and Article 8, page 7, were defeated by 13 to 3. I would like to speak about the matter of freight rate books. You are all familiar with the form in which they are made up, and in the way of corrections are made by pen and ink. Some of the books are quite lengthy, and there are a great many corrections to be made in them, it takes some length of time. I believe it was the desire of the Association that clerks in this office should do that at odd moments, and I would like to say it is almost impossible, certainly impractical for some time. We have had a clerk here for ten days who did nothing but correct books. We have several States corrected, and we have sent out so far sixty-three books fully cor-[fol. 851] rected to date. We expect tomorrow to have somebody else here to take over that department entirely and just keep correcting books, so that I hope he will be able to furnish everybody, as the requests come in, with freight rate books promptly. We have filled all the orders at the present time, except one, which just came in last week. In the future, I hope that we will be able to give them to you very promptly and correctly. I think that is all, Mr. Chairman."

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Mr. Coogan: Under the head of new business, we have all been furnished with a copy of the report as of January 1st, and today, before you go out, the secretary will distribute the copies of the reports of February 1st. It would seem to me that now we are in shape and we are getting this information, that the different members ought to study those sheets very carefully. I think you will find some very interesting facts on there. The idea of this Association is to give the manufacturer information which will help him to carry on his own business, and I think on these sheets are a great many, well, duplications, and a great many other things, which it seems to me that if this Association is going to do any good, each individual company ought to get to work and get all of the information which this Association gives them, that they possibly can.

"Now, in regard to statistical information, the Association was not able to get their information out, or requests for information out, until about the 14th or 15th, I think, Mr. Bacon?

[fol. 852] "Mr. Bacon: About the 15th.

"Mr. Coogan: And we are going to try to get the requests for that statistical information out from this office, so that it will reach the member companies by the first of the month; that is only a small matter, that of statistics, so far as this Association is concerned. Our mills are close by, and if everybody will go to a little trouble to send in that information promptly, we ought to be able to tabulate it and get it out to the member companies by the 5th of the month, and if we do that we will get it out before the contract information and credit information begins to come into the office, and clean it up before anything else comes in; and I am sure that all the members would like to have that statistical information just as early in the month as they can, and I hope everybody will let us have it just as promptly as they can. Was there much delay in sending in the information about contracts this month?

"Mr. Bacon: Why, some. The last list I received was on the 17th of February.

"Mr. Coogan: Which was that? That was not the Knickerbocker, was it?

"Mr. Bacon: No. The Knickerbocker came in on the following day.

"Mr. Coogan: That is another thing that we ought to try to get to the secretary as early as possible. We were not able to have this information. Part of the delay is in the office, on account of the system, as Mr. Bacon explained it; but even at that, some of these reports we did not get in until the 15th or 16th of the month. It [fol. 853] seems to me we ought to get them in here by the 5th or 6th at the latest, and I hope everybody will try to get it in, because the earlier we have it, the more good it will do us.

"Mr. Bacon: While we are on that particular point, Mr. Griffith and myself have sort of formed a sheet for the return of all contracts at the end of the month. It has on it a column for the member, the delivery point, the purchaser, the price, the total and balance due. I would like everyone to look at it, if they will, and say

whether they believe it would be a permanent sort of thing to make out (handing forms to members).

"Mr. Coogan: I would like to make a suggestion so far as the different forms are concerned. It seems to me that if two or three get together and decide on what they think is the best form, and send it out, if our experience shows that it is not the right form, we can easily change it. If we discuss it here, I am afraid it might take up a long time to get our information.

"Mr. Cover: Mr. Chairman, I move the chairman be requested to appoint a committee of three for that purpose.

"Mr. Coogan: To work in connection with the secretary to make up the forms?

"Mr. Cover: Yes."

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"Mr. Coogan: Now, gentlemen, you will notice from the first [fol. 854] report for the 1st of February, there has been an improvement made in that the contracts at the different towns are all listed under the one town. Now, that is going to be very easy for you to find any duplication; going over the previous report that was out we noticed a great many duplications. I suppose other people have also noticed duplications, but so far as I know the attention has not been called to any of these duplications. I think that if anybody noticed duplications, whether they affected his interest or not, the information should be sent on to the secretary, so that he can notify the companies that are interested, and have them make use of the information."

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"Mr. Bacon: Do I understand you, Mr. Chairman, that when I receive a notification of the duplication of contract, that I am not to send it to all the members, or just the members interested?

"Mr. Coogan: Just the members interested; but when you get the report from the members interested that one of them has cancelled their contract, that information ought to pass along to all the members of the Association, but until such time as it is settled, it only ought to be between the companies interested. We can decide that later on, whether it had better be done at the meeting, or by letter. I think, personally, it would be better by letter, so that we could have our meetings very much shorter, and have the information all in good shape."

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"Mr. Brown: There is no reason in the world why reports should be coming in here on the 17th. It is just as easy to have your work in here in such shape, that when the first of the month comes it is pretty nearly done. You can finish it and send it out at the most, three days after first. I know that we do in our office. We have all those details in our hands by the fifth of the month, and have to

wait until the second before we can start, because we do not get the final reports from our outside mills until then. It is simply a matter of system in your own offices, and then system here, and we will get our reports very promptly. Now, you cannot get these reports, and the credit men's reports as quickly as you can the statistical, and it seems to me that we ought to have that statistical information back into our hands summarized not later than the fifth of the month or the sixth, the furthest."

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[fol. 855] GOVT. EX. NO. 123

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., March 20th, 1916, at 11 o'clock A. M.

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"The President: Now we are open for any new business. I think Mr. Jiggens has a few remarks to make in reference to the five cents a barrel discount.

[fol. 856] "Mr. Jiggens: Mr. Walters has the card and Mr. Walters will no doubt read it and explain it to you.

"Mr. Walters: This is a little device of the Lehigh Company, which the Lehigh Company seems to have gotten into the hands of someone that has gotten into the hands of Mr. Jiggens, somehow; I don't know whether anyone else has seen it or not. We adopted it a short time ago and enclosed with quotations that are sent out and we are enclosing it with invoices and with statements in some instances, and we are also sending it out with some letters that we write where the letters bear on the discount proposition.

"If I had known that this question was coming up, I would have brought a few of these to pass them around; but Mr. Jiggens handed it to me since I have been in the room.

"We start the card by putting the word 'Discount' at the top of it. And under that 'Five cents per barrel for full payment within ten days of invoice date. 30 days net.'

"Now the body of the card reads this way:

" 'Discount of 5 cents per barrel on cement is a most liberal allowance. This discount is offered to make it of advantage to the dealer to pay invoices within ten days of the date rendered—not ten days after the date of arrival of cement. Discount cannot be credited if payment is made after the lapse of the ten day period. Fairness to [fol. 857] all customers obligates strict adherence to this rule; injustice of any other course is obvious. Payment may be made before

the arrival of cement with full assurance that all claims will be promptly and fairly handled.'

"That of course is our wording of it. We, like all the rest of you, no doubt had some trouble about customers sticking closely to the ten day period in discounting; and we have tried in every way that we could, to educate the customer to the exact meaning of those terms. In a number of instances the customer insists that he must get his discount ten days after the car gets there and the cement is unloaded and counted up and all that. We have tried to disabuse their minds on that point. Of course, a good many object to paying before they see the goods; and we have tried to tell them that we will be real good to them in cases of that kind and see that they are protected; and of course any responsible company will do that for its customers. But we have also tried to appeal to their sense of justice and fairness in the matter by telling them that it would not be right to give one man the benefit of the discount and make another customer pay strictly within those terms. I believe that this card is helping us somewhat; and at the suggestion of Mr. Jiggens I offer it to you for anything it may be worth.

"The President: Gentlemen, I think that is a point very well taken indeed. We all know that there are a number of our customers that not only wait for the car to arrive in some cases, but also extend [fol. 858] the ten days beyond the ten day limit from date of invoice. It was intended, this five cents on a barrel, it was absolutely intended to receive payment within ten days from the date of the invoice. And I think it is a very important thing that we try to hold to that arrangement, and the suggestion of the Lehigh Company seems to be a very good one.

"Mr. Israel: Mr. Chairman, would there be any objection to having that card copied and a copy sent to every member by the secretary?

"The President: I don't see any harm for the same verbiage, practically, being used and sent out by all the companies to their customers calling their attention to the fact, that this Association is giving them a discount for a payment within ten days and holding them to it, not eleven days or twelve days or thirteen days but holding them strictly to the account of within ten days' period.

"Mr. Israel: I was following the language of it very closely when it was read and it seemed to me to be admirably worded. There is not a superfluous word in it.

"Mr. Lober: I was just about to make the same suggestion as Mr. Israel. We all would like to have a copy of that card. So far as we are concerned I am going to have a similar card printed and used in our business.

"Mr. Jiggins: So am I.

"Mr. Corbett: Might I make a suggestion, there was only one [fol. 859] question that came to my mind and that was could not that card be a little more emphatic. I have a question and that is, would it be wise to strengthen that by some specific reference to the post mark showing the date or something of that kind. So far as I

know we have all been trying to insist on that right along and the customer who would talk of taking the ten days after the receipt of the goods—it is perfectly preposterous because we all know cars are sometimes three weeks on the road. For our part, we have never allowed a customer to take discount, under those circumstances, and we have lost our customer often before we would permit him to get away with such an abuse and take a discount after the car arrived rather than ten days from the date of the bill. But I think there should be some more emphatic reference right there as to the absolute date. We have all had people beg us for three or four days and all that sort, attempting that sort of thing and we might just as well give them something like this as a prelude to the laxness that we are all trying to cure.

"I have always felt it would be better—I would rather give a man a cut in his price, but I would not give him a discount in that way. You figure out a percentage of this of course and arrive at — as an insurance, and it makes quite a figure. You take all of these allowances and figure them as an insurance rather than a financial discount and then figure it out at the annual rate of interest and you will see that the allowance is exceedingly liberal.

[fol. 860] "Mr. Israel: The card does not state first, specifically that the ten days are to be computed from the date of the invoice and not from the date of the arrival of the goods.

"Mr. Corbett: Certainly.

"Mr. Israel: Then it follows that if the discount is offered to make it of advantage to the dealer to pay invoices within ten days from the date rendered and not ten days after the date of arrival of the cement. It calls it to his attention distinctly. There might possibly be an idea, that is in your mind carried out by underlining those words 'not ten days after the date of arrival of the cement.'

"Mr. Corbett: Absolutely ten days from the date of the invoice to be determined by the postmark of the letter containing the remittance, or something of that sort is my suggestion, I don't know whether that is too strong. I cannot see anything which is too strong with such a liberal discount, that is the way I feel about it.

"The President: Mr. Ackerman, will you take the chair?

"(Mr. Ackerman takes the chair.)

"Mr. Israel: The card strikes me so admirably and it is worded so concise and so clear and emphatic where this discount will be allowed that it is a question in my mind whether it is possible to improve it any. I made the humble suggestion that the words 'not ten days after the arrival of the goods' might be underscored in red ink because that would strike anyone in the eye that read it, it [fol. 861] would strike them right in the face and they could not very well get away from that.

"It has been suggested that the date of the invoice rendered be used. That might be less hopeful. A customer might say, 'Well, now, it is true you wrote on there March 10th, that thing never was mailed until the 12th or the 13th, and you ought not to count the

ten days from some arbitrary date that you wrote on the invoice.' And it has been suggested that the ten days begin from the postmark on the envelope containing the invoice. What was that reference to the date, wasn't that it?

"Mr. Corbett: My suggestion was not in any way a criticism of this card. I think it is a most excellent thing and I thoroughly approve of it.

"Mr. Israel: So do I.

"Mr. Corbett: But to my knowledge no one has ever been so fatuitous to let a man have discount ten days after the receipt of the cars, and I know of no case that has been done in, unless it be a very exceptional case, for some peculiar reason. My only idea was that we might emphasize, perhaps, by the word 'absolutely' or something of that sort, and make it more emphatic. We want to make it that it is absolutely ten days after the mailing of the invoice to the mailing of the remittance, and that that will be determined by the postmark on the letter.

"Mr. Israel: That might be a good idea.

"Mr. Corbett: The United States postmark would be a good guide because there are constant evasions, and if we don't start that thing [fol. 862] at the very beginning with absolute strictness there will be one, two or three different delays that will be worked or tried to be worked on you, where they will try to get some extra days in which to have the discount allowed, all of which would be very unfair but which will be very hard to detect and very hard to meet. Whereas if we have something of this kind stated in advance as a guide it might make it easier to meet."

"Mr. Israel: Suppose we enter the words 'Remittances will be considered as of the post mark on the envelope containing the remittance.

"Mr. Corbett: That is my suggestion, something to that effect.

"Mr. Lober: Mr. Israel, that very point, the date of the invoice might be taken care of by making that read 'The date of the shipment from the mill' which would be the same as the 'date of the invoice' with us, and I imagine with most companies.

"Mr. Cover: As shown by the bill of lading.

[fol. 863] "Mr. Lober: As shown by the bill of lading, yes. There is a point in connection with that cash discount time which I think most of you remember was brought out by the trade relations' committee of the other Association. They say that their counsel—I don't know which company's counsel, but I think it was the Universal Company's, advised that if a cement company as a general proposition held their trade closely to the ten days' time from the date of the invoice in allowing the cash discount deductions and then made one or two exceptions, allowed a customer here or there to take extra time on his bills under one excuse or another, that the car did not arrive, or that they were entitled to ten days from the date of arrival and so forth the statement was that the company was in effect discriminating in favor of such a customer by practically granting them a lower price, and that that was discrimination under the terms of the Clayton Act and illegal. I don't know

how that would stand at law, but it is not a bad argument to use on your customers. I have been using that with very good effect in a number of instances but I don't know how that would go, if we ever should go to court with a court case on that question, I don't know how that would come out.

"Mr. Cox: I don't know as you would have any difficulty with it, it is good doctrine to help out with anyway if you can make them believe it.

"The Chairman: I think that a number of you may have seen this arrangement that is printed on invoices as to discount which [fol. 864] says, 'The discount of five cents per barrel will be paid on or before'—and then there is——

"Mr. Lober: The date is written in?

"The Chairman: The shipper writes in the date.

"Mr. Lober: We have that on all our bills. It is printed in the margin of all our bills. You may have seen it, but we print it right in there, those conditions leaving a place in the margin to fill in on the bill the exact date and also stating that if it is not paid then the terms are 30 days net. It used to be two per cent and now it is five cents per barrel for payment within ten days from date of invoice, no discount after such and such a date which we write in when we make out the bill.

"Mr. Corbett: You write in the amount of the discount?

"Mr. Lober: We write in the amount of the discount, we compute it.

"Mr. Corbett: Saying it will be allowed on such a date.

"The President: Writing in the date."

[fol. 865] "Mr. Corbett: The amount also.

"Mr. Matthes: I am having printed now a number of slips, yellow in color, our invoice being blue so as to bring out the contrast, and on all slips showing discount of so many dollars and cents will be allowed if the invoice is paid on or before a certain date, and we put the date in addition on the regular invoice we have printed terms such as five cents a barrel cash discount allowed. My reason for that is, that the amount of money may strike the customer more forcibly than the five cents per barrel would especially a small customer. We are putting that additionally on, that is the terms on the invoices so as to try to bring in the remittances within the ten days.

"(The president resumes the chair.)

"Mr. Israel: I think that is a very good idea to do that, but this card serves still another purpose that is reconciling those who would feel disgruntled because they had paid two days afterward and yet the rule had been so stringently drawn against them. It is a sort of appeal to their sense of justice, that it would be unfair to others to allow it to them and not to other customers of the Lehigh Company, for instance, we will say.

"Mr. Matthes: I think the card is a most excellent thing to carry out this idea if it does as it was also stated by Mr. Ackerman that they were doing or somebody stated that they were doing, they

[fol. 866] were writing out the discount, how much it was in dollars and cents showing how much would be saved, drawing it particularly to their attention in dollars and cents that so much will be allowed if the invoice is paid on or before a certain date. Then write in the amount of dollars right on the bill, and that is a very good suggestion as making an appeal for immediate payment.

"Mr. Israel: That is the thought that is back of it.

"Mr. Matthes: That is the idea, to bring out the contrast, it brings it out, sends it out prominently before them.

"Mr. Walters: Speaking a little while ago about the post mark on the envelope, I will say this; I have our people in opening all mail to save every envelope that has a check in it, and I file those envelopes with the correspondence so I have the envelopes showing the post mark always unless it is a case where there is no question about it.

"Mr. Matthes: What do you do, Mr. Walters, in the event a remittance came in or was received through a branch office or through a traveling salesman on the road?

"Mr. Walters: I think where the branch office receives the remittance, if it got there within the time that would be acceptable.

"Mr. Matthes: You haven't any envelope in which they were received there.

"Mr. Walters: No, not always, other companies do not have the same regulations that we have at the main office.

[fol. 867] "Now as for these cards if it would save the secretary some trouble I might send in a supply so that he could send them out if you desire me to do so.

"The President: We would appreciate that very much.

"Mr. Lober: That would make it much easier for the secretary.

"Mr. Israel: It might be a good idea to send out also this idea on a slip of paper of a discount of so many dollars and cents that would be allowed if the invoice is paid on or before a certain date. That will remind us all over again of that idea.

"Mr. Matthes: I am having those printed at the present time, I have not got them in the office yet. My intention is to use them as soon as they come in.

"Mr. Israel: One of those enclosed as a sample with these cards, it would remind us all again of that idea.

"The President: Have you anything to say on the subject further?

"Mr. Cover: You will send these to the secretary?

"Mr. Matthes: As soon as I get them I will be very glad to do so."

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"Mr. Hahnemann: I would suggest we also report payments that have been made by customers whose accounts have been put in the hands of the attorneys. For some reason or other you know, some-

[fol. 868] times, these people have been sued or the contest upon it put in the hands of the attorneys and they might be perfectly good.

"The President: Do I understand you want all accounts?

"Mr. Hahnemann: When the accounts have been settled, that we also report that to the Association.

"Mr. Israel: Oh, yes, that is accounts that have been placed in the hands of attorneys to be promptly reported as paid as soon as they have been."

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"Mr. Hahnemann: Don't you think it would be to our advantage to report the accounts that have been settled?

"Mr. Israel: Oh yes.

"Mr. Jiggens: This was taken up at a previous meeting and decided that any information that we wanted to know further about the account, we could call up the company and ask, whether paid or not.

"Mr. Hahnemann: The way they are reported now, they have been put in attorney's hands and stay there.

"Mr. Jiggens: It was brought up at the previous meeting and put on the table.

"Mr. Hahnemann: I came late, last time, you know, and did not hear that.

"The President: Well gentlemen, it is for you to decide what you [fol. 869] want done in reference to this question. At the last meeting, it was decided that accounts placed in the attorney's hands, should be left in that state. Now if you gentlemen wish to have that changed, it can very easily be requested that all members send in a memorandum of all accounts that have been settled that have been placed in attorney's hands.

"Mr. Gilkynson: I should think that would be advisable to report that the accounts have been settled, otherwise these accounts will remain on the list there as being in attorney's hands indefinitely. But I don't see any advantage of reporting the amount of the accounts.

"Mr. Hahnemann: That I did not mean, but that somehow that account had been settled.

"Mr. Israel: In order to bring the matter up in some concise form I will make a motion that all accounts that have been reported as being in attorney's hands, be, as soon as they have been disposed of, reported by the company that originally reported as having placed them in attorney's hands.

"Mr. Corbett: I second it.

"The President: You have heard the motion. All in favor of it will say aye. (Ayes.) Contrary no. So ordered.

"Mr. Lober: I want to bring out the point that several of the interested members made in connection with that attorney's list. They wanted that list to be kept as a sort of permanent reminder, or evidence that the man's name had gone on that list and that was [fol. 870] enough for them. They didn't care whether the account had eventually been paid or not. They still wanted to know that that fellow had been subject to a suit, for they themselves did not want to sell him if some other person had to sue them. And Mr.

Medler was very emphatic about that, and therefore I understand that it was the majority of the meeting in New York—when I was running this thing—that the majority of the members would not want the name removed from the list, when it was paid—when the account was paid. They want the name continued there as having been sued at some past time. Of course, mark them paid, that is all right, but still keep the name in that list. You know, that list is simply a supplement, gotten out every month, and when that gets too bulky I think we will have the whole attorney's list reprinted.

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[fol. 871] Govt. Ex. No. 124

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., March 20, 1916, at 2 o'clock P. M.

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"Mr. Ackerman: It has been suggested that the companies who did not make any shipments last year be approached to see whether they will not pay to the Association an amount which corresponds to their shipments, if they had made them. If the Edison shipped any last year, I do not know. I understand the Cayuga did not. If [fol. 872] I might offer a suggestion, would you authorize your treasurer or some one to wait on these gentlemen and to report at the next meeting what the dues would be for each company? It seemed fair to the committee that they should pay whether they had shipped or not inasmuch as they got the full benefit of the work that we are all doing."

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"The President: Gentlemen, as a very small amount of money is in the treasury and we will need some money very shortly and the bills of course could not go out until the first of April, if it is agreeable to the members we would like to send out the bills a little in advance and we should appreciate any remittances that we possibly could get or receive before that time. Those bills will be dated, however, as of April 1st, according to our by-law. Therefore I would ask you to send us in as early as possible a check as requested.

"Mr. Israel: Do we get a discount of five cents on that?

"The President: This is not a sale of cement. We will now hear the report of the secretary."

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"Mr. Brobston: I have here a letter from Mr. McIntyre of the American Association of Portland Cement Manufacturers about the collection of information as to concrete roads, and its continuation. I think as far as the Lehigh Valley is concerned that the answer [fol. 873] for that ought to be for the entire district rather than for our own district. I will ask Mr. Bacon to read that letter and let the members here decide how they shall decide to answer to that letter.

"Mr. Bacon: This is a letter——

"Mr. Swett: Is not that out of order, under new business, is not this business which does not pertain to the Protective Association?

"Mr. Brobston: I am thinking it is the business of the Protective Association. As there has been a question asked in this letter here and it is worth while, it seems to me to give a uniform answer and the question is as to the collection and dissemination of information as to concrete roads. I think that is something that ought to be of interest and is of interest to the most of us, and I think we had better decide what answer should be made to that.

"Mr. Moyer: I do not think that comes under the head of what we are here for, I think that does not come within the scope of our constitutional rights.

"Mr. Brobston: Why not?

"Mr. Moyer: It comes under the head of promotion.

"Mr. Brobston: If we can do anything to promote or establish the cement business, we ought to do it.

"Mr. Moyer: But we cannot do that under our constitution and by-laws.

[fol. 874] "Mr. Brobston: We certainly can decide how we want to reply to this letter. You all have got this letter and I would like to know how you replied to it.

"Mr. Israel: I think Mr. Moyer's point is well taken. This letter concerns each and every one of us individually and as a company and as such a company being a member of the Association of the American Cement Manufacturers, but it does not concern the Protective Association as an association.

"The President: I think it is in order to move that the letter be laid on the table.

"Mr. Brobston: I withdraw the letter. The only point is this: They ask whether they shall collect the information and then if half of us say we shall collect it the rest will say they do not want them to collect it, that will not give Mr. McIntyre very much information. Whether that is not the simplest way of getting at this, I do not know, but it seems that we might easily decide as to whether we do or do not want the information and say what we want, what we want or what we do not want in no uncertain manner. But as I say, it seems to me that this is something that is fit to be taken up and asked and determined at this meeting.

"Mr. Moyer: I do not make any objection whatever as I think the project is an admirable one and, as Mr. Brobston has suggested, of considerable value, but if we are to take up all sorts of subjects of that kind, we certainly will have no time to take up the subjects that

[fol. 875] pertain to the subjects which are relative to the subjects of interest to this Association especially.

"The President: I think Mr. Moyer is right, as to that. That may be information we would like to have, but I do not think it comes under the regime of the Association.

"Gentlemen, it has been suggested by a certain member of the Association, that some definite action be taken in reference to the bin charge, and that the wording on all quotations—there should be some wording on all quotations stipulating that if cement is to be held and tested on the mill that it is to carry a charge of 3 cents a barrel. I should like to have the feeling of the members in reference as to whether it would not be a good idea to have on all quotations, wording something as suggested by this member. Would it not be well to have a 3 cents a barrel charge put on, call it a bin charge, on all quotations on cement held at the mills? That is a particular statement which is made to me, that there should be a charge made and stated in the quotation as a bin charge.

"Mr. Israel: I submit this as a point of proceeding and that is that this matter which is just now being submitted does not come within the purview of our constitution and the purpose of the organization. That seems to be the idea as to the other suggestion and this still seems to come within that feature. I make the point of order of that, that this is out of order as well as the other was. And [fol. 876] I would like the chairman to solicit the opinion of our counsel who is present and be guided in that respect.

"The President: Mr. Cox, the question has been submitted to you with reference to this so-called bin charge of three cents a barrel.

"Mr. Cox: I think the point of order is really well taken. It is not within the constitution and by-laws.

"The President: Well, Mr. Ackerman, have you anything to say on that subject?

"Mr. Ackerman: No, not for the moment.

"Mr. Brobston: Mr. Chairman, I might suggest that possibly I might bring that motion or suggestion within the proper limits of the discussion of this meeting, if it was simply made that a statement of any charges that are made for the bin charge should be included in the form of quotation we are using for the purpose of securing a uniform quotation: That any charge that is made for holding cement in bins should be noted on that quotation sheet. Would you feel that that would come within the proper limits, Mr. Israel?

"Mr. Israel: Without stating anything as to what the amount of the bin charge should be?

"Mr. Brobston: Yes.

"Mr. Israel: Yes, anything that is charged or suggested as Mr. Cox held, anything that is charged for bin charges should be added to the price stated in the quotation, Mr. Cox, what do you say to that?

"Mr. Cox: This I understand refers still to reporting these old closed transactions.

[fol. 877] "Mr. Israel: No, it refers to future business. As I understand, Mr. Cox, it is this:

"Suppose that in the selling of cement, there are some concerns that insist, that they shall send their inspectors to the mills, examine the cement, test it, and if it meets with their approval, then the bin containing that cement is sealed with a seal which, of course if broken, would be observed. That retards the manufacturer in the progress of his business considerably, as he cannot ship any cement out of that bin, no matter how short he may be of cement for his general business, that is gone, and the purchaser takes it out at his pleasure. Sometimes it may take a month and may take him more than that, sometimes two months or six months for that matter. Some purchasers, especially those of an official character, like the Water Board of New York, they will go to still further limits, they will say they want to test this cement before it ever gets into these bins at all, we want it tested as it is spouted down into the bin, and then of course after that sort of test again the bin is closed and sealed. That is still a greater hindrance to the manufacturer.

"I think we all feel justified in holding and making a charge for that.

"Without mention at all of what the charge should be that is made, and without any suggestion that the charge should be uniform, the suggestion made by Mr. Brobston simply is, that supposing [fol. 878] that I had to make a quotation, that then there should be in that quotation, if it were a large one, that a bin charge should be made, if the cement were held which would be plus X, that X being not necessarily uniform at all, each one making a different charge. You might say that it is four cents a barrel, and that would be, say $1.04 by one company and another company might make six cents a barrel and that would make the quotation $1.06, and whatever the quotation might be, that it should be incorporated or have incorporated in it as a part of the total sum this amount that they desired to charge for bin testing.

"Mr. Cox: Well, does not that rather relate to the trade practices with which the other Association deals, than it does with anything that we are doing here.

"Mr. Israel: No, the members of this Association all of them are selling cement. Now in quoting they desire to have some uniform practice in that respect.

"Mr. Cox: Yes, but thus far, as I understand it, this Association has not had anything to do with trade practices. That has been left to the National Association which has been drawn up in a sort of educative form of quotation, etc.

"Mr. Israel: Well, we do deal with business practices of this kind: we decide that it is a good thing to accelerate the collection of our accounts, to allow a discount of five cents a barrel. We decided that it is a good thing in order to protect ourselves against incurring indebtedness, uncollectible or partially so, to exchange information [fol. 879] as to our experiences with the different persons to whom we sell; we adopted that proposition, and so it seems to me it falls under the business practice.

"Mr. Cox: The point I make of that is this is a matter of the National Association, which deals with these trade practices. Thus

far we haven't dealt with them at all as an Association. It is upon Page 10 of the report of the committee on trade conditions of the National Association.

"Mr. Brobston: Mr. Chairman, I think this matter is absolutely very clearly pointed out and the suggestions as made are certainly covered in the objects of this Association. The object of the Association is for the collection and dissemination of such proper information as may serve to protect each manufacturer against misrepresentation and imposition and enable him to conduct his business as he feels he should do so free from exaggeration and the influence of false and insufficient information. If we don't know whether a quotation includes a charge for a bin test or does include a charge for a bin test, we certainly have insufficient information; and this is an effort to see whether we do have proper information as to whether a quotation be so made as to include a bin charge or whether it does not. It certainly seems to me that comes within the scope of this Association.

"Mr. Cox: I think that is perfectly correct, if those things that we have decided to report should include also information as to whether the figure includes the bin test. But the suggestion I un- [fol. 880] derstood from Mr. Israel was made here is that we would have some additional form or report relating to quotations as distinguished from closed transactions.

Mr. Brobston: He does not ask for any formal report at all, it is merely a suggestion that when we make a quotation the quotation includes the bin test, if it does, that we shall state on the quotation blank that we send out and specify that it does not include a bin test charge, so that the others of us seeing that will be in a position to know whether that includes a bin test; the dealer may say it does or it does not include the bin test. In other words, it gives the proper information, places us in possession of the information to know what the true situation is.

"Mr. Israel: Those are things that are brought up for decision of this Protective Association.

"Mr. Brobston: Which is within the scope of this Association.

"Mr. Dutton: If I remember correctly in our charter, etc., I am only supposed to report contracts of what we have done. Is not reporting something which we expect to do a little bit illegal? A quotation, in my opinion, does not come in the scope of this Association, so far.

"Mr. Brobston: It read from the by-laws of the Association which says: 'To keep us free from misdirection by false or insufficient information.' I only want the members of the Association to be able [fol. 881] to put themselves in a position where we won't be getting insufficient information in regard to other contracts of other people.

"Mr. Israel: Suppose you were to go to a dealer and he were to say to you that company X had quoted him a certain price whereas in truth and in fact this was not so. Perhaps no price was quoted at all, perhaps a greater price was quoted than what the dealer stated. That would be false information and whether you would

have a right to protect yourself against that or not is a matter which involves a question I would like Mr. Cox to answer.

"Mr. Brobston: I will put it in another way then, in reply to Mr. Israel's statement; we are reporting these quotations or contracts as they are made to the Association. We certainly should have our contract in form, so that we can tell whether it has a bin charge attached to it or whether it does not have a bin charge attached to it.

"Mr. Israel: Now is there any objection to that?

"Mr. Cox: No objection at all to include in the report that you are now making the Association, any information as to whether the price that is reported includes bin charges or not.

"Mr. Israel: Now we have it.

"Mr. Cox: But when you speak of a quotation distinct from a transaction heretofore which had been recorded, you open another and a different field.

"Mr. Israel: That is right. Suppose, Mr. Brobston, you be kind [fol. 882] enough to make a motion then that the records sent to the secretary shall state as to closed transactions whether it includes the bin charges or not?

"Mr. Brobston: I move you, Mr. President, that the reports sent to the secretary of the Association shall state whether they include a charge for bin testing or not.

"Mr. Cover: I second the motion.

"Mr. Coogan: Would that be necessary on every job that I report on, every contract that we report, to make a notation on it, if it does include the bin charges?

"Mr. Brobston: I should say not, I should say that when you reported a contract that included bin charges, you specifically should say so.

"Mr. Coogan: The omission to state whether you include bin charges or not would mean what?

"Mr. Brobston: If nothing is mentioned, it is assumed there is no charge for bin testing because if we adopt this motion that the bin charges should be specified, why then they would be stated if any were included.

"Mr. Israel: The only report made to the secretary for the bin charges or testing charge, that is if there is one, it shall be so specified and so stated, is that right?

"Mr. Brobston: That is correct.

"Mr. Israel: I will second that motion.

"The President: Gentlemen, you have heard the motion. All those in favor will say 'Aye.' (Ayes.) Contrary 'No.' So ordered."

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[fol. 883] "Mr. Gilkyson: I would like to ask for some information; is it understood that the Association is to furnish corrections for those books or is it understood that the companies themselves will have to make those corrections?

"The President: The companies themselves will have to make the

corrections as sent to them by the Association but they are kept as near as we can have them correct, and the changes are given to the different members of the Association and they themselves must make the changes in the books that they have.

"Mr. Swett: One question, Mr. President, members will not make corrections until advised to do so by the Association?

"The President: By the Association.

"Mr. Bacon: The Association has never sent out any corrections on the freight rate books, they have all been coming from Mr. Coogan.

"Mr. Brobston: I would like the meeting to consider Mr. Weaver's suggestion. It seems to me that even though it is only a matter of $900 or $1,000, that the members of the Association should pay for the copies as they get them. The Association could figure out the actual cost to the Association and then each company would feel free to order as many as they required, and I think Mr. Weaver's suggestion certainly is a proper one.

"Mr. Dutton: I think that is no more than fair. You take some [fol. 884] companies that have more salesmen out and they require a good deal more books than the company that only has a few salesmen.

"Mr. Coogan: And they pay more dues, too.

"Mr. Dutton: That may be so, too. That may be taken care of in the dues.

"The President: I would be very glad indeed to put that to a vote. It is a matter entirely for you to decide. I would not like to say.

"Mr. Coogan: The question should not come up until such time as we need to print some more books.

"Mr. Twamley: I have this to say. I think we should pay for the books. I know that we often have requests for books from our customers who want freight rate books, and I would not feel that I was at liberty to draw them unless I paid something for them. We have paid for them in the past and we can pay for them in the future.

"Mr. Swett: We are paying for them by our dues, in a sense.

"Mr. Twamley: I know, but the Association as a whole pays, but I think it would be very much better if each one of the companies should pay for the books that they require as they require them.

"The President: It was decided *that* the Association, at a former meeting, that they would be given to the different companies as they were wanted, from the supply that we have on hand.

"Mr. Twamley: Yes, I know that. But we can reverse ourselves in that respect, if we see fit to do so. I think that when that was [fol. 885] decided, Mr. President, it was understood that we already had a number of books on hand which might be distributed because they were already paid for. Now we have to pay out $800 or $900, and I think it is up to the Association to get that money back which can be spent in other channels, notwithstanding the fact that I heard the remark made here a few moments ago that the money would be rolling in on us faster than we could take care of it. I think when that time comes, we can find a use for it.

"The President: Well, gentlemen, you have heard the suggestion——

"Mr. Dutton: One moment, may I have a moment before you put that question? I would like to say, that as far as giving books to customers for them to use to figure freight rates on, I would like to ask whether that is not a dangerous practice? We have a lot of inquiries for freight rate books. The ordinary customer is supposed to be selling in his own town. He knows what the freight rate is there. It means that every time there is a change of freight rates, we have to keep in touch with the freight books that we have given out and see if they get the correct notice of the change of the freight rate. I think it is saddling on to each company who does that a whole lot of responsibility which may be a means of causing disturbances at different times on our quotations. We have a lot of inquiries about them, and I have always turned them down, I have not let any of them get outside of our own company.

"The President: I think you are right.

[fol. 886] "Mr. Swett: I don't think the customer should have the use of these freight books.

"Mr. Weaver: I don't think so either.

"The President: It is a matter for the Association members, and not for the customer.

"Mr. Dutton: That is what I believe.

"The President: I don't think these books are made up for distribution among the customers of any company, it is for the use of the members of the Association solely, and their different branches.

"Mr. Dutton: I might simply say this, all this was brought home sharply to me; about a year ago I was requested by a dealer in Baltimore for a freight rate book, and before I gave it any thought, I sent him one, and it was but a short time before I learned that he was making prices at different points down on the eastern shore there, and he had those freight rate books which he was using to upset the business that we had with the different dealers, and it all started from letting him have one of those freight rate books.

"The President: I think this information should be kept for the members of the Association, and not for its customers.

"Mr. Coogan: The Association has plenty of freight rate books to last them for probably the balance of this year with the exception of the State of Ohio. If the State of Ohio must have them printed. I don't imagine that one state would cost over $100. However, there [fol. 887] is no use in meeting a situation which is not likely to arise for some time, at this time.

"Mr. Israel: Mr. Chairman, there is no motion before the house.

"Mr. Moyer: I move that we go on with our new business.

"The President: Is there anything, in new business that is to come before us at this time before we take up the matter of the contracts? No other new business? (No response.)

"Mr. Bacon has a number of inquiries and a number of replies to the members that were filed as of February 1st.

"Mr. Brobston: Let me ask you a question, Mr. Chairman, in the

line of finding out what this Association can or cannot do. Is it the business of this Association to know whether a person is or is not a dealer?

"The President: I think that would be in order to answer whether a customer is a dealer or not.

"Mr. Brobston: What I mean is, is it a question to come before this Association to decide whether a person is or is not a dealer. That is exactly what I mean.

"The President: That is an interesting question. I don't think that that would be pertinent at the present time, Mr. Brobston.

"Mr. Brobston: I would like to have the counsel pass on that, whether it is a proper thing for us to bring a question of that kind up. [fol. 888] "Mr. Cox: That is a matter as I understand of trade relations, it has that in it and that is a feature which this Association has never gone into.

"Mr. Brobston: I will put it in another way: Is there any other reason why this Association should not enter into trade relations matters—I think it is about time it did.

"Mr. Cox: You will have to amend your constitution to do that, if you really want to do it.

"Mr. Dutton: I would like to make a suggestion: In our reporting of these contracts here I do not believe at the present time, as Mr. Cox said the way it works out, that we have any right here to discuss here as to whether we are going to quote a man as a dealer or simply some other way, and I do not think it would be in harmony. I think that we should simply report these contracts as sold to a dealer or contractor and leave it wholly on the company who is doing the reporting to specify it as they saw fit, they could very easily take these contracts and check them up if they chose and ascertain that fact. I had several inquiries from parties as to whether such and such a contract was with a dealer or whether it was with a consumer. As it is, if you want to find out, you have to write a special letter about it to check the matter up and that becomes a matter that takes a lot of time, if you want to go through these 38 pages of contracts here and find out about very many of them.

"The President: Is not that the answer, in view of the fact that [fol. 889] you have been able to get that information during the last three months on those that have been reported on that method of inquiry. It seems to me that a simple look at the price would answer your question there without very much trouble, if you see whether the price was at $1.05 or $1.10, wouldn't that answer your question?

"Mr. Dutton: Still it is an easy matter to take from your own information and report on your own contract and say whether it is a dealer or a consumer by putting a D or a C after it, that would clear up the whole situation at once, as to how you considered it, and that would save any question unless one wanted to go into the matter further.

"Mr. Cover: It would be a good way of getting an expression of how each member regarded his contract, whether he regarded them particularly, in each particular instance as a dealer or not.

"The President: Would not that show by the quotation itself, Mr. Cover, as to what price it was quoted at without saying whether he was a dealer or a consumer?

"Mr. Israel: No, Mr. Chairman, as the price does not always remain the same, and there is no such thing as a uniformity of price owing to the changes of freight rates and distances of delivery. But as a matter of record of each individual case, I cannot say, unless Mr. Cox finds objection to it, but in the matter of reporting the contracts to the secretary, if we will state if the purchaser is a dealer or contractor, that is all we have to do.

"Mr. Brobston: Mr. President, the question is this: All of the [fol. 890] companies in this room here now and have for some time in the past had a trade custom of quoting dealers and contractors on different bases. That is an accomplished fact which everybody—it is a generally known fact, it is something which has been done, and we are not speculating about the future. It certainly seems to me very pertinent as to the business of this Association as set forth in the constitution, because we desire to know whether a certain man has been in business, and is quoted as a contractor or a dealer by the people who deal with him, who are in this room. I do not see any reason why we should not find out about that right at this meeting. This is a matter that has occurred in the past, it is a fact well known and practically it is an established custom which has been had for years.

"Mr. Israel: Mr. Brobston, we could agree on something as to a form there and I was going to make a motion, Mr. Chairman, that any companies hereafter reporting their contracts to the secretary, that they will please state on the report whether the purchaser is a dealer or a contractor.

"Mr. Gilkyson: I second the motion.

"The President: Gentlemen, you have heard the motion. All of you who are in favor of it will say aye. (Ayes.) Contrary no——"

"Mr. Coogan: Just a moment, on all the reports we make to the secretary?

[fol. 891] "Mr. Israel: As to our contracts reported, state whether the purchaser is a dealer.

"Mr. Coogan: I think you are adding a burden on the member companies which does not amount to very much to the different companies.

"Mr. Israel: I made the motion to get it before you.

"Mr. Coogan: I cannot see where it will help us to get anywhere by stating whether a man is a dealer or a contractor or what he is.

"Mr. Israel: Mr. Chairman, I consider that the motion has not been put yet, it is being discussed.

"Mr. Erdell: I think it is a very good thing to have in the report. If you are in doubt, you look it up, you go after the information anyway as to whether a man is a dealer or a consumer, if there is any doubt about it.

"Mr. Gilkyson: I think it would be a very good thing to report, because that would naturally bring out the question as to each

company considering certain business as with a dealer or whether they considered it as with a contractor.

"Mr. Coogan: If that is what you are after, it is only effective in this way, by having this Association get up a list of dealers, and that is almost an endless job.

"Mr. Scott: I think you will find that would be adding a great deal of work.

"Mr. Coogan: I don't think it ought to be done.

"Mr. Swett: Could an amendment be made to the constitution, [fol. 892] whereby trade relations matters could be taken up through this Association?

"The President: Will you answer that, Mr. Cox?

"Mr. Cox: Of course it could be proposed and sent out for a vote. I suppose every company would have a right to take advice as to whether this is a proper thing to do, etc.

"Mr. Swett: There seems to be a number of trade relations matters coming up to this meeting, and in fact every meeting, and as I suggested, why should we not have a final decision on these matters of trade relations, or have a committee to take up these matters with the attorney, and see if the trade relations matters can be taken up through this Association through an amendment of the constitution. If they cannot, all well and good.

"Mr. Scott: I second that motion.

"The President: There is a motion already before this meeting.

"Mr. Swett: If it is decided that we cannot through this Association, then we can drop it and drop all trade relations matters at these meetings.

"Mr. Brobston: Mr. President, I will give you the specific reasons which caused me to bring this question up at this time: I don't feel that it is necessary to report in our monthly reports whether it is a dealer or a contractor with whom the contract has been made. It may be a good thing. But all I had in mind is I have here a communication from New England Builders' Supply Association which [fol. 893] says: 'Have been credibly advised that the following named parties should be classed as dealers.'

"Mr. Swett: That is out of order.

"Mr. Brobston: We all know whom to class as dealers.

"The President: We are trying to get this worked into a trade relations consideration, as to whether we can take that up in this Association, that is a matter that should go to that committee as to who is a dealer and who is a contractor.

"Mr. Brobston: The point is this, that if it is proper for us to decide and state here to the other members whom we regard as dealers and contractors, I think this is the place to do it. If it is not proper we ought not to do it.

"The President: We will try to see if it is within our province, Mr. Brobston, to submit those matters to the committee on trade relations, and if that is permissible that will come under that heading, and under the matters which they can take up."

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"The President: The chair understands he is to appoint a committee to confer with counsel as to whether the question of appointing a committee on trade relations is proper, and will report at the next meeting. I think that is the motion. Gentlemen, you have heard the motion and all of you in favor will say aye (Ayes), and those not in favor of it will say no. So ordered.

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"Mr. Sweet: That would be giving us what we want. We don't care about the work, what the Association wants is information and that is what we are paying for."

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[fol. 894] "Mr. Swett: Certainly. For instance, if I have a contract for one thousand barrels of cement and the secretary calls my attention to this contract stating that he believes that it is a duplication and not a bona fide contract and I, upon investigation find that such is the case, I cancel the contract and I so advise the secretary and then the secretary in turn advises all the members of the action that I have taken.

"The President: Some of them don't seem to want to cancel some of these contracts.

"Mr. Swett: That is the trouble, that is what I am trying to bring out. I am not making any complaint about the manufacturers that do take steps to investigate their contracts, it is those that do not take steps to investigate their own contracts. The fact that any competitor of mine called my attention to a contract that did not look quite right or the proper way, I would say now that I would not stop at any expense to investigate it thoroughly. If the contract was so, that I found the contract was not proper I would take steps to cancel it. I think we should all do likewise if we want to get anywhere. That is the purpose of this Association."

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"Mr. Israel: Mr. Swett's suggestion is that as soon as there would be a controversy in which there should be correspondence exchanged, suppose the controversy was finally settled, we will say between the [fol. 895] Coplay and the Pennsylvania, we will take as an instance, the reply to one letter will be sent and a copy of the other letter received from the Pennsylvania will be sent to the Coplay and vice versa to the Pennsylvania. If no action is taken by the parties to the matter, it would be nothing then for the secretary to report. But any action that is taken by the Coplay for instance if they decided that it was a duplication and they cancelled it, then notice of that particular act, that that contract was cancelled by the Coplay would be the information that would be given to all the members so that they can strike that off of the list.

"The President: That would come from the secretary."

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"Mr. Bacon: We were asked to investigate contract closed by both the Penn-Allen Company and the Phœnix with P. H. Fairlamb & Co., for 8,000 barrels on the Miserecordia Hospital.

"Penn-Allen replied that this cement is supposed to be used by Mower & Sons for fireproofing, and as there is a dispute as to which cement will be used we are working on this in connection with the Phœnix, so that when the fireproofing does start one or the other contracts will be cancelled.

"Phœnix replied to the above to the effect that both the Phœnix and Penn-Allen Companies have contracts for 8,000 barrels to be used on this work.

[fol. 896] "Mr. Gilkyson: I would like to make an explanation about that contract: We closed that contract considerably in advance of the Penn-Allen.

"Mr. Swett: That is right.

"Mr Gilkyson: And I think it is perfectly legitimate by the way. And the contractor tells us they have proposed to use Phœnix cement on that job. Now I had it up with the Penn-Allen Company after I found that they had gone back and closed a contract too; and we felt that of course we could not both ship on the contract; and that whoever shipped on the work first, the other company would cancel. Of course the work is not started; but due to the fact that the duplication is on the list, I felt that we ought to get the thing settled so that that duplication will not exist. I, personally, saw the contractor today; and he makes the statement that if he lives to see the work started—and he is in a perfectly healthy condition apparently—he will positively use Phœnix cement on that job. Now I am going to ask the Penn-Allen Company to cancel that contract.

"Mr. Erdel: And the architect positively says there will not be a barrel of Phœnix go on that job.

"Mr. Gilkyson: Well, that is the other side of the story.

"Mr. Erdell: I think without doubt that very shortly one or the other of the companies will cancel their contract. We have all said that between ourselves, and as soon as Mr. Griffith raised the question [fol. 897] this month and wanted to have the thing cancelled before the end of the month, I took it up very vigorously to see if there was not some arrangement could be made and either one or the other cancelled it. If our cement does not go on the job, I shall cancel our contract immediately.

"The President: That is the spirit gentlemen. That is the way to do it.

"Mr. Erdell: I will tell you what we will do, we will cancel our contract as far as it comes here it ceases, it goes off of there.

"Mr. Swett: Let it stay on, it would be better.

"Mr. Gilkyson: It is entirely up to the Association.

"The President: It is the understanding that who ever gets the job, the other will cancel.

"Mr. Gilkyson: The only danger I see on that particular job is that this cement is asked for through a dealer; and I am afraid that dealer will misuse some of that cement; if it is left up to him.

"Mr Erdell: And in our case, because we have our instructions from the architect who is to sample cars for that work before it leaves us, in that case it won't be.

"Mr. Gilkyson: That might take care of that."

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"Mr. Brobston: I would make a statement in regard to a number of contracts to which my attention was called by Mr. Dutton. Our contract with the Ford Sand Company and the Potter Paving Company we find are duplications, and they can be marked cancelled.

[fol. 898] "The President: If we can have the same cooperation of each member of the Association I think we are going to close out this subject of blanket contracts and duplications very quickly.

"Mr. Swett: Could not each company take steps to check their own contracts?

"The President: That is what you want to do."

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"The President: I understand that each one of the other companies should check up the report as submitted by every other company so that we can all get some light on the different contracts. In that way, if any other company can help the situation, the secretary would appreciate it very much and so would the fellow members.

"In that same connection, gentlemen, I feel it is more or less up to the Association to have some one to investigate further these contracts that have been reported and trace them all the way through. Now that will entail some little expense to the Association. And as we receive these inquiries and have not any reply from the different companies, if we had a man employed by the Association, he could follow those up. We could then authentically give the information in reference to each and every one of these contracts as they are investigated."

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"Mr. Swett: And he would only have to check up such jobs as say two concerns could not agree upon. For instance when I looked upon [fol. 899] a contract as being bona fide, and another company that was interested looked upon their contract as bona fide, and you would have the reports from us, each one of those two companies and then the Association man in turn would make his investigation and whatever decision he came to would be final.

"Mr. Dutton: As far as one man is concerned as I just said a few moments ago, he would devote all of his time in the beginning right here around Philadelphia, and I think one man is not sufficient.

"Mr. Swett: In the case of one man, he would only follow up such contracts in which two concerns interested could not agree upon as has just been explained. Now for instance, if you called my attention to one of my contracts and I find the information was correct that you gave me, it would not be necessary for the Association man to investigate that contract for the Pennsylvania.

"The President: Not at all.

"Mr. Swett: But on the other hand, if you felt one of my contracts was not bona fide, and I in turn felt that it was, then we could call upon the Association man to make his report.

"Mr. Dutton: In other words the only work he would have to do would be check up contracts in which two manufacturers could not agree upon."

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"Mr. Gilkyson: I think this man would be more of an arbitrator, would he not, than an investigator? That has been suggested here?"

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[fol. 900] "The President: Gentlemen, I do not know whether it is exactly in order, but I would like to ask one question. Have you gentlemen been quoting simply to dealers for 15 days' shipments? Been quoting, notice I said.

"Mr. Ward: I did not get the question, Mr. Griffith.

"The President: We are quoting to dealers only on 15 days' shipment.

"Mr. Ward: We have been quoting 30.

"Mr. Gilkyson: We have been quoting 15.

"The President: Gentlemen, the point is this, speaking personally: The Giant Portland Cement Company are quoting to dealers on 15 days' shipment; and just as an example, I would like to see how the different members of the Association have been quoting. It makes somewhat of a difference in the past, as to what has been done, and I would like to ask the different members as to how they have been doing it.

"Mr. Gilkyson: 10 days' acceptance, shipment within 30 (thirty) days.

"The President: We are quoting five days, and 15 days' shipment.

"Mr. Gilkyson: 15 days after the five days?

"The President: Five days' acceptance, and 15 days' shipment from date of quotation. How are you quoting, Mr. Gilkyson?

"Mr. Gilkyson: 15 days straight, no modification of it at all.

[fol. 901] "The President: How about you, Mr. Alker?

"Mr. Alker: Seven days' acceptance, 30 days' shipment.

"The President: Mr. Coogan, what is your rule?

"Mr. Coogan: Immediate acceptance, 15 days' shipment, that is for warehouse requirements.

"The President: Mr. Kyle, how about you?

"Mr. Kyle: Five days' acceptance and 30 days' shipment.

"The President: And Mr. Ward?

"Mr. Ward: I told you I have been quoting 30 days.

"The President: Immediate acceptance and 30 days' shipment?

"Mr. Ward: From the date of quotation.

"The President: How about you, Mr. Twambly?

"Mr. Twambly: Immediate acceptance and 15 days' shipment.

"The President: Mr. Smith, what is your practice?

"Mr. Smith: Approximately 15 days. We quote them say the first or the third or the fourth of the month, making the quotation expire on the 15th. Or we quote on the 14th or 15th or 16th of the month and make it expire on the first of the following month.

"Mr. Swett: What acceptance?

"Mr. Smith: Straight time, approximately 15 days.

[fol. 902] "The President: Mr. Lober, what is your practice?

"Mr. Lober: Same with me.

"The President: And Mr. Dutton, let us hear from you?

"Mr. Dutton: Up till March 1st we quoted seven days' acceptance and 30 days' shipment.

"The President: And on March 1st, what?

"Mr. Dutton: On March 1st we sent out a new quotation of immediate acceptance and 15 days' shipment.

"The President: Mr. Weaver, what is your practice?

"Mr. Weaver: Yes, the same.

"The President: Immediate acceptance 30 days?

"Mr. Weaver: Yes.

"The President: How about Allentown?

"Mr. Weaver: Immediately, 15 days.

"Mr. Scott: What is the construction of the word 'immediately'?

"Mr. Dutton: I thought of that myself. We figure that immediate acceptance is by return mail.

"Mr. Swett: What is the Vulcanite?

"Mr. Lober: Immediately and 15 days.

"Mr. Dutton: I figure that as being by return mail.

"Mr. Weaver: I think the Trade Relations Committee thrashed that out pretty well, did it not, at Atlantic City, advising 15 days' shipments?

"Mr. Swett: Generally understood to be a 15-day proposition.

"Mr. Cover: It was referred back to the Committee, though.

"Mr. Swett: It was five days and decided on the 15-day proposition, as I understand it.

"Mr. Barbour: Ours is 30 days.

"Mr. Swett: Suppose we study that Trade Relations Report and at the next meeting we call the roll.

"Mr. Barbour: All right. That would be agreeable to me."

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[fol. 903] GOVT. EX. No. 125

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., April 17th, 1916, at 11 o'clock A. M.

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"The President: There was one question that one of the members raised with me with reference to empty bags, and that is a report on all empty bags returned from January 1st to March 31st back and the percentage of a number of worthless and damaged bags that have been deducted from this credit memorandum. That question was raised in view of the fact that we might want to get at the question of how many bags are considered worthless in different shipments, and they want to know if it is feasible and if it could be done by the treasurers of the companies and a report made to the secretary of the Association. It would not be necessary for the company's name to appear on the report. That could make it A B C D and so on, but that would give all the different companies some idea of the percentage of worthless bags received in the different shipments and how each company is working their credits on bags. I think it is a point very well taken, because if a man returns 1,000 bags and is dealing with three companies, it would be more or less of a rebate if one company were giving him full credit for worthless bags and another one deducting a percentage of bags that were worthless.

[fol. 904] "Mr. Lober: We can do it easily enough."

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"Mr. Lober: I believe there is quite a variation of practice in that particular. Of course, it is not entirely with the credit end; it is largely with the inspection end at the mills.

"The President: It comes through the credit department.

"Mr. Lober: We get it through the mill. Of course, if the inspector gets a little lax in his inspection and puts through bags which he shouldn't then the percentage is not as large as it is the other time when the inspector gets backs up. The trouble is that many times we do not find out they are lax until our customers make a terrific kick, after the bags have already gone out, about bursted bags, and bags torn in the cars. When the inspectors do not find as many as they should we jump on them and they stiffen up, the percentage usually increases, and our balance of torn bags decreases until those fellows get careless again. I know ours does not run anything like three per cent, that is returned bags, over a period of years. I do not know what it has been so far this year.

"Mr. Christ: The Association has some statistics and they ask that question each year.

"Mr. Lober: I gave them the information at the time.

"Mr. Christ: What was the percentage on that?

"Mr. Lober: From ourselves?

[fol. 905] "Mr. Christ: No, the whole thing.

"Mr. Lober: I don't know; it varies a great deal.

"Mr. Horner: I think that was nearly 1½ per cent to the Association.

"Mr. Christ: 1½ per cent?

"Mr. Lober: Some companies were giving full credit. That was the information that has been reported, and that in effect practically

meant a rebate—that is giving to a customer credit for bags which couldn't be used again, and it might be interesting, from the credit stand-point, to know just what the general practice was in that respect. We might get out a report, without giving the names of the companies, simple giving A, rejection for the first three months of 1916 were 1¼ per cent; giving B; rejection 2¼ per cent; C, as high as 3 per cent, not knowing which company was which. We would get an idea of the variation. Some might be as low as ½ or 1 per cent; some might be almost nothing.

"Mr. Israel: In other words, it shows there is a considerable difference, and now the next step would be how to straighten that up.

"Mr. Lober: Yes, sir.

"Mr. Israel: In other words, get more uniform practice.

"Mr. Lober: Yes. In connection with that, there is another matter I would like to bring out, and that is that the percentage of bad bags you would get back will vary much with the class of trade [fol. 906] you sell in general. If a great deal of your business is right to job where it will pay the user of cement to look after his bags carefully, when there are enough bags to enable him to spend the money to take care of them, the probabilities are that your bags will come back in better shape than will be the case where you are on a lot of small work and where they cannot afford to spend that money, and they are more careless with the bags. We noticed it particularly in returns of different customers. Some of our larger customers who use a great many bags of cement return almost no bad bags. The only losses they have are what you might call ordinary wear and tear. There are no abused bags. Other customers, small users of cement, return a very large percentage of useless bags. They will have a great many of hardened caked bags. We find that if the number of bags is small they cannot afford to employ a man to look after them.

"The President: Is it your feeling that it would be advisable to have a report made to the secretary, giving him the number of bags returned for the first three months of the year and the percentage of rejected bags, each one by letter instead of by name, so that the information can be compiled and sent to the individual members?

"Mr. Israel: It strikes me that might convey the opinion, if that were done, that there was either practical uniformity or very great variance in regard to the consideration of the returned bags, whether sound or unsound, and if we had that information and found that [fol. 907] there was considerable variance, would we be any nearer to a solution of the difficulty than we are today?

"The President: I think we would, in view of the fact if your company were allowing 10 per cent and one of the other companies was only allowing 3 per cent, you would look into your bag question very carefully to see the condition that your bags were shipped out in and packed up, if necessary. If your percentage were so much larger than the other fellow's, you would know why you gave credit for 10 per cent and somebody else only 3 per cent. That is where I think it would probably be a benefit to us to have this information.

"Mr. Israel: Suppose when the return of this information came in we found that 15 companies represented an average of 4 per cent and 8 companies represented an average of 10 per cent, would I be safe in concluding I am on the wrong side of this thing because I have been allowing or rejecting 10 per cent or would I be right in coming to the conclusion that I was on the wrong side if it were reversed? In other words, I would not know whether the eight that represented the 4 per cent included the Alpha, Atlas and Lehigh. If they did, would that be the right side of the scale for anyone to judge by? That is the correct average, because it represents, by all means, the larger volume of bags dealt with. But if the Alpha, Atlas and Lehigh were in the other column, which is just the other way (I am only guiding myself by the average shown by the large [fol 908] majority of the bags handled), it would be foolish for me to say, 'Well, I am right,' even though I am pursuing a practice which the larger majority do not. Whatever is shown to be the practice in regard to the larger majority of bags undoubtedly is right, but I would not know from this information, obtained in this way, anything about that.

"The President: I see exactly what you wish to draw out. I put it in the shape of a question as to whether it would be advisable to report by letters or by companies. That, of course, is for the members to decide. I would rather have it done by name if the general policy is feasible and meets with your approval.

"Mr. Israel: I would be very glad to see our name on the report with that information.

"Mr. Lober: There is no objection to us going out by name, if you desire.

"The President: How do you feel, Mr. Jiggens?

"Mr. Jiggens: I am satisfied.

"Mr. Matthes: I am satisfied.

"The President: Suppose someone offers a resolution to that effect. The question is whether the members feel it would be feasible to have this information brought to the members' attention, through the secretary, by individual companies reporting their name, and let the report go out giving the name of the companies. You have heard the resolution. Mr. Israel, I will ask you to put it in the shape of a resolution, if you desire.

"Mr. Israel: If you will be kind enough to repeat what you just said, I will make that motion.

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[fol. 909] GOVT. EX. No. 126

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., April 17, 1916, at 12 o'clock M.

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"The President: I will ask Mr. Moyer if he will report on what the Committee on Details arranged at the last meeting.

"Mr. Moyer: This report is written in Quaker style, 3rd month, 28th, 8 West 40th Street. The Committee on Details met, and the question was brought up as to taking up matters of trade relations, etc., in this Association. It was decided that these matters could be better handled by the Portland Cement Association, they having a Trade Relation Committee, on which Committee various members of this Association are.

"It was also decided that all paving contracts should be considered, adequately described and designated in the reports of contracts by this Association. At the present time it was not thought advisable to employ a man for the purpose of investigating contracts. It was decided that all information desired on contracts come through the Association office. If any one wishes to take up any matter regarding individual contracts with a member company, write to the Association office and the office will report the matter to that member company without giving the name of the source of information at all, so that there will be no possibility of these matters being used as sales efforts."

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[fol. 910] "The President: * * * The next point I wish to raise is, would it be possible to give the average price of each manufacturer's shipments to the Secretary, so that a report could be given to each member of each company of the average price for the preceding month.

"Mr. Brobston: What would be gained by that?

"The President: It would give the sales manager an idea of the different companies' average price so that they could see their own selling price as compared to the selling price of the others.

"Mr. Brobston: What would be the advantage? A man that sells at a low price would have a low average, and the man that sells at a high price would have a high average.

"The President: He might be making a number of current shipments during that month, which might bring that average up in connection with his average contract price.

"Mr. Brobston: If the contract price is high the man will have a high average and will have a higher price than the man who has a low contract price or selling price.

"Mr. Swett: I do not think at this time that it would be very helpful.

"Mr. Brobston: For instance, take mills like the Edison and Lehigh mills, their average price would be higher, I do not see what you would gain by that."

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"Mr. Erdell: We told the President that if the Association con- [fol. 911] tinued to send reports to people who did not furnish reports, we would discontinue sending our reports.

"The President: That is why I want the Association's views on the subject.

"Is there anything to be said on that?

"Mr. Israel: Why not have the matter in such form that you have an official record for your future guidance?

"The President: I would like to have that.

"Mr. Israel: I move that reports shall be sent only to such companies reciprocally as send such reports of the Association.

"Mr. Swett: That is covered by the by-laws.

"The President: You have heard the motion. All those in favor say aye.

"Mr. Coogan: That contemplates if there are some companies who furnish information to the credit branch and do not furnish it to the contract or sales branch, that those who furnish credit information would get the credit information and those furnishing the sales information would get the sales report?

"Mr. Israel: In other words, reciprocity.

"Mr. Swett: The by-laws say the secretary shall put all information contained in a convenient form as directed by the Association and distribute the information thus prepared to the members thus reporting.

"Mr. Israel: In Section 8, Collection and Distribution of Information, it says that on or before the fifth day of each calendar month [fol. 912] each member shall forward to the secretary a full statement of all accounts outstanding sixty days or more, etc.; a statement of all bills receivable on hand, etc., less account for attorney's fees for collections, etc. Then comes heading Two, Statement of Contracts. Then comes a Statement of Contracts Canceled (No. 3); Statistical Statement of Computation and Shipments. Then follows, upon receiving the foregoing statement, which includes credits as well as the others, the secretary shall forthwith put all information contained in a convenient form as directed by the Association and distribute the information thus prepared to the members reporting. The secretary will prepare and distribute among the members complete schedules of freight, etc.

"I take that to mean that we would have no right to send any reports of any kind except to companies who send all this information, not a part of it, and I beg leave to withdraw my motion.

"The President: You have heard Mr. Israel's withdrawal. All those in favor say aye (Ayes). Contrary No. So ordered.

"It is the feeling of the Association that the report be not sent except to those members who furnish reports.

"Mr. Israel: That is, that no reports are to be sent, except to members who send in all reports."

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"Mr. Cover: I think it is very well understood why our company does not report contracts.

[fol. 913] "The President: Yes, that is thoroughly understood.

"Mr. Cover: It is very hard for us to make it understood. I want to make a statement now that beginning the first of next months we will report our contracts irrespective of what anybody else does. (Applause)."

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"The President: The chair can only ask that you give every possible facility to get this information in at the earliest minute. You are the sufferers by not doing it. The Secretary does not hold it up except for the report of individual companies.

"Mr. Twambley: Suppose we fine them if they do not have their report in by the fifth. In that way you will have them all in."

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[fol. 914] Govt. Ex. No. 127

Regular Meeting of the Manufacturers Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., May 15, 1916, at 11 o'clock a. m.

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"Mr. Israel: * * * It would be most valuable information, and that information we could not possible get through Bradstreets or Duns, and there have been a number of businesses and industries that have adopted this very plan, for instance, the Jewelers' Association. It is one of the best protections against bad credit [fol. 915] that I can think of, and the only question is whether it will impose so much work upon this office as to make it impossible to handle it with the force we now have. But it is very valuable, beyond question.

"Mr. Lober: I may bring out a point in connection with the western plan. You may have noticed that the way they are handling it through their central office they will not have any reports such as this paper that has been passed around here in Philadelphia among the dealers would make necessary. They will simply have

the names of the parties to whom they apply to get the information and will apply, themselves, to get it. That would not materially increase the amount of work in this office, only to have the names of the places where we can go to get what we want.

"The President: If this met with your approval I think it would be more in line to adopt it than the other one that has been passed around. We are endeavoring to talk the same language with the Western Association, and to make as nearly uniform reports as we can on all subjects, east and west, because the South having joined us, we will only have two Associations, and if we can have the same reports on contracts and credits and statistics, it will be more simple to run it on one basis than on two or three different forms.

"Mr. Lober: There is one thing I forgot to say here. They intend to make up their list—they intend to continue sending out their list of accounts which have remained unpaid for sixty days or [fol. 916] more, and the way they intend to do that is to have some kind of a metal tag, some particular color, and the clerical force in the office, when entering the names reported by the various companies, will simply attach one of these tags to the card, which shows an unpaid account, and then they are printed, or typewritten, and they will be made up from the cards which bear these tags. They have a complete list of all the names of all the customers of every company, and their printed list will only include accounts over a certain age. The tag can be taken off after the list is made up, and put back the next month, according to the reports which they receive.

"The President: Is there any further discussion on this subject?

"Mr. Israel: Do I understand the idea is to bring about uniformity with the Western Association?

"The President: Yes.

"Mr. Lober: Our counsel, Mr. Cox, now has in his hands their plan. What are the differences between that and what has been handed around? As I understand this, on the first of each month, in addition to reporting what we report now, that is the names of the customers whose accounts are ninety days old or over, here we have to report to the Association the names of everybody we had sold to since the 1st of January, 1914, or 1915. These people were starting in 1914, and then at the first of each month we would send in our [fol. 917] report of unpaid old accounts, and we would have to send in another list, of new accounts, which we had opened that month. That is, we would have to give this office a list of our new customers for the last month. That would bring the thing up to date every month.

"Mr. Hilles: I was not here when Mr. Lober perhaps brought out the main grounds in connection with the value of this system. If we know from whom a new inquirer has bought cement, we have a reliable and accurate means of posting ourselves as to how that man has paid his bills. We know that commercial rating in an agency does not necessarily give us the full and accurate information which we need. The purpose of this Association is that we shall exchange

information among each other, and anything that will stimulate that along lines of safety, is something that we all ought to stand for, and stick to, to the end. I am sorry that I have not communicated with all you gentlemen in reference to new accounts that may have arisen, perhaps because our boys were not so active as they should have been, but I have communicated with a number of them, and I think each owes it to the other one, and each of us to make it a business to get acquainted on some such basis as this will provide, better than we are today.

"Mr. Israel: As it is today we report those accounts that are unpaid for over ninety days, and we report those that are in the hands [fol. 918] of attorneys for collection, and those that have gone to legal proceedings of any kind, but back of all that there is much that I would like to know, if we can. We do not want to know anything about those accounts that all of us are satisfied are good, and I think all will agree that it would not be wise to load down our records and involve ourselves with a lot of work regarding hundreds of accounts that are good beyond all question and no one would think of doubting them. We are after the accounts that we have doubts about, and we scan the monthly list here, and we say to ourselves, 'well, now, he is not on this list, and yet he may not be all right.' He may be paying promptly at the present time, but what has he been doing in the past? Perhaps he is just paying me, and is away behind with others. What is his ability as a business man? What is his record from a moral standpoint? What is the moral risk, and all these things? Regarding those that we are doubtful about, only, that is going at the thing in the right way. I would like to see uniformity between the east and west, but I would like to see that uniformity on proper and more practical lines. That is, I would rather see them come to our way of doing it. I think that is the right way. If I want to find out whether half a dozen concerns that I have doubt about, whether I should sell to them, I would not want to know anything about three or four hundred other concerns that I am selling to and am satisfied about. And it is this latter method that [fol. 919] involves the record of hundreds and hundreds, and hundreds of accounts that are of no interest to us. We do not care what new accounts are opened. You can see that it is going to involve an immense amount of work which is not necessary. I have no inclination to pry into the affairs of anybody else, and find out what new accounts they have opened, and I am sure everybody else in the room feels the same, I only want to know—if John Smith has ordered goods, and I am in doubt as to whether to ship to him—I only want to find out about him just the things that are stated in this list. I can see that it may involve the employment of a larger force here, but if it does, it will pay for itself. I am entirely in favor of the method that was outlined in the paper that was first circulated.

"Mr. Cover: I endorse every word Mr. Israel has said and I only wish I could express myself as clearly as he does. There is one feature that he did not enlarge upon that I think is very important. The system as outlined by Mr. Lober would involve publicity with a

vengeance. While we are all tending in the direction of publicity in connection with our business, and other lines of business are tending in that direction also, I think it would be a grave question whether we ought to tell each other every customer we have had in the past, and every customer we get at present and in the future. We only want to know about the applications that come up from day to day.

[fol. 920] "Mr. Hilles: If Mr. Cover, or myself, or Mr. Israel thinks we have a customer that the Atlas and the Lehigh do not know about, we had better go away somewhere and learn. The point I want to make is this: I am absolutely conscious that I have not got one customer that those companies do not know about. Then let us suppose that Mr. Israel has a customer who is rated AAA1 and was buying enormous quantities of cement, and some little question or dispute arose in Mr. Israel enforcing the rules that we all think should be lived up to, and that man telephoned to me and said 'Ship me ten cars of cement today,' and if I had the card system which Mr. Lober has shown, I would naturally turn to it and I would see that Mr. Israel had been selling that man cement, and I would telephone Mr. Israel, if I did not have that information as a credit man, with a rating like that staring me in the face, I would ship the cement as quickly as I could load the cars. That is a method which enables the company who has customers that do not want to live up to that rule, to force them to do it with a mild persuasiveness that does not create a ripple.

"Mr. Lober: I am sorry to throw any bolts in the machinery of Mr. Hilles's beautiful oration, but the Western plan does not contemplate sending out copies of these cards to every member, without asking what names were in the files in the central office. Then the central office would keep this card list and have a complete list of everybody's customers, but they would only give information [fol. 921] to the companies who applied for that information in regard to any particular name that they wanted to find out about, and the information they would get would be that the Atlas has sold this person, or that Sandusky had sold this person, and the inquiry would go to those companies for their report. Therefore, you would not have in your own office any particular list of customers to whom certain companies had sold cement, but you would have to telephone, or wire or write a letter, if you wanted to find out who had been selling to those customers, and I question whether Mr. Hilles, if he got an inquiry from some person having the three A's and the 1 after his name—he would think, unless he had some reason to suspect otherwise, that it was legitimate and all right and that there was no reason why he should not sell to them."

"Mr. Hilles: All our illustrations are taken from extreme cases, in order to press our points home more forcibly.

"Mr. Isreal: That is pretty hard on the lawyers.

"Mr. Barbour: I would like to know what excuse Mr. Hilles would make in such a case. Would he say he would not sell to them?

"Mr. Hilles: As a basis of credit I could not refuse to ship the

cement, but I could, and would, if this thing went through, and I obligate myself to do it, I could and would arrange to have a satisfactory written contract with those parties, whether they would com-
[fol. 922] ply with those specific terms in regard to cash discount and payment for bags, or detention of bags. All those things would have to be assented to before I shipped the cement. Now if you look ahead on the basis of what the manufacturers are arranging to do, you will realize that it is not so near the border line of insanity to refuse to ship ten cars of cement to a man who is rated AAA1, particularly when you take into consideration that you are having a hard time to load and ship cement today, and if during these times we get together on a proper co-operative method of carrying on our business, we will not forsake it just because we need business.

"The President: If a bureau of this kind were established I think it would be simpler for any company securing a new inquiry to apply to the Association first and ask how Mr. Jones's account was, than to call up three or four *or* our friends and ask them. If he received it from the Association it would be strictly confidential. The company recording three or four hundred names, would be tabulated on cards, and any company calling up would receive full information from those cards, which would be practically brought up to date, and while it would be a little hard on the Secretary until he got it in working shape, I feel that it would be information that any credit man should receive, right off hand.

"Mr. Lober: If it might be in order—the Western Association will probably know how their plan is generally working. They
[fol. 923] already have it working—I think about five companies are working in Chicago, and they have it working now, but their general plan I do not think will be working for a month or more, and it might be in order to allow this thing to rest until the next meeting, and we could all think about it, and then come here next month prepared to decide definitely as to what we want to do.

"The President: That is a very good suggestion, and I will leave it to the members to decide what they want to do about it.

"Mr. Lober: You can come here next month prepared to say whether we desire the plan or not, and we may discuss it a long time today, and really not come to any satisfactory conclusion.

"The President: This matter will be laid on the table until the next meeting. I now ask for the Treasurer's report.

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"Mr. Jiggens: A study of the account list has suggested to me that a closer understanding and co-operation between the credit and financial ends of the different companies would be of material benefit.

"While our credit terms are thirty days, a glance at the monthly account lists shows, in many cases, that it is not unusual to grant terms extending to four and five months. I believe that if the question was asked of the credit man, 'Why do you allow Smith to take five months in his settlements?' The reply would doubtless

[fol. 924] be, 'That is the best I can do with him,' and if you ask, 'Why do you continue to sell him?' The reply is likely to be, "Because if I don't, some other fellow will.'

"The long extension of credit granted is practically a rebate, and is, in my opinion, equivalent to a reduction in price, or full allowance for all bags returned. It does seem that so long as credit terms are thirty days, that extensions should not be granted over a period exceeding sixty days from date of shipment.

"The times are opportune for us to try and get settlements on a business-like basis, and be willing and courageous enough to suspend shipments when terms are generally extended as before mentioned.

"The Trade Acceptance form, as suggested by the Federal Reserve Bank, is likely in time to become more generally adopted in a number of industries, and it does seem that now, that we have a Cement Protective Association, we should be able to help forward this movement, which not only will tend to guard against overbuying, but will also obviate the necessity of the salesman and credit department dunning for money. Where we are dealing with customers who always discount or pay promptly in thirty days, there would be no need of using the acceptance, but where settlement dates are invariably uncertain, an acceptance sent with bill or monthly statement might result in material benefit.

[fol. 925] "Mr. Ackerman: Do I understand that no one is to be sold to who does not agree to this sixty days?

"Mr. Jiggins: No, the terms are now thirty days. If we grant sixty days we are granting a man a hundred per cent more than our regular terms, and if we allow him to take four and five months, to settle his bill, it is equivalent to giving him a rebate.

"Mr. Israel: I cannot agree with the last speaker, at all, on the proposition that by granting a customer a longer time to pay for his cement, that that is a rebate from the price, because it would be a matter with which we have no concern, because it is not the purpose of this organization to bring about any uniformity in the selling price of cement. On the other hand, when we sell cement on certain terms, for a certain period of time in which it is to be paid for, it should be paid for within that time, and as to any practices that the purchasers may adopt, which defeats the payment to us within the time when it should be justly made, that is a practice against which we have a right to protect ourselves, and that is the reason why it is proper that we should do all we can towards helping each other to see that purchasers do pay for goods within the time that they agree to pay for them. Just as much so as when a purchaser buys cement for a certain piece of work, we have a right to see that he lives up to his contract with us, and does not, by making an improper use of his cement, violate his contract. In other [fol. 926] words it all comes under the general category that he who makes a contract with any of us for the purchase of the cement shall live up to his contract, exactly as we are all willing to live up to our part of it. Contracts in the past have been violated in many respects,

not only in not paying in time, that is in the time agreed upon, but in many other respects. It is the purpose of this Association to protect ourselves against these violations of contracts, and also against practices that might not improperly be called fraudulent practices.

"The President: This is a very interesting subject, and Mr. Jiggins has given it a good deal of thought, and I think it ought to be discussed, and it seems to me to be a very good idea to adopt, if it is possible.

"Mr. Hilles: I am in sympathy with Mr. Jiggins' remarks.

"Mr. Lober: If we are to induce our customers who are more or less slow to use these acceptances, we have got to give them some inducement. Mr. Jiggins mentions sixty days, and that is thirty days in excess of our regular term. We do not have to worry about the men who discount, or pay in thirty days. The man who can pay in thirty days will take his five cents per barrel discount, but if we can go to our slow trade and say, 'If you will give us this trade acceptance we will take your acceptance payable in sixty days from the date of the bill, that is give you another thirty days,' you have [fol. 927] got to give them something, or they will not do it. Why should they, when they are now taking three months?

"Mr. Matthes: I am in favor of some restrictions being placed on giving time beyond the regular term. I think everybody should be held to the terms. We try to do it, as far as possible, but I think it is going to be very difficult to determine where to draw the line. A man that may take ninety days on one invoice, may get in such shape that he can discount the next invoice, and if you have him on the trade discount basis you are not going to get your money within the thirty days, and he will not get his five cents. But I am in favor of the trade acceptance, as a general thing, and the abolition of the discount."

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"Mr. Hilles: That is what I was going to propose, but some of the gentlemen are not in favor of that. But that is good policy, and proper trade practice. Can we not establish it as a basis of working, approved by us all, that it is the sense of the members of this Association that all accounts over thirty days, when written to, shall have called to their attention that there is in existence a form of discount which they can take advantage of, and in the event of their not taking advantage of it, that we would take steps to attach the trade acceptance to the next statement that we send, or to introduce it in some proper way to be outlined by the committee. I have [fol. 928] written perhaps fifty letters in the last year, along those lines, and none of them have exactly satisfied me, and none of them satisfied the fellow I wrote to, but I think we can formulate some general method that will satisfy everybody.

"The President: I would like to hear further discussion on this subject.

"Mr. Hilles: I have been trying to digest some of the remarks that

I have heard, and I move that a committee be appointed to consider this very important subject that Mr. Jiggins has proposed, and report with one or more plans at our next meeting, some method of recommended procedure.

"Motion seconded and carried unanimously.

"The President: I appoint Mr. Jiggins, Mr. Lober and Mr. Matthes.

"Mr. Jiggins: I think the larger that committee is, the better.

"The President: I will also appoint Mr. Walters and Mr. Hilles.

"Mr. Lober: I have a letter here that I got from Mr. Blanchard, that in view of the appointment of that committee, I do not know that it is necessary to read it. I would like to say for the general information of those present, that Mr. Blanchard's idea of the greatest use of the trade acceptance was that it would be of great value to his companies and dealers who were having trouble in getting their collections in. That it would fix the date for the contractors to pay their bills to the dealer and would thus help the dealer to pay the cement company. He thought that in view of the five cents [fol. 929] discount that the great majority of the dealers would eventually get into such shape that they could discount their bills, and the trade acceptance would not interest them, but that it would very greatly interest them as a means of collecting their own accounts, and he said that in Chicago, that it was his intention to make every effort to educate his dealers to the use of that form in their own business.

"The President: I think that matter should go before the committee that was appointed.

"Mr. Walters: I ran across a little book here that some of our people picked up somewhere, and I have got a few copies of it. It is 'The Price of Cash,' and is a dissertation on Cash as a Commodity. I have a few of them, and I will leave them with the Secretary. There are a great many points that I think salesmen might be able to use. There might be something in it that you could use in writing your customers on the question of discount over the ten days' time.

"The President: I think we have enough of these, and I will see that each one of the Companies receives one.

"Mr. Lober: There is a matter that I would like to get an expression on. It has been reported to me that some of the companies in our Association have been accepting notes from their customers, the notes may be thirty or sixty days, the time makes no difference, but the notes read 'with interest,' and they are sent in to the customer on an average of ten days from the date of the invoice, and some of [fol. 930] the companies have been allowing their customers to pay their bills in that way, less the cash discount. I would like an expression from the members here as to the propriety of that method of settlement. I want to say that I personally do not believe that that is proper. I think that the discount is for cash. It may be stated that in sending in a note with interest, the customer can say that you could take the note to the bank and discount it and get the full amount of cash that he would otherwise pay you for your bill. That is true, but the customer is using your credit to get the money,

and not his own, and I do not think our companies' credit is for the use of the customer in that way. I think the customer should use his own credit, and get the cash, if he has to get it, in that way.

"The President: The question is open for discussion.

"Mr. Lober: We have had business offered to us on that basis, and we have turned it down, and it has been taken by other companies in that way.

"Mr. Israel: Is the question, whether if a man pays by his own note he is paying cash?

"Mr. Lober: He pays by note in ten days, by a note which reads, 'with interest.' The customer says he is paying this in ten days, because you can go to the bank and discount it, and get the same [fol. 931] amount of cash that he would pay you, and he takes off the five cents, because he says that is practically a cash payment.

"Mr. Israel: It certainly is not.

"Mr. Lober: He is using your credit, and not his own credit, to get that cash and it reduces the amount of credit we can get for ourselves.

"Mr. Israel: It is worse than that. If that note comes due and he does not pay it, then you have got to pay it, and you do not know whether you are going to get your money until the note is paid, and therefore, he is withholding the money from you until that time. By no course of reasoning can that be considered as cash.

"Mr. Matthes: I had an experience recently where a certain contractor wanted to purchase through our dealer, and he said he would buy Alpha cement, provided the dealer would accept from him his notes and allow the discount, and the dealer put the proposition up to us, and we turned it down, and the contractor and dealer both said they could get that accommodation from two of our member companies, and I told our traveling man that we would not agree to it, and they put it up to two others of the member companies, who turned it down also, and the final result was that the business came [fol. 932] to our company, and we are getting our payments on a straight ten days cash payment basis.

"Mr. Lober: We were one of the other companies that had that proposition put up to us, and we wrote the man that made us the proposition that we would not do it. That if he had to take those notes he could take the notes to his own bank and discount them and get the money, and that we could not permit our credit to be used in that way.

"Mr. Israel: The same thing was tried on our Company, in three or four ways, and we turned the matter down at once.

"The President: Is there any one in the room that feels that they would do a thing of that kind, or is it the general consensus of opinion that they would not do it.

"Mr. Israel: I am willing to declare myself, and I say no.

"Mr. Gilkyson: I have not heard of any such a thing.

"Mr. Walters: I did hear of a case of that kind, and I was in touch with Mr. Matthes, and it is something that the Lehigh Company would not tolerate.

"The President: Is there anybody in the room who would be in favor of doing such a thing.

"No one declared himself as in favor of this method.

[fol. 933] "Mr. Lober: Do you desire any discussion as to the results of the tabulation of the bag figures for the last three months? There is a very great divergency in the percentage of rejections. The lowest here appears to be one-half of one per cent., and there is one here which shows nearly four and a half per cent., that one fellow rejecting nine times as many bags as the other, and the average is nearly two. Now there may be causes which will explain that. It may be that the companies which show very large rejections did not have very many new bags last year, particularly the latter part of the year. The companies which show the smallest percentages may have put in many new bags, and it may be that they shipped largely on contracts, where the contractors could take good care of the bags. But there is a most remarkable difference between the high and the low figures. The highest is apparently four and a half per cent., and the lowest only half of one per cent. There are about five who are below one per cent. We have never been able to get that low, even when we had new bags, and on the other hand we have never gone as high as four and a half per cent., when we had nothing but old bags. Perhaps it would have been just as well to have let it go a little longer. The gentlemen who are not rejecting many, are the ones whom it ought to cause some study.

[fol. 934] "This is the first report, and we will have another report at the end of the next three months, and that will give us a little larger basis for averaging.

"Moved and seconded that the meeting adjourn.

"Motion carried unanimously."

[fol. 935] GOVT. EX. NO. 128

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., May 15, 1916, at 1 o'clock P. M.

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"The Secretary: There is no report, except that I would like to to show the forms we have adopted for asking for information. They are of four sheets, put in three pieces of carbon paper, and write what you desire on the first page and sign your name. (The Secretary reads the blank form.) The Company asking for the information tears off the last sheet, and mails the three remaining sheets to this office, we keep the first sheet in our office, and the others go to the Companies from whom we desire the information. The inside sheets are shorter than the outside, that is so that your name will not go to the person from whom information is wanted."

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"Mr. Dutton: The Universal Company sells a lot of cement through the New England States, and I think it would be well if we could arrange it so that the Eastern Manufacturers could have a report of those contracts."

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"Secretary reads letter as follows:

"New York, April 28, 1916.

"Mr. R. E. Griffith, President, &c.

"DEAR MR. GRIFFITH: I beg to acknowledge the receipt of your favor of the 27th instant, with copy of the statistical report of the Western Association.

[fol. 936] "In judging its propriety, we must, of course, look at it in two aspects, that is, as complete in itself and as a possible instrumentality for accomplishing some results. In other words, we must avoid any act in itself unlawful and also any act in itself lawful but accomplishing some unlawful result.

"Looking at the report from both points of view, I think it is entirely proper. In itself it is simply a statement of the truth. Its purpose and effect, as I understand it, is simply to enable each manufacturer to conduct his business more intelligently by giving him the facts.

Of course, if there should be coupled with such a report any agreement or understanding, express or implied, which would govern the output of the individual manufacturer, then the report might be part of an unlawful whole, becoming, so to speak, tainted by the result to which it would contribute. But since there is nothing of this kind, it is entirely proper for the Eastern Association to follow this form.

Yours very truly, (Signed) Archibald Cox.

"The President: This pertains to the percentages of monthly capacities for 1915 and 1916. It has been suggested that we put this in our report. Is it the feeling of the members that they would be willing to report to the secretary the largest monthly capacity that they had in 1915, and what figures here should to the maximum month?

[fol. 937] "Mr. Coogan: In other words, are the member Companies willing to report what was the largest production in any one month for 1915?

"The President: Yes.

"Mr. Coogan: That fact, and only that?

"The President: I think we should go back a little further. It would be a little unfair on some Companies to put it in on an 85 per cent. basis of the capacity for the last year. I think we should stretch the limit further back than 1915.

"Mr. Israel: I think you make a mistake in getting so many figures on this statistical report, and you will observe at Chicago, where they use a certain factor of 85 per cent., and in some months

the production in that particular district was considerably greater. Figures, to be understood clearly, I think the fewer figures we have the better. If we get too many figures there I am afraid that many of us will not be able to read them. I can see no objection to any Company stating what was its largest month's production in 1915, but I fail to apprehend this discussion of 85 per cent. I don't know what it means. If it has reference to a Company being tabulated as to what it should produce, by multiplying the 85 per cent. by the highest production of the last year, I say that it is entirely out of order and beyond the province of this Association.

"Mr. Lober: It has nothing to do with that.

"Mr. Israel: I raise that point of order, and I ask the gentlemen not to make any reference to the 85 per cent., with that point in view.

[fol. 938] "Mr. Lober: The 85 per cent. has nothing to do with restricting the members' output, but the idea being that if they took just the month of one year, the largest month of one year, and multiplied that by twelve, and then took 85 per cent. of that, feeling that they could not operate up to their fullest capacity for the whole twelve months in a year, and in order to get the actual capacity they took 85 per cent. of the largest month.

"Mr. Israel: I think that use was entirely improper. What was our production in 1915 can be absolutely ascertained, whereas the production in the highest month, multiplied by 85 per cent. will not give us the production for those years. It is impractical and useless. Why go speculating, by taking the production in the largest month and multiplying it by 85 per cent., when you have the actual figures. If you want the production for 1914 you can get it in the same way.

"Mr. Lober: I think I had better make a statement of what this 85 per cent. is. There seems to be a little discussion that is away off from the mark. Mr. Mallory is the father of the 85 per cent. He states that the capacity—not the production, but the capacity—of any mill, is not twelve times the largest month's production in any period. The 85 per cent. factor was worked out by him after a lot of figuring from statistical data which he had in his possession. He said that he was confident that going back over a period of years, I do not remember now how many years, but it goes back [fol. 939] quite a number of years, and taking the largest month of each year, and taking its statistics of production and shipping, and multiplying that by 12, he got a figure as the maximum yearly capacity of that particular mill, and compiling all of them for that district, as the other Associations compile it and as this Association compiles it, he found the maximum capacity of that particular district right straight through the year. But that cannot be done, on account of the necessity for extraordinary repairs and breakdowns, stops for one cause and another. He also considered in that, the stock house capacity, and the necessary shut downs in some mills because they cannot store the material, and therefore, after all this figuring, he arrived at the figure of 85 per cent., as being the real yearly capacity of any one district, and of the whole country.

That is what the 85 per cent. means. It is 85 per cent. of the maximum. That is, 85 per cent. of what it would be running the whole twelve months. It has nothing to do with restrictions, but is simply to find out the real capacity of any district, and not of any one mill. One mill might, under certain conditions, run a whole year, but over a district, or the whole United States, 100 per cent. was impossible, and he figures that 85 per cent. is right.

"Mr. Israel: If the purpose of the 85 per cent is to arrive at what is the practical production of every separate mill, or district, we have far better information, namely, what was the production of any mill in 1914, or 1915, or 1913, and add them all together and [fol. 940] you have the actual production of the district in that year, 1913, 1914 or 1915. I do not yet see what is the purpose of the 85 per cent.

"Mr. Lober: Why, to find out what might be produced.

"Mr. Israel: What might be produced is the actual maximum capacity of all these mills. Now what will likely be produced I suppose is what they were after, and this is the best answer, by reading what we did produce in 1913, 1914 and 1915. The explanation is one that does not explain.

"Mr. Lober: I am not making this statement as my own, but I made it as Mr. Mallory's. I have never been in favor of the 85 per cent factor. I do not believe in it, and I did not believe in it. I have always said that I was much more interested in what the mills might make in any particular month, than I was in their capacity through the whole year, and it was quite possible that all the mills in a district would have favorable conditions in that month, and might turn out in the district three million barrels, and then Mr. Mallory's 85 per cent. would be too low, in that case. The 85 per cent. factor may be proper to spread over a year, but there has been a great deal of discussion in the other meetings, and at the last meeting the committee on statistics recommended that the 85 per cent. figure be cut out and some other method adopted.

"Mr. Erdell: I move that the matter be laid on the table.

"Motion seconded and carried unanimously."

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[fol. 941] Govt. Ex. No. 129

Regular Meeting of the Cement Manufacturers' Protective Association Credit Men's Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., June 19th, 1916, at 11 o'clock A. M.

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Mr. Bacon:

June 6, 1916.

"Report of Committee on Trade Acceptances

"The Committee has given careful consideration to the question of the Trade Acceptances, and recommends careful study of the system by each company as affecting its individual trade. While your committee is unanimously in favor of the practice involved in the general use of trade acceptances and believes it will eventually become universal, no radical changes are recommended at this time.

"The Federal Reserve Banking System aims at elasticity of currency to facilitate the conduct of general business and the proper control of credit methods throughout the country to a great extent through the use of trade acceptances: The cement industry should be prepared to keep abreast of the times and to meet changing conditions, closely cooperating with government regulations:

"In order to put the matter briefly before you, your Committee [fol. 942] herewith sets forth a concise definition of trade acceptances as follows: 'A trade acceptance is a negotiable instrument bearing on its face evidence that the obligation of the acceptor arises out of purchase of merchandise from a cement company. It is not an accommodation note. It would result in a uniform method being established for strict compliance with our terms of payment.'

"The value of a definite plan providing for the use of trade acceptances can be readily understood by reviewing the following advantages:

"1. Would help to eliminate controversy and prove the account.

"2. Would tend to put all customers on an equal basis providing against discrimination in terms.

"3. Can be rediscounted by your National Bank through the Federal Reserve Bank.

"4. Will suggest to the dealer the idea of securing a similar negotiable instrument from his customer.

"5. Divides settlements into small units and customers are not so likely to ask for renewals.

"6. Additional work for office more than made up for by decrease in statement work, dunning letters and salesmen's time and expenses.

"7. No revenue stamps required as on notes and advantage of lowest discount rate to your bank for rediscounting.

[fol. 943] "A specimen form of Trade Acceptance is herewith attached.

Committee: F. J. Jiggens, Chairman; W. D. Lober, J. J. Matthes, J. L. Medler, R. W. Hilles, A. F. Walter.

" 'Trade Acceptance

"Philadelphia, —— —, 191-.

"— after date pay to the order of ourselves, $— Dollars. The obligation of the acceptor hereof arises out of the purchase of goods from the drawer.

To —— ——.

Giant Portland Cement Company, —— ——, Treasurer.

Accepted —— —, 191-.
Payable at ——.'

"Mr. Bacon: I have several of these copies which I will distribute.

"Mr. Griffith: Gentlemen, you have heard the report of the Committee on Trade Acceptances, which I will ask the Secretary [fol. 944] to hand to the stenographer to have spread on the minutes, and it is now open for discussion. Mr. Lober, have you anything to say?

"Mr. Lober: The members of the Committee feel they have nothing to say; they would like to have some one else say a little something. They might want to ask some questions.

"Mr. Griffith: Mr. Lober, I would ask you how long these trade acceptances are for—how many days they give the customer.

"Mr. Lober: The Committee discussed that question very thoroughly, we spent the better part of one day threshing over that—that part of it, and we found that we couldn't come to any definite agreement as to what we thought ought to be done. There were several ideas advanced, one of them that we should, of course, not disturb our customers who are discounting their bills; that we were all in favor of—did not want to interfere in any way with five per cent. discount—it was working out nicely, and we wanted to keep it. We also felt the regular thirty day term should not be disturbed. But, on the other hand, we have a lot of customers who take more than thirty days. There were a few who did not discount, and some within the thirty day period, those men who did not take sixty days, ninety days, four months—some of them more; some of the members of the Committee were in favor of sending the trade acceptance with a letter—a statement perhaps, to all customers who had not paid at the end of thirty days, making the trade acceptance read thirty days from the date which it was sent, with interest. The objection [fol. 945] to that was that you might possibly get some of your customers to sign it, others would refuse, then the ones who were signing it and sending it in were practically discriminated against as compared with the ones who did not sign it and send it in; those men were getting the extra time without the interest. It was suggested at the end of thirty days to send trade acceptances without interest for thirty days, giving the man sixty days. The objection to that was it would practically destroy the thirty day terms; so after threshing it all over, as I say, altogether for about a day and a half, we came to the conclusion that we had better recommend no specific terms—

or time, rather, and that it would be more a matter for each individual company to try to work the thing out for the present until it had come into more general use and probably better understood among the trade and we would then possibly be in position to arrive at some uniform method of settlement by means of trade acceptances for those accounts which were not discounted. I think that covers the thing. There are several other members of the Committee who might want to say something.

"Mr. Griffith: In other words, when a man doesn't pay in thirty days you send the acceptance and that gives sixty days."

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"Mr. Shepard: Mr. Chairman, if we suggest sixty days' acceptances, are we not, the cement companies, starting a movement that will nullify the thirty-day term?

[fol. 946] "Mr. Griffith: If we send out 60-day acceptances our terms will then be 5¢ per bbl. discount in 10 days or 60 days net.

"Mr. Sheppard: If we could get together on terms, make our terms a little longer than they are, net terms of sixty days instead of thirty days, there would be no objection to a sixty day acceptance.

"Mr. Brown: It seems to me the committee did not realize that they were actually proposing to extend our terms to sixty days. The first proposition offered to me, was nothing in the world, as I look at it, but changing our terms from thirty to sixty days. I have either been fortunate enough or unfortunate enough to have gone through the period of changing from sixty to thirty-day terms, and I do not want to see anything done by the credit men of the cement industry that will in any way tend towards the sixty-day terms. I think everything done should be along the line of making it a cash basis and not a credit basis, and where credit is given to customers, they should pay interest. Now, I have listened with a great deal of attention to what Mr. Hilles said about the average of accounts that were not discounted being sixty days and am sorry to say I have to take issue with him on that point. Mr. Matthes suggested to me that was the fact—and I take issue with him, even although I have not been watching the collections carefully. From the time he first brought that matter up a week or so ago, I made it a daily practice to go to our cashier's desk and look over the record of the [fol. 947] checks received, and we make it a practice to put down the date of the invoice the check pays for in the cash book, so by running down each day, I could see just exactly how accounts were being paid, and I was surprised to find a good many thirty-day customers that have been discounting. I really had not expected that, but I did find a great many more were paying in forty and fifty days and a few taking as long as sixty days, and of course, we had a certain number not paying any attention at all to terms. I think it only right to distinguish that latter class, men that take ninety days, yet are valuable customers, they pay no attention to terms at all, it doesn't mean anything to them, they have to be taught what terms are; they usually haven't got the money or are

getting interest from the bank, something like that, and won't pay until they have to. Our business is being done on thirty-day terms, discount terms rather, or thirty to forty-five days. Now if you put in a trade acceptance or any kind of an acceptance dated thirty days net, it would invite people to add thirty days to that and if you don't charge interest, you are extending your terms thirty days; that doesn't mean anything else. I don't believe any man here will try to say it does, and I don't believe any man here who sends acceptances out at the end of thirty days and who gets in return a check, but who has failed to look into his account and not bothered any further about the collection of interest. Most people won't pay interest unless they are forced to through the courts, and I [fol. 948] don't believe—I want to emphasize this—we ought to do everything to indicate thirty days is long enough for a man who buys our cement. I ask you all to do that. I tell you, gentlemen, it is a step backward, a back step. It took us years to come from sixty to thirty days and we don't want to go back from thirty to sixty days.

"Mr. Hilles: There is nothing in the report about that.

"Mr. Brown: Referring to your remark and not the report.

"Mr. Hilles: My intention was, trade acceptances as proposed by the government, could be used—we eliminated practically sending trade acceptances after thirty days. The intent and purpose of my remarks, which I am sorry were not clear, was, those who are now taking ninety days would eventually be forced to buy cement elsewhere or pay us in thirty days. There is no hint of extension of those terms in this report, and I am sorry I was misunderstood. In regard to the average of sixty days, those who do not take advantage of discount, I find the same is true in our accounts as Mr. Brown, of the Alpha. A great many do pay in forty or fifty days, a few in two or three months, so that would average perhaps forty-five or fifty days. But over a period of a year, including those who we have to force and place accounts in the hands of attorneys, our average is close to sixty days.

"Mr. Israel: I am not informed of the discussion that took place [fol. 949] at the meeting of the committee, and I may be saying something that certainly occurred to them, and they threshed it out thoroughly and came to the conclusion there was not anything in it, and if I am guilty of doing that, it will be done honestly. When Mr. Brown addressed himself to the proposition of sixty days and I fully agree with him that we ought not do anything in the world to get back to sixty days after that struggle we had to get near thirty days—Mr. Tilles promptly replied, was there anything in the report about a sixty-day acceptance; then it occurred to me how would it work out to let the purchaser of the goods have the alternative of discounting, getting five cents a barrel off and giving a thirty-day acceptance? I would like to hear some members of the committee on that, that is, whether they did discuss that and if they did and turned it down, why?

"Mr. Medler: I don't like to talk on the subject again. The

thought that came up before the Committee, the impracticable side of the question; you have in your accounts a great number of those who discount, you have a great number of those absolutely sound who do not discount. Now, how would you discriminate in using your trade acceptances with those who do and those who do not discount? The first suggestion that came up, was, make our standard terms five cents a barrel ten days, or trade acceptances in thirty days—that is substantially what you said (addressing Mr. Israel).

[fol. 950] "Mr: Israel: Right.

"Mr. Medler: The bills will accumulate and sometimes they will slip up and not discount probably for a month or two. Well, you run from seventy to ninety-five per cent of those discounting—let us say substantially seventy per cent are discounting on a five and two cent basis, that seventy per cent will be wasted, are not getting our acceptances. Then it resolves itself down to thirty per cent of the accounts on which the trade acceptances could be effective. Now, what is the best practical way to put that in force? Then, finally, the thought came we have not tried out for one season the five cent a barrel discount, and the conclusion was to work a whole season under the five cent discount and see at the end of that period just what percentage of those customers remained slow pay. We may then take some very effective means of correcting whatever abuses there are in our terms of sale.

"Mr. Israel: The last suggestion seems to me pregnant with good sound meaning and sense. If we were to give the alternative of thirty days' acceptances and discounting, getting five cents a barrel off, a great many who feel now they want to keep themselves in good repute, are in just as good repute, doing all that is asked of them if we give them the thirty days' acceptances. In that way we will very badly spoil the discounting process or method. I think it is a fact that we would have a great many who now are discounting drop out, [fol. 951] and it would utterly spoil the five cents a barrel discount proposition, and I think the sensible conclusion to come to is to let's try it out and see, and then perhaps, after a while, the ones discounting will be great in number, and those who do not will be insignificant.

"Mr. Griffith: If that is the feeling of the members I suggest the matter be referred back to the Committee to report at the next meeting.

"Mr Israel: If the idea is to try out the five cent discount and see how that works for a whole season—which I think is an excellent idea, as I said, why not lay this report on the table and then we can take it up any time we please, three, six or nine months from now. It won't require the appointment of another committee to report. We can take it up any time. I move the report of the Committee on Trade Acceptances be laid on the table.

"Mr. Griffith: All in favor say aye. (Ayes.)

"Mr. Lober: I want, before leaving the subject, to repeat what I think I said in my former remarks when you asked me to say something for the Committee. The Committee feels that for the present,

at least, it would be desirable that the trade acceptance matter be pushed by individual effort of the companies, and we could then see later on what success the individual companies who tried it, had with it, and that would undoubtedly be a help in arriving at some uniform method of using the acceptances when the Association feels they are [fol. 952] ready to adopt some such method. I know some of the companies are using them, some of them intend to try them, and I hope as many as possible will try them out during the summer, and after we have had this season's experience with the five cents discount and get to the point where we will know more closely how many customers will discount and how many will not, we can then take up the trade acceptance matter much more intelligently and will have more experience.

"Mr. Griffith: On what basis would you send out acceptances?

"Mr. Lober: No recommendation whatever. It is for the individual to try and see how close they can get to the thirty-day basis—it is a matter of experience.

"Mr. Hilles: Mr. Medler expressed himself on that subject a few minutes ago, I think, when he said they sent them out judging each case on its merits, trying to pull ninety-day men down to sixty, and sixty days' terms to thirty.

"Mr. Medler: We are trying to get the money as fast as we can. That is to say, if I have a man paying in sixty days I am trying to get an interview with him and explain to him what this is and tell him our terms are thirty days and ask if he won't sign a trade acceptance for thirty days. If a man has been ninety days in paying I will tell him the same thing and get him to sign a sixty-day acceptance for the shipment, which is not the policy of our terms and goes against our [fol. 953] grain to do so. We try to get him from ninety to sixty days and from sixty to thirty days.

"Mr. Griffith: As the matter has been laid on the table, I will ask Mr. Lober if he has anything to say on the Philadelphia Credit Men's Association, which was taken up at the last meeting."

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"Mr. Medler: I should like to get an expression of opinion from the meeting as to what is considered good practice in the way of a bill of lading covering bags in transit not yet received when taking the cash discount. To put a concrete illustration, supposing a man has shipments until the 15th of the month and promptly on the 24th or 25th, within the discount period, he sends his check, the amount of the invoice would be, say $250, his check would amount to $150 and he encloses a bill of lading for enough bags to make up the difference after deducting his discount. Now, it has been my understanding that it was not considered cash payment to take a bill of lading for bags in transit, and I have sent these checks back. The wrath I have brought down upon me has been so severe that I would like to know what other members of this meeting have to say on the subject before I know whether or not to stand by my guns.

"Mr. Israel: It strikes me Mr. Medler's practice is exactly right. Anything else merely means the customer is setting himself up as a

judge and jury to decide every bag he sent was in splendid condition [fol. 954] and was all right and a full credit must be allowed for the same.

"Mr. Medler: Of course we would adjust our differences when received at the mill.

"Mr. Israel: That is simply another controversy. I will stick by what I said, that you are absolutely right. See what the others think about it.

"Mr. Griffith: Gentlemen, this is a very interesting subject, allowing credit for bags on the way in settlement before they are received at the mill.

"Mr. Israel: See what each one says about it.

"Mr. Lober: Mr. Medler's question is not what we ought to do, but what we are doing?"

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"Mr. Lober: Mr. Medler brought that discussion up at one of our meetings. I looked into it, and it occurred to be possibly our customers were doing that. I knew there were deductions made for sacks. I looked it up and found occasionally there were cases of that kind and our cashier had been accepting on account and holding up the receipt until we got the sacks, and they were all right. We want our practice to be the same as the others.

"Mr. Israel: Gentlemen, I hope this practice will become universal—not to do it, as really, it is almost impossible to differentiate between allowing a check which was sent and which would not be received until long after the discount period and allowing for cement bags sent and which you do not receive until after the discount period.

"Mr. Griffith: It seems to be unanimous they have not been allowing credit for bags on the way."

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[fol. 955] GOVT. EX. No. 130

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., June 19th, 1916, at 12 o'clock noon.

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"Mr. Griffith: Mr. Coogan suggests that the committee report at the next meeting after they have conferred further with the Western Association as to reporting information with this Association.

"I feel it is very valuable for this Association and the members of this Association to have the information from the Western Association as there are a great many points the Eastern Mills ship into

that are close to their mills, and we should know what is going on—what has been going on in their territory. It is the feeling of the members, we will ask them to make their report at the next meeting after the thing is definitely settled, as the Western Association has just been formed. The same committees were asked to take up with the Universal the filing of New England contracts.

"Mr. Swett: I asked for Pennsylvania and New York contracts.

"Mr. Griffith: Will they do it, Mr. Swett?

[fol. 956] "Mr. Swett: Yes.

"Mr. Griffith: I think that answers the question raised at the last meeting.

"Mr. Swett: I think the committee should be continued until we can see the Western Association.

"Mr. Griffith: Mr. Swett, in going over their reports, are they anything like the reports we are having made up by the Eastern Association?

"Mr. Swett: I have not seen them.

"Mr. Griffith: As far as report of contracts, statistics and credits.

"Mr. Coogan: The information we got from their reports is practically the same as this Association is furnishing, with the exception of prices, and their information is very much more involved—a great deal more work, as they have gone into more detail than we have; at the present time I feel it is not any more effective than our Association, there is more work involved and more detail.

"Mr. Israel: Mr. Chairman, in order to bring a matter officially before the Association, and without discussing the matter at all at this time, I move a copy of our constitution and by-laws, a copy of the minutes of the Association up to this day, be sent to the Federal Trade Commission.

"Mr. Griffith: That includes also copies of contracts, statistics, credits and freight books?

"Mr. Israel: Oh—together with copies of contracts, statistics, credit information, freight books—is there anything anybody can think of I have not put in the motion?

"Mr. Coogan: I second the motion.

"Mr. Griffith: Gentlemen, you have heard the motion: all in favor please say aye. (Ayes.)

"Contrary no. So ordered."

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[fol. 957] GOVT. EX. NO. 131

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 934, Commercial Trust Building, Philadelphia, Pa., July 17, 1916, at 11 o'clock A. M.

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"Mr. Walter: I was absent at the last meeting, and I have been considerably interested in the remarks of Mr. Medler, as well as the others, in reference to this question. Now, the practice of the Lehigh Company has been just as explained by Mr. Medler. We do not consider it a proper sort of a settlement to accept a bill of lading for sacks which have been shipped and are en route, as part payment of the bill, and allow a discount. Those sort of settlements are returned, and we instruct the customer that he must pay the full amount of the bill, less the discount, and must not deduct anything for bags. Now, there are cases in which we accept a settlement with bags deducted before the credit memorandum is issued, such, for instance, as a credit proposition where we believe that anything at all that we get is better than nothing, and if the account is over time, ninety days, four months, five or six months, if we should receive a check, and it would show say $25 or $30 taken off for bags which have just been shipped, we would take the check on account and write the customer we would give credit for the bags when we received them, and if the credit memorandum was less than the amount deducted, we would expect him to make up that difference. That is the way we handle the bag proposition in connection with settlements. That applies to the Virginia Company, as well as the Lehigh."

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"Mr. Griffith: Any other business you would like to bring up, gentlemen? If there is nothing else, it is in order to adjourn, excepting I would like to say we are all going to lunch together at one o'clock at the Union League, and then have the meeting of the Sales Managers afterward.

[fol. 958] GOVT. EX. No. 132

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the Union League, Philadelphia, Pa., July 17, 1916, at 3 o'clock P. M.

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"Mr. Bacon: The suggestion was made to me by Mr. Gowan, of the Lehigh, that the companies who shipped to both districts should divide their shipments. In other words, file the contracts east of Ohio with us, and in Ohio and West Virginia with the Western Association, and of course the Western mills who ship to the East should file their contracts with this Association; but I know at the last meeting there was some talk of that and it did not meet with the approval of this Association. I did not say anything about it,

but that was the suggestion that was made. The object of it was, I think, to pro rate the dues to each Association. That is one suggestion that was made. Mr. Gowan says, 'Go back to your Association and if they do not like it, let them make a suggestion and we will agree to it.' "

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"Mr. Israel: One of the most important things which concern the interests of this business is a proper system of cost accounting. It has been said no man can intelligently sell that of which he does not know. One includes this and omits that, and the other has a system that includes what formerly was omitted, but he omits something else. We ought to bring about a uniform cost account so that each of us and every one of us computes our interest in the same manner, and let that one be accurate, through the assistance of the best accountant we can get. Now, this subject was first mentioned six months ago, and I was always informed that the National Association had it in hand, and six months have gone by, and nothing has been done. It would have been invaluable to us in these six months had we this information. I think, Mr. Chairman, a committee should be appointed to take the matter up and report at our next meeting. I would like something definitely done in the line indicated, and I move, Mr. Chairman, a committee be appointed, a committee of three, for the purpose of taking up the [tol. 959] subject of cost accounting.

"Mr. Griffith: Is that seconded?

"Mr. Coogan: I second the motion.

"Mr. Griffith: Gentlemen, you have heard the question, that a committee of three be appointed to take up with the main Association the question of cost accounting as to what they have done. All in favor will please say 'aye.' (Ayes.)

"Mr. Coogan: Has the information which the National Association has been published?

"Mr. Griffith: Up to December, and they are *are* still working on it.

"Mr. Coogan: There is nothing new since December?

"Mr. Griffith: Not that has been published. They are still working on the proposition.

"Mr. Coogan: As I remember the matter of cost accounting, they have been working on it for some time, have made a great many recommendations and the recommendations in a general way have never been adopted nor approved by a number of the companies, and the companies, on receiving the information and suggestions have not even put into effect the recommendations as made by the committee. It seems to me it would be almost useless to try to pull through something which apparently is not satisfactory to most of the companies; that is, they are not willing to change their methods of accounting to agree with the recommendations of the Association.

"Mr. Israel: Mr. Chairman, there are sixty-five or more cement [fol. 960] manufacturing companies in the United States of America, and it is not at all surprising there should be a great diversity of view. Those sixty-five companies are scattered all over the United States, with the exception of those represented around this table today. We are in close touch with each other and we can agree upon something in less than a month. We have done things as important as this and we can do this. There is nothing about arriving at a system and method and formula for determining your costs that is so mysterious or so difficult that you need to be afraid to undertake it. If it were not so important I would not be urging it, but it is very important. I am backed up in my opinion by Mr. Hurley, the Chairman of the Federal Trade Commission, and I think we are all willing to concede he knows what he is talking about. He mentioned it as a most important thing, and we have not touched it. We are here for the purpose of giving information to each other, and here is the most important matter of all. We say, 'Well, we don't act on this because the National Cement Association hasn't acted.' We have done many things every year where there was a great diversity of view; there isn't that difference here. We can agree on things we have a right to agree upon. We have a right to agree upon a proper formula for determining cost and to go at the thing and do it just like we have done other things here, and before you can say 'Jack Robinson' it will be done. I want to say I do not want to be a member of that committee. I have made the [fol. 961] motion, but I want it distinctly understood I do not want to be on it. I am not shirking work and am willing to do the work from that standpoint, but I am not doing this thing because I want to be on the committee. I want to see it done and I think the delay we have had is more than necessary. I do not thing anyone can say we have not waited long enough. We have waited six months, and it concerns us directly, and I think the Committee should be appointed.

"Mr. Lober: Before you put the motion I would like to ask if he will accept an amendment that this committee to be appointed be requested to invite one of the main Association Committee on Cost Accounting to meet with us at our next meeting and at that time tell us just what they have done and what they are doing in connection with the report.

"Mr. Israel: Do I understand you right that you don't want the committee appointed at all?

"Mr. Lober: No. Appoint your committee and have that committee invite one of the members of the Association to come here next time.

"Mr. Israel: I most assuredly will accept that.

"Mr. Griffith: Gentlemen, you have heard the motion that a committee of three be appointed to confer with the Chairman of the present cost accounting system and report at the next meeting. All in favor will say aye. (Ayes); to the contrary, no. So ordered. I will apoint Mr. MacFarland, Mr. Israel and Mr. Moyer on that

[fol. 962] committee, to confer with the Chairman on Uniform Cost Sheets of the Portland Cement Manufacturers.

"Mr. Israel: I will amend the motion and make the number of the committee four instead of three.

"Mr. MacFarland: I think it better to appoint somebody besides me.

"Mr. Dutton: I would make a suggestion, it seems to me in getting that information together, wouldn't it be much easier for members of the Association directly connected with the Accounting Department in the different cement companies rather than in the selling end of it?

"Mr. Griffith: Mr. Conn has been working on that. This committee is to make a report at the next meeting. Then, if you decide what action you want to take, go ahead and do it."

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"Mr. Moyer: Several gentlemen had a little informal gathering in New York last Friday, and they took up their old contracts, and it seems there is an immense number in the city of New York, far greater in number and volume than elsewhere; it was suggested this Association have a man in New York to go over the information and find out what jobs were actual and specific, largely for the purpose of assisting individual members in entering into a contract which is actual and real, it being generally believed the best time to cancel a contract or get out of a phony contract is just before entering into it instead of going through all this terrible rigamarole through two or three months, possibly getting into complication with the dealer, and it was the general opinion that one man in New York could be of great assistance in that direction.

"Mr. Griffith: It now comes to the question of employing a man for New York City to look after these contracts.

"Mr. Moyer: I make that as a motion.

"(Motion seconded.)

"Mr. Griffith: Gentlemen, you have heard the motion. All in favor will say 'aye.' (Ayes;) to the contrary, no."

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[fol. 963] GOVT. EX. NO. 133

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., August 21, 1916, at 11:30 o'clock A. M.

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"The Secretary: I have a letter I would like to read. I wrote to the Mid-West Bureau asking for some information on a corporation

about which I have been asked by one of our companies to gather. The answer I received is this:

"Mid-West Cement Credit & Statistical Bureau

111 West Washington Street

Chicago, August 14, 1916.

Mr. Charles W. Bacon, Secretary Cement Mnfrs. Protective Association, Commercial Trust Bldg., Philadelphia, Penna.

"DEAR SIR: Answering your letter of August 3, in regard to furnishing credit information on the Coast & Lakes Contracting Corp., Cleveland, Ohio. We have no information on file.

"I might add that Mr. Gowen, Mr. Wilson and myself had a talk with Col. Buckingham, our attorney, today regarding several matters, one of which was the question of exchanging information with your association. Col. Buckingham expressed the opinion that under our by-laws, as they existed today, we would not be justified in furnishing you with any credit information because the eastern association is not 'a subscriber' to the Mid-West Bureau.

"The whole situation is to be discussed further during the meeting of the Portland Cement Association in Detroit, September 11, 12 and 13.

Yours truly, W. D. Allen, Secretary.

"The reason I bring it up is, on the suggestion that we forward no further information until the matter is thoroughly cleared up."

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[fol. 964] GOVT. EX. NO. 134

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., September 18, 1916, at 11 o'clock A. M.

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"The President: I regret to state that we have not a quorum, and therefore, we will consider this an informal meeting. Nothing can be done to bind the Association at this meeting. I will be very glad indeed, to go on with the meeting, the same as if a quorum were here, with the understanding that nothing is binding on the Association. Is that correct, Mr. Israel?

"Mr. Israel: Oh, undoubtedly.

"Mr. Christ: Our action will be ratified at a later meeting, then?

'Mr. Israel: It practically means that you have got to bring it up at a new meeting.

"The President: Therefore, Mr. Stenographer, there will be no use in taking a report of this meeting.

"(An informal discussion thereupon took place which was not reported by the stenographer.)

"The President: I just call your attention now that we have a quorum, and we will proceed with the regular order of business. Mr. Cover and Mr. Smith have come in and that gives us a quorum.

[fol. 965] "The next in order is the minutes of the last meeting. As the minutes have been printed and sent to the members, what is your pleasure, gentlemen?"

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"The President: * * * New Business. I would like to state that at the conference of the Commites appointed by the Mid-West Bureau and the Cement Manufacturers' Protective Association to go into the best methods of interchanging information, it was decided that when the Mid-West Bureau had amended its by-laws, or made other changes in the method of distributing information, which would meet with their attorney's approval, all information issued from both Bureaus will be available to the members of each Bureau. A conference will be arranged as soon as possible between the attorneys representing the two Associations for the purpose of making this possible. Mr. Gowen, representing the Mid-West Bureau, felt it advisable to have a meeting between Col. Buckingham and Mr. Cox, and the officers of the Mid-West and Eastern Association, and change their by-laws so that the interchange of information would become operative about October 1st. Their by-laws, unfortunately, restrict the distribution of information only to members, so after arranging that and making the changes necessary, I understand that after that date we will receive all information from the Western Association, and as our by-laws do not have to be changed, we can give them [fol. 966] any information they require from this Association. It was a very good meeting, and I am glad to report progress. I think it very essential that all the eastern members should have the same information as compiled by the Secretary of the Mid-West Association

"Mr. Israel: All it requires is, that the Western Association should amend or change its by-laws, in order to give information to one that is not a member of that Association, namely, to our Association?

"The President: Yes.

"Mr. Israel: When they have done that, then, in fact, it will be perfectly legal to exchange information?

"The President: Yes.

"Mr. Israel: That will be very satisfactory.

"The President: And they will give us sufficient copies of their contracts, credit reports, etcetera, after their by-laws are changed, so that each member of this Association shall receive same.

"There was also a long meeting of the Trades Practice Committee, where everything in the proposed form of contract quotations was carefully gone over, and a number of points were referred back to the Committee, and will come up for discussion at the December meeting.

"Mr Cope: Of the National Association?

"The President: Of the National Association.

"Mr. Hilles: We have a number of Associations, and in referring [fol. 967] to these different Associations, I think we ought to be careful and name each Association by its correct name. There is no Eastern Association. We should call this Association by its right name.

"Mr Israel: I suppose in referring to the National, Mid-West and Eastern, it indicated those we were talking of, but it might be well to follow Mr. Hilles' suggestion.

"The President: The subject we were talking of in an informal way, I think we can now have formally discussed, and that was, with reference to the five cents a barrel discount. Whether that should only be allowed to customers who did not owe you overdue accounts. That I think will be inserted in all the forms in the future, but, in the meantime, it is open for discussion, gentlemen."

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"Mr Hilles: I am satisfied.

"Mr Israel: There are some gentlemen who have entered the room since we had the informal discussion upon this subject, which was informal only because we had no quorum. At a certain given time we had a quorum, and then the matter was brought up by the Chairman, and I made this motion. Now, if the full import of my motion is not clear to anyone who came in the room since this all began, I want simply to say a few words, namely, that the question was put by Mr. Medler, of the Atlas, what do the gentlemen of this Association consider, or what do the Companies in this Association consider is the [fol. 968] proper practice in a case where a purchaser owes past due accounts—in other words, past accounts overdue—and he undertakes to settle with you those past due accounts by giving you a note or acceptance—I mean, of course, for a certain running time. Does that settlement wipe out his past due accounts, so that he no longer stands in the position of owing past due accounts? Has the situation now been created where there exists no past overdue accounts, and he is, therefore, entitled upon any purchase he may make to the cash discount? Or does he stand in the position of one who owes a past overdue account, and, therefore, is not entitled to the cash discount, because our terms are, that only such purchasers are entitled to the cash discount who do not owe any past overdue account? Therefore, so as to bring the matter formally before you for discussion, so that no misapprehension will exist arising from it, I made the motion that it is the sentiment of this Association that one owing a past overdue account is not entitled to the cash discount, and that a settlement so-called, made by note or acceptance, shall not be considered payment of that overdue account, or to repeat, that a purchaser shall not be

entitled to the cash discount if a past overdue account remains unpaid, and a settlement by note or acceptance is not payment of that overdue account.

"Mr. Cope: May I ask if this is with reference to future arrangements?

"Mr. Israel: Sure.

"Mr. Cope: Because there are cases, some of us have been talking [fol. 969] about where some dealers have a plan to settle their past overdue accounts with a number of cement companies and get on a new basis."

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"Mr. Dutton: The effect of taking a note is, that the overdue account is paid.

"Mr. Israel: I explained to the Association that it is not. I am sorry you were not here.

"Mr. Dutton: Whether it is paid, or whether it is not, as Mr. Cope just stated, it is going to bring in another matter which we have to watch, and make trouble for the credit department, as well as the sales department. We have a whole lot of things on our hands, and it seems to me that this will make matters just that much more complicated. We start in and all agree not to do it, and all insist upon it, but this Association does not cover all the cement manufacturers, the shippers and cement manufacturers in the east. We have a lot of eastern manufacturers who are not represented here every month, or who don't belong to our Association, and I don't see any advantage in further complicating matters.

"Mr. Israel: What point do you want to bring up?

"Mr. Dutton: The bad thing about it, to my mind, is not to allow him, until he has paid his note, the five cents discount on his new sale. That is what I don't agree with.

"Mr. Cope: Neither do I.

"Mr. Dutton: I think that is going to complicate matters. We [fol. 970] have a lot of manufacturers, who don't come to these meetings who will not live up to that. I think we have done a good deal, but we ought to go slow in this matter until we straighten out and close up the old accounts."

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"Mr. Israel: I am doing so much talking, I am getting ashamed of myself. I recognize the force of the argument that if some of us do this, and some of our manufacturers do not do it, that those who do not do it will get some business that we won't get, or any of us get, and to the extent that that may assume a shape, a large shape, just to that degree it becomes very important, but the converse is also true to the extent that it will not prove large in quantity, [fol. 971] it becomes minimized and unimportant. I am rather inclined to think that the gain to be made by the adoption of the motion will far outweigh the disadvantages we would suffer by the

defeat of the motion. As I understand it, in the cement industry, or in the business, among other unfair things which have been practiced upon it, some of them almost reaching what could properly be called fraud, there has been this thing of making the cement company banker for the customer. The cement company is in the business of making cement and selling it, at a profit. It is not a banker, or in the business of banking, but the persistency of the purchaser in that respect encouraged by the complaint that some would do it and others would not, causes them to insist upon our being banker, and that makes the cement business a very onerous affair. So, we started out with what I thought was an excellent idea, encouraging men to pay promptly by allowing a discount of five cents a barrel, if paid within ten days. The idea of that was, that the greater number that paid us in ten days will increase and keep on increasing, until the cement business in respect to the matters I have referred to will be on a respectable basis, on a business-like basis. Now, if you are going to let a man not only give us a note of acceptance, or let me put it this way: If you are not only going to overlook the fact that he don't have to pay in ten days, while you do let him pay in thirty days, you are going to let him do further than that. You [fol. 972] are going to let him pay in a note for sixty or ninety days, if you please, and then that shall be looked upon as an absolute payment, and he is entitled, on any future purchase he may desire to make, to the cash discount, by way of discount. Why, don't you see, gentlemen, in this rule that you have adopted, or rather established, the advantage that will accrue to you by the proposition you have made to the purchaser, if you pay in ten days, we will give you five cents a barrel discount, will be wiped away. Why, you are then practically putting every purchaser in the shape where he can't see that there is any great temptation for him to pay you in ten days. What is the use? We may just as well pay you in a note. A note is taken, and he is put in shape to get his five cents discount on any future purchase he may make after that. He is getting you to be banker for him. He is getting your money. We are going right on in the same old way. The only way we could get him to reduce his payments is by taking a note from him and by allowing him five cents a barrel discount. Is it not placing a premium upon non-payment within ten days, or it is placing a premium upon non-payment in ten days, by taking his note, and saying, 'Thank you, you have paid me in United States notes,' which, of course, he has not done, except to the extent of having the note discounted. I just want to say what I said when we had the informal discussion, before we had a quorum, that the consensus of opinion of the best lawyers in this country and the best judges in this country, founded [fol. 973] on the best opinions of the best business men, because that is how these conclusions are arrived at, is that so-called payment by note is no payment at all, but when you receive your debtor's note, you are simply receiving, as it were, something in the shape of additional security. That is all. You can't pass the original account he owes from hand to hand by endorsement for dollars and cents,

but you could a note. You can take it to bank and discount it, but, of course, you are responsible for it. You have also got something where, if you want to sue him, he can't make any defense to the original account for which the note was given. He can't say the cement was no good, or this, that and the other thing about the condition or color of the cement. That is the effect of it, but it does not pay the account he owes you for cement and the courts say you can sue on the original account for cement and totally ignore the note, as if it were not given, the only consideration being that you must surrender the note, of course, to the man when bringing this suit. So, if you are going to tell a purchaser, 'Yes, this is just the same as if it was gold coin, or United States notes,' it seems to me you are simply encouraging non-payment in ten days, and will permit him to pay by note and take advantage of the discount. I think the proposition of five cents a barrel discount if paid in ten days is going to be the practical way.

"Mr. Cover: Since I recognize that we should all agree not to ac- [fol. 974] cept a note as payment in ten days, but should insist upon the cash wherever the five cents is allowed, in so far as the original account is concerned, what Mr. Israel has told us is entirely in sympathy with my views, when he says it is better to get the open account in the form of a note, rather than have it on your books for a customer to dispute over the things left open. These notes can be used, as he stated, at bank or otherwise. Therefore, it strikes me that this will not decrease or increase the taking of the cash discount by taking a note on open account running over thirty days. Now, certainly, there is another great objection to this plan, as outlined in his motion, which the other gentlemen have not mentioned, and which was brought up, as some of you will remember, at the meeting of the Trades Practice Committee at Chicago. Suppose a dealer has taken a contract, and the party to the contract does not get his money promptly, as is often the case, and that contractor is not in a position to take the cash discount from the dealer, and the dealer is not in a position to pay you and take the cash discount, until the contractor does the same with the dealer, now, do you mean to say that dealer shall not have the right to discount his bills for his current requirements because he is not able to take his discount on that other contract? Don't you see that to make a rule as sweeping as your motion is, that you are forcing the dealer to either discount everything, or else not discount at all?

"Mr. Dutton: Let me say in addition to that, if Mr. Cover will [fol. 975] excuse me. I shall very quickly get down to facts. Suppose that a small dealer takes a contract from a contractor who did not discount his bills, and the man said he could not afford to sell him any more, and he could not purchase any more, which could not happen, perhaps, in a big city. Suppose he later secures a contract from another, who was taking his discount, wouldn't that prevent the dealer on a small capital, from taking advantage of the discount? While the contractor was really taking advantage of the discount, he could not take advantage of it, himself, because this old contract

was still held up. That puts the dealer in an awful bad position, and that is the reason why, as I have already stated, we should look at this thing from a practical point of view, and see whether or not it will prevent us from putting the dealer in that position.

"Mr. Medler: There are just enough holes punched in these arguments to make them rather worthless. A dealer who is in a sound financial condition could go to his bank and on his contract could borrow the money to discount his bills. He is in a better position than we are to do that. Where a dealer has not capital enough to discount his bills, where he has a good contract, we can send him to his bank and make him explain the situation, and in that way, the burden would not be on the cement manufacturers. That is where the money is, and he can borrow it there.

"Mr. Israel: Just a second. There seems to be a misapprehension about this motion. This motion is not offered to mean that if [fol. 976] a person owes an overdue account we should not sell him any cement. This motion is that we should allow five cents a barrel discount, if the bill is paid ten days afterwards, provided he owes no overdue account. That is the purpose of it. The purpose is to make him pay his past overdue accounts, and get them cleared up, and if it is not to the interest of everyone of us to do that, and there seems to be much interest manifested by the discussion upon the subject, why, then, gentlemen, it follows that we are not good business men. What Mr. Medler has said is only too true. When you take a man's note, that, of itself, should satisfy you that he was of proper credit and proper standing, and he proper standing, and he could discount that note, himself, in bank, and get the money, and pay us with money. That is the best place to get it. If he gives you a note, your account won't be paid. We want to do away with the giving of a note. We want to get the actual money from him and give him five cents a barrel off, to encourage him to pay promptly. You can keep on selling him cement, but you could not allow him five cents a barrel while he owes you a past due account. Now, he wants to receive that five cents a barrel, and the consequence will be that he will pay you his overdue account. That is what we are after, to get the past overdue accounts paid, plus future accounts reduced to ten days' payment, with five cents a barrel off.

"Mr. Erdell: I would like to ask Mr. Israel a question. Suppose John Jones owed the Coplay Company an account, and you took [fol. 977] his note to pay that account—you would do that, wouldn't you?

"Mr. Israel: We would have to do it.

"Mr. Erdell: And a week from that, he came around and ordered a car of cement to be shipped at once?

"Mr. Israel: Yes.

"Mr. Erdell: Would you ask that man if he was going to pay his bill in ten days after shipping the car, and if he said, 'Yes,' would you say, 'We can't discount your bill, because you have not paid your old account?'

"Mr. Israel: I will answer that question. I will not say to that man, 'Are you going to pay in ten days?' He knows I can't ask that question——.

"Mr. Erdell: If he wanted to pay in ten days to get the discount?

"Mr. Israel: If he came around at the end of ten days and wanted five cents a barrel off, I will say, 'No, because you are not entitled to it,' and just let him have an experience or two like that, and he won't settle his account with a note after that. He will pay us as he ought to, right along, with money, and particularly when he has got a good contract, he can take his note to bank and get the money.

"Mr. Dutton: I want to put a practical question to Mr. Israel. Now, this is a case that could very easily occur. Suppose we sell John Jones cement for resale to John Smith, and John Smith does not discount his bills. Consequently, John Jones, my dealer, can-[fol. 978] not discount his bills. He has not enough capital to do it. A little bit later a contractor comes into the town, where this dealer, our representative, is, and secures a certain contract, and says, 'I will buy Saylor cement. I will buy it through the local dealer.' He goes to the local dealer, and says, 'am going to buy Saylor cement through you. I am going to take my five cents a barrel discount.' Now, we won't give the dealer his five cents a barrel discount because he owes that other contract yet. The dealer, therefore, has to handle that cement for practically cost, because the contractor is taking his discount, and we don't give it to him, and the dealer can't take advantage of the discount. When my dealer finds he can't take advantage of this discount for this work, he says, 'I won't sell you any more.' This contractor then goes to the other dealer in town, who is all right in his account, and buys from him and gets his discount. Now, another dealer gets the business. The contractor wants to use Saylor cement, but he can't give the business to my dealer, because he has not got his account paid up on the old contract, and he has no capital at all to pay it. As I said, the principle behind all this is good, but from a practical standpoint, I am afraid it is going to bring in lots of trouble. I think there are too many of these conditions on the side that are going to upset what we are trying to do. I think a good many of you gentlemen can see the logic of the view I take of the matter.

[fol. 979] "The President: Why couldn't the Coplay Cement Company get their own men together and take it up at the next meeting?

"Mr. Smith: It seems to me the points by Mr. Cover and Mr. Dutton and Mr. Cope are very well taken. Mr. Medler referred to the fact that a cement dealer can go to his bank and get money off his note. I think, perhaps, he loses sight of the fact that the majority of the dealers are in small towns where they only have one or two banks, and it is almost the invariable rule in these small banks that they will not loan money except on two-name paper? Now, how is he going to get a man to go on his two-name paper? He can't get it without. He can't take his single name note, and get the money to pay his cement account with, not as a rule.

Therefore, I think that the point made by Mr. Cover is very well taken. It seems to me we have talked about this for a long time, and we are getting no nearer a solution. Therefore, I move that the matter be laid on the table until another meeting.

"Mr. Cover: I second the motion.

"The President: You heard Mr. Smith's motion, gentlemen, that this matter be laid on the table until some future meeting. Are there any remarks?

"Mr. Hilles: There is another motion before the house.

"Mr. Israel: A motion to lay on the table is always in order.

"The motion was duly carried."

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[fol. 980] GOVT. EX. NO. 135

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., September 18, 1916, at 2 o'clock P. M.

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"The President: Mr. Israel, I believe you have something you want to report on Cost Accounting.

"Mr. Israel: I am sorry to find that today there are but thirteen companies represented, and so far as the General Sales Managers are concerned, there are but twelve companies represented at this meeting. This matter of Cost Accounting is one in which absolutely nothing at all can be accomplished unless something which is absolutely essential in regard to it is done by everybody. Now, it is a very poor occasion to suggest a proposition that requires the unanimous consent and promise to do of twenty-three companies, when only twelve are present. I am perfectly willing, Mr. Chairman, to state the result of the work of that Committee, but I will tell you at the outstart that it won't avail us anything, because the part that the Association itself has to do is the simple thing of being present, so that it may be considered as to whether we will or will not do the thing. That is the first fundamental essential—to be present.

"The President: We have an arrangement for a meeting on Thursday, of next week. I think all the members will be there. Therefore, if agreeable to you, it may be just as well to put off your report until that time.

"Mr. Israel: I will be only too glad to do that. In fact, I wanted to do that.

"The President: New business. I should like, if you desire, to have reports of the first fifteen days' shipments of every month as regular reports.

"It was moved and seconded that reports of the first fifteen days' shipments of every month should be issued each month.

"The motion was duly carried.

"The question of whether five cents a barrel discount should be allowed on accounts when there is an old account outstanding, over thirty days, was discussed, and it was moved and seconded that this matter shall be referred to the Committee that has it in charge, to report at the next meeting.

"The motion was duly carried."

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[fol. 981] GOVT. EX. NO. 136

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., October 16, 1916, at 11:30 A. M.

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"The President: Gentlemen, you have all received the printed minutes of the last meeting. It is in order to have them read, or accepted as printed.

"Mr. Cox: There is one point that was not quite clear on reading the minutes. On the third page of the Sales Managers' meeting there is a reference to a meeting on the Thursday of the next week—that is, the week following September 18th, and it does not appear in the minutes what that meeting was, and I would suggest that some one might, perhaps, state what occurred at that time, so that the minutes will be complete.

"Mr. Coogan: In connection with the suggestion that Mr. Cox makes, I would state that that refers to a meeting held at the Northhampton Country Club, at Easton, on September 28th, at which meeting the question was taken up as to the dedication of the Allentown-Easton Road, and that a fund up to $10,000 should be provided for this purpose, and since that time, notices have been sent to all the member companies regarding their assessment and plans. I guess you are familiar with the details. One other question it was thought might be brought up at the meeting was the report of Mr. Israel on Cost Accounting, but, unfortunately, there were not very many accounting officers present, and we felt it better to have that report made at a regular meeting of the Protective Association, so that we could have the matter fully discussed.

"Mr. Cox: As I understand then, the meeting at Easton was not a meeting of this Association, but a meeting of the manufacturers interested in that new cement road.

"Mr. Coogan: That was it.

[fol. 982] "The President: That is correct.

"Mr. Cox: I brought that up, because I consider it important that all meetings should be fully reported, and that is the reason I wanted the record complete."

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"The President: Unfinished business. At the last meeting the question was raised as to allowing the discount of five cents a barrel when there was an overdue account. That was laid on the table until this meeting. The question is now open for discussion, gentlemen. In explanation of the matter, I may say that there was quite a discussion as to whether it was advisable to let a customer take the five cents a barrel discount when there was still an open account overdue. As this seems to be rather an important question, I would like to learn the feeling of the members present, as to whether they are allowing the discount if a customer owes you an account still overdue. There was a great deal said at the last meeting, and we would be glad to hear anything further you may have to say.

"Mr Coogan: My understanding is, that no company make a general practice of doing that. I believe that there are some who do it, but not all the companies.

"Mr. Lober: I was not present at the last meeting, and all I know about it, is, what I read in the minutes, and, perhaps, it might be proper for me to make a statement of what I think should [fol. 983] be done and what we are doing, because I was not present.

"In the first place, in looking over that discussion in the minutes, it seems to me the gentlemen who talked took two different standpoints. Some talked from the Sales Department standpoint, and some from the Credit standpoint, and the difference of opinion came right there.

"As far as we are concerned, we believe, from the credit standpoint, that a customer who owes an overdue bill is not subsequently entitled to the discount on his current bill.

"As a matter of fact, when a bill comes due in thirty days we are entitled to our money, and when that customer discounts a later bill in ten days, he is using your money to discount your bill. That is the way we feel about it.

"Now, on the other hand, the dealer on a great deal of business—carload business—only gets five cents a barrel profit. There will occasionally crop up instances where a dealer, who is reliable, may be, perhaps, sixty days overdue, and for some reason he is unwilling to take the discount on his regular bills. He may not be in financial condition to do that. Possibly, he can't borrow the money, and yet he still wants us to continue selling to him. We feel that it is safe to continue selling him carload lots, and, in the meantime, he continues to sell cement to a contractor on a certain job, and that contractor may insist on his having the five cents in ten days, because he could get it from the cement manufacturer if he bought direct. [fol. 984] That being the case, if the cement dealer does not discount his bills on that job, he gets no profit. Now, those particular in-

stances, so far as I can see, have got to be handled each on its own merits. I don't think it is right that the man should have the discount when he owes an overdue bill, but, as I say, if you don't make some sort of an arrangement, by offering him a special commission, or whatever you chose to call it, he has got to handle that particular contract, or carload, or whatever it may be, without any profit.

"Now, we have in some very few instances allowed the customer or dealer to discount some bills for that particular reason, and no other, when he has had an overdue account."

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"Mr. Medler: We did that with a very large dealer in New York, who absolutely refused at any time to meet his current bills in ten days. We had a long overdue account, and we declined to accept the cash discount on his current shipment. That was after the invoice had run sixty days overdue, and we lost his account. We have adopted the general practice that we will not allow anybody the cash discount on the current shipment where there is an invoice sixty days from date of shipment on our books.

"The President: May I ask how your quotations read? Have you got the clause or stipulation, thirty days net, or five cents a barrel discount in ten days?

[fol. 985] "Mr. Medler: They state thirty days net, and five cents a barrel for cash within ten days, but we have up at the present time the question of the change which we may put in.

"Mr. Jiggins: Counsel advised us that under the past wording of our quotations, our customers had a right to the discount on bills even if they still owed us an account over thirty days. That was the reason we changed our quotations. That seems to be the crux of the whole thing, whether you gentlemen want to change the wording of your quotations and contracts, or whether you want to leave them as they are, and settle for yourselves hereafter as to whether you will accept the discount or not."

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"The President: You have heard the remarks of all the members present in reference to their feeling in this matter, and it seems to be the consensus of opinion that it is advisable to endeavor to change the wording of their quotations and contracts, if it has not already been done.

"Mr. Coogan: Now, Mr. President, I would like to ask if this is not a matter that is entirely outside of the scope of this organization? Isn't it a matter for the general association? For example, suppose this organization does pass a resolution recommending the adoption of that clause, what are you people going to do with your competitors in the Mid-West, provided the Mid-West do not see fit [fol. 986] to adopt such a clause? If we are to have uniformity, the simplest way would be to pass it, the same as this organization, but we don't know whether or not it is going to be adopted gen-

erally, or not. In fact, I am in a position to say that I don't think, myself, the resolution will be adopted in the Mid-West.

"Mr. Hilles: I don't think this is a resolution. It was merely an expression of opinion.

"Mr. Coogan: The President said it was the consensus of opinion to do so by adding it to the forms.

"The President: If the individual company sees fit to do so. Not as a resolution.

"Mr. Coogan: I think, by all working together, you will do more real good and get good results, but I do not think you will get good results simply by adding that to the forms. We know there are cases that it simply would not cure, and it does not seem to me like good business.

"Mr. Hilles: I, therefore, suggested this expression of opinion, which was not to be regarded as a resolution, but simply as an expression of opinion, and if the Resolutions Committee of the Protective Association desire to take it up, all well and good. If not, no harm is done.

"Mr. Coogan: I think that it weakens your position, because you gentlemen all admit that there are cases where you have got to make an exception, and that they come up, in the general run of business, very seldom. I don't see where you are going to strengthen matters by an expression of opinion.

[fol. 987] "The President: We feel that we should put the clause in, regardless of whether any other companies do it or not, because we consider that it is essential to our collections, and it is simply a matter for each company to decide for themselves, not as an association matter, but as an individual matter."

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"The Secretary thereupon read Mr. Cox's letter, as follows:

"New York, Oct. 7, 1916.

"Mr. R. E. Griffith, President, &c.

"DEAR MR. GRIFFITH: Referring to the proposed amendment of the by-laws providing for the exchange of information with other associations collecting like information, I beg to advise you as follows:

"The proposed amendment is framed in more or less general terms with a view to covering all cases of the kind that may arise. It contains two limitations,—(1) that the information must not be of a kind outside the scope of the constitution of your Association, which is desirable from a legal point of view, and (2) that the Association must direct the Secretary concerning the whole matter.

"The immediate object is to exchange information with the Mid-West Association. I have had a conference with Col. Buckingham, [fol. 988] counsel for the Mid-West Association, concerning the matter with the following results:

"The Mid-West Association and the Protective Association embody the same ideas and thoughts. Both proceed upon the assumption

that in such matters it is not enough to avoid anything contrary to the letter or spirit of the law, but also necessary to prevent any misconception or false inference. The only important difference between the two associations is in the ways adopted to deal with the latter. The importance may perhaps be made plain by an illustration:

"Taking the case of any staple and highly competitive commodity which, for economic causes, inevitably brings about the same price in the market at any particular time, there is always some opportunity for a person unfamiliar with conditions to speculate as to why the price is the same, although any one connected with the business knows that it results inevitably from the application of economic laws. Those connected with the administration of the laws, private parties who are of the litigious disposition, prosecuting attorneys, jurors, etc., are, unfortunately, not very familiar with economic laws. A mind in that condition is apt to seize upon any explanation that may satisfy it; and if to substantial similarity in price it can add communication between the manufacturers of the commodity, it is apt to infer or conclude that the price has resulted from the communication and find an agreement or conspiracy in restraint of trade, notwithstanding the statement of the manufac- [fol. 989] turers that their communications had nothing whatever to do with the price of the commodity.

"Simply to guard against false inference or misconception of the kind thus illustrated, both the Mid-West Association and the Protective Association have regarded it as absolutely essential that there should be nothing in the nature of communications between the members of the Associations except such as are definitely and completely embodied in writing which can be produced at any time and thus leave no room for inference as to the nature of the communications. The Mid-West Association carries this out by restricting communications to reports on printed forms. The Protective Association accomplishes the same thing by having everything said or done at meetings taken down verbatim and preserved. Both are proceeding along precisely the same lines, the difference being merely in the mechanism.

"The information collected by the Mid-West Association is the same information which the Protective Association collects, except that it is somewhat less complete in some particulars. There is accordingly, no possible reason why the information of each should not be made available to the other, and it is desirable, because the fields of the two Associations overlap to some extent.

"The arrangement made (subject, of course, to the approval of the two Associations) was that the Secretary of the Mid-West Association and the Secretary of the Protective Association should send each [fol. 990] other a sufficient number of their respective reports in the form each Association uses for distribution to the members of the other Association. Thus, a member of the Protective Association will receive from its Secretary precisely such information collected

by the Mid-West Association as a member of that Association receives from it; and a member of the Mid-West Association will receive from its Secretary precisely such information from the Protective Association as a member of the Protective Association receives from it.

"At our conference, it developed that there are objections which may fairly be called insuperable to any other plan, and the plan proposed seems fair and right enough. It is certainly open to no legal objection.

"Yours very truly, Archibald Cox."

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"The President: We have looked into this matter very carefully, and we find that it is a very serious affair not to list it on our bills of lading, if we return sacks to the customers. Therefore, we put it on the bills of lading, and the railroad company invariably bills us for the cost of returning those empty sacks to the customer, whether they go with a car of cement, or whether they go separately.

"Mr. Cope: They bill to us, and we bill to the customer, after the [fol. 991] freight goes forward. We charge the freight.

"Mr. Coogan: There is no reason why they should occupy much space. We put them in, and list it on the bill of lading, and if the railroad company collects the freight from the consignee, why that freight is collected, in addition to the freight on the cement. Therefore, we have absolutely nothing to do with it. As a matter of fact, I think the actual practice is, even although it is listed on the railroad bill of lading, the freight is not collected. It is more often listed to them as a car of cement, and it is up to the railroad company then.

"Mr. Lober: You can give your dealer a list showing what bags had been shipped.

"Mr. Coogan: When you ship empty bags, you should list it on the bill of lading, and whether the railroad company collects the freight or not is a matter for them. We do that with a mixed load of cement. We do not do it with a carload of cement. Less than a carload we stick in the bags, and list them.

"Mr. Cope: And list it as a car of cement?

"Mr. Coogan: No.

"Mr. Swett: In less than carloads you put in the bags?

"Mr. Coogan: Yes. That is under the classification.

"The President: The gentleman who brought this up wanted to get the feeling of the different members as to how they were handling this, and it seems to be the general concensus of opinion that in the future, when a customer asks to have bags returned, we will put them in the next car of cement that is shipped, and so state it on the bill of lading. Is that the feeling of the members present?"

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[fol. 992] GOVT. EX. NO. 137

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., October 16, 1916, at 12:30 o'clock P. M.

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"The President: Last Friday a week, Mr. Cox and I went to Chicago and met Col. Buckingham and Mr. Gowen. On Mr. Cox's return, he wrote me a letter, which I will ask the Secretary to read, if you desire, in reference to changing our By-Laws, so that we can exchange information with the Mid-West Association, and they, contra, will exchange their information. In view of the fact that a copy has been sent to all of you, and it has already been read at the Credit Managers' meeting, it stands approved, it having been voted upon by them.

"Now, gentlemen, we come to new business, Mr. MacFarland, I believe, has a suggestion to offer.

"Mr. MacFarland: I want to offer this resolution:

"To make our statistics more complete, I offer the following resolution, viz.:

"That each member report to the secretary the annual productive capacity of his operation, and that the Secretary tabulate and send to each member a copy of the tabulation.

"The President: You have heard the resolution of Mr. MacFarland. Is it seconded?

"Mr. Coogan: I second it. I would suggest, Mr. MacFarland, that a letter be sent by the Secretary to each one of the members embodying that resolution.

"The President: I think that is a good suggestion.

"Mr. Cope: Is that for the present year?

"Mr. MacFarland: For the present year.

"Mr. Cope: Past production?

"Mr. MacFarland: Past production."

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[fol. 993] GOVT. EX. NO. 138

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., November 20, 1916, at 12 o'clock noon.

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"The Secretary: One other resolution was passed as to a report on capacity. I have not received all the figures, and for that reason no report has been issued, but will be in a very few days."

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[fol. 994] GOVT. EX. NO. 139

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., December 15, 1916, at 11 o'clock A. M.

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"The Secretary: I have no report, except to say that the Mid-West Bureau have notified me that they are now ready to exchange all information with the Cement Manufacturers' Protective Association. I have received their credit reports, and have sent them our credit reports. Their credit reports will be sent out to the members of this Association within a few days, and in the future all information will be exchanged.

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"The President: * * *

"The next in order is new business. In this connection I would like to state that we had an informal meeting of a number of credit men who happened to be in the hotel in connection with the annual meeting of the National Association in New York two days ago, and a number of matters were brought up that were very interesting to the credit men, especially the way that credits were reported by the Western Association as compared with the Eastern Association, and also as to the mode of the collection of accounts in the Western Association as compared with the Eastern Association. [fol. 995] There has also been compiled a statement, and I don't know whether you gentlemen have all received a copy of it or not, showing the condition of the different companies reporting to the Mid-West and also the Eastern Associations, as of October 31st. I expected that Mr. Blanchard would be here in time for this meeting this morning, but I received a telegram from him stating that he could not be here until twelve o'clock. I had no report made up for this meeting, but he had a very intelligent report, and I am sorry he is not here, which shows a considerable difference between their open book accounts and the Eastern book accounts."

"Mr. Jiggens: In connection with that meeting in New York, I would like to say that I find there is this difference in their reports from ours, and that is that we, in the East, are reporting all notes, and in the West they do not report their notes, nor trade acceptances,

that we consider as notes. Consequently that comparison between the East and West is not altogether correct.

[fol. 996] "The President: It would probably be a good idea for us to request the Western Association to conform to the plan that we have adopted in the East to report all notes.

"Mr. Jiggens: I feel, as I think you all do, that it is very advantageous to us to have all notes reported. Now, Mr. Gowen, who was there, and I do not know whether he was talking necessarily on behalf of the Western Association, seemed to think that we should possibly conform to the Western idea, but I told him that we preferred to continue the way we were doing.

"The President: I think you are perfectly right. I don't think we should change our present method, and I think it better to ask them to conform more to our way of requiring the members to report all notes and trade acceptances.

"Mr. Jiggens: I think if we could get them to do that, and report what notes they are carrying, along with their open accounts, like we do here in the East, we could make a better comparison between the East and the West, but as it is now, it is not a fair comparison.

"Mr. Moyer: Not only that, but the idea of reporting notes, in addition to open accounts, will give us an idea how much credit was being extended to a customer. If they don't report their notes, or trade acceptances as notes, then we can't use their credit reports. It is an advantage to every one in determining whether a much larger credit is covered by a note, or a smaller credit, and I think it is [fol. 997] better to request them to include in their reports their acceptances or notes with their credit reports.

"The President: I understand Mr. Blanchard has that matter under consideration, and will insert a column showing where notes have been either endorsed or guaranteed. That was brought out, after some little talk, at the New York meeting, and he saw the advisability of doing so."

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"The secretary thereupon read the following letter:

"'Alsen American Portland Cement Works

"'45 Broadway

"'New York, Dec. 2, 1916.

"'Mr. Marion S. Ackerman, Treasurer, Cement Manufacturers' Protective Association, Commercial Trust Building, Philadelphia.

"'DEAR SIR: Having availed ourselves of the credit branch of your Association we are reluctant to continue without contributing some tangible compensation and trust you will accept herewith our check for $200.

"'Yours very truly, W. P. Corbett.'

"The President: In explanation of that matter, I would like to [fol. 998] state that Mr. Corbett is heartily in favor of this Associa-

tion in all matters pertaining to the reports, but unfortunately has been unable to secure authority from Germany allowing him to become a full member of this Association. I think as soon as he receives that authority he will become a full member of this Association. He does report his credits, does he not, Mr. Bacon?

"The Secretary: Yes.

"The President: Therefore, I feel that we should accept this check, and that we should write him a letter expressing our feeling and appreciation, and hope that he will continue to avail himself of the credit branch of the Association until he was full authority to join as a full fledged member. I think that is essentially correct, Mr. Stranahan?

"Mr. Stranahan: Yes.

"Mr. Israel: His principals are in Europe, I believe.

"The President: Yes. He wrote to them in Europe nearly a year ago explaining the reasons of this Association, but he has been unable either to receive a cablegram or letter giving him authority, and he does not feel like joining until he has that authority from the other side, who are the principal stockholders, I understand.

"Mr. Israel: How does the $200 measure up to his proportionate dues?

"The President: I should say about one-third of the dues. Is there anything else, gentlemen, you would like to bring up? If not, a motion to adjourn will be in order."

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[fol. 999] Govt. Ex. No. 140

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., December 15th, 1916, at 12 o'clock noon.

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"The President: January 1st will soon be here, and I would suggest that the bills should not go out until after that time, and that the Secretary write to each one of the Companies as of January 1st, asking them to give him a statement of the number of barrels shipped for the year.

"Mr. Cope: Not including export. I think that was excluded.

"Mr. Swett: I think export was included. Later on we decided to include it.

"Mr. Coogan: My recollection is that our dues are based on everything we shipped in 1915.

"Mr. Lober: I would make this suggestion, that the Secretary take the steps necessary to enable the Treasurer to send out bills after January 1st for the following quarter's dues.

"The President: If you remember we employed F. W. Dodge Company to investigate contracts that were reported for delivery after January 1st, 1917. I will ask the Secretary to give a résumé of what has been done so far.

"The Secretary: Pursuant to the resolution passed at the last [fol. 1000] meeting, we sent to the Dodge Company during the week of November 22nd to 29th, about 2,200 requests that covered a total commitment of about five million barrels. We have received from the Dodge Comany up until yesterday about 800 reports, which have been sent out to the different Companies, and they have not all had an opportunity to investigate for themselves to see whether the Dodge Company's reports are correct, but up to the present time the cancellations due to the Dodge reports amount to about 86,000 barrels. That includes one big contract that was cancelled because of the report received from Dodge. The total amount of cancellations would have been greater if the companies had not made special investigations for themselves. Of course, there are quite a number of contracts yet to be reported on. Mr. David, of the Dodge Company, is here, and will be very glad to give you any information you may desire.

"The President: Mr. David's arrangement with the Association is to investigate the contracts for thirty days, and I would like Mr. David to explain whether he would be willing to continue this arrangement, because contracts are being reported from time to time and may need investigation. I would like to hear from Mr. David in reference to this matter.

"Mr. David: We are perfectly willing at the present time to continue the arrangement, but we would like to know about what period of time these inquiries would come in. We are prepared to rush [fol. 1001] out one hundred men through the territory operated from four of our central offices in Boston, New York, Philadelphia and Pittsburgh. Of course, if it is to continue indefinitely in the future we may have more men working on these from the central offices, and will put them on permanently. We are prepared now to answer from 150 to 200 inquiries a day if we can get them in bulk enough. We have had some difficulty in getting some of the information, unfortunately, owing to the fact that some of your salesmen have told the dealers that we were doing this work for you, and that has made it somewhat difficult for us in some places, and we would request that in the future that this be not made public more than is absolutely necessary. Of course, when we were asked by builders who we were getting this information for, we have told them we were employed by the Cement Manufacturers' Association, but we do not tell them unless it is absolutely necessary. I think out of the eight or nine hundred reports that we have sent in, and about 120 came over this morning, we have not had sent back to us more than about a dozen for reinvestigation, and that will give you some idea of the work we are doing in the reports we have sent in. If you gentlemen would like to know how we distribute the information, and the manner in which we work, I would be glad to explain it.

"The President: We would be glad to hear it.

"Mr. David: We first distribute the information to our four cen- [fol. 1002] tral offices. The New England States are handled through the Boston office. New York State and northern half of New Jersey from New York, Pennsylvania and the southern half of New Jersey, Delaware and the Atlantic Coast from Philadelphia. Western Pennsylvania, the middle west and Ohio from Pittsburgh. We have men covering the territory sent out from each central office and they send in their reports to each office. In each office we have a man who is familiar with the requirements of a practical building, and he goes over the information that is sent in, and if there is anything wrong, it is re-investigated before it is sent to you."

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"The President: You will remember that all member companies were asked to report to the Association all contracts by states, showing the amount of cement contracted for, to be delivered into the different states by the different companies. I took this up with Mr. Cox, and he is in thorough accord with the idea, and states that it is absolutely within the province of this Association to ask for a report of that character, so as to show the exact number of barrels contracted for by the different companies, which will save a great deal of trouble."

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"Mr. Smith: It seems to me that it will be necessary to have somebody pass on the legality of every contract if that motion is [fol. 1003] passed. The purpose of these daily reports is to give information to each other, and if we hold up the reports unnecessarily that is bad faith, and I am sure no member is attempting to act in bad faith. It seems to me that when a quotation is accepted by the prospective purchaser that is sufficient evidence that there is a contract.

"Mr. Israel: We are getting right back to where we started. Our quotations provide that this is subject, however, to the approval of the company—that is, by the executive. That is not a sale. I will leave out the word legally from my motion——

"Mr. Coogan: I would suggest the word obligation.

"Mr. Israel: That is a good suggestion, and I will repeat my motion. I move that it is our practice to report all transactions as soon as they became an obligation of the cement company.

"Mr. Swett: I second the motion.

"Mr. Cover: I would like to correct that motion. I think it might be improved if we say, as soon as they become an obligation of the cement company and purchaser.

"Mr. Israel: I will accept the amendment, and my motion now is, that we report all transactions as soon as they have become an obligation of the cement company to furnish and the purchaser to accept.

"Mr. Swett: I second the motion.

"The motion was duly carried.

"The President: Is there any other matter you would like to take up? If not, a motion to adjourn is in order.

"It was thereupon moved and seconded that the meeting adjourn. The motion was duly carried."

[fol. 1004] GOVT. EX. NO. 141

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 219, Commercial Trust Building, Philadelphia, Pa., January 15, 1917, at 11:30 A. M.

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"The Vice President: My own personal opinion is that no form should be changed until it has been submitted to meeting. I think it is very much better to talk about such things and when we see it reduced to a form we may not agree on it. I think it much better not to change anything until it has been brought before a meeting and formally approved, because many people may not have machines fitted to take a report like that, or may have their records made up in such a way as to make the other report more convenient.

[fol. 1005] "Mr. Lober: Ours was not wide enough. It was a very easy matter to fold it."

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"The Vice-President: William D. Lober was nominated for President. On motion the nominations were closed and Mr. Lober was elected by acclamation.

"W. G. Dutton was nominated for Vice President. On motion the nominations were closed and Mr. Dutton was elected by acclamation.

"M. R. Ackerman was nominated for Treasurer. On motion the nominations were closed and Mr. Ackerman was elected by acclamation.

"The Vice President: So that it may become a matter of record, I want to say that the old officers of the association felt they might not be re-elected, and therefore they readjusted to some extent the salaries in the association's office. I do not mean their own salaries. I want that to go on the record so that the new officers will know they have been readjusted and to what extent. Under the by-laws the secretary is to be elected by the association for such term as they may determine. He was elected at one of our meetings.

"Mr. Ackerman: I move that Mr. Bacon be elected secretary for one year.

"On motion the nominations were closed and Mr. Bacon was elected by acclamation.

"Mr. Lober: I move the association approve the action of the officers whose terms are just expiring, in readjusting the salaries of the office force.

"Mr. Israel: Would you not make that motion a little broader, that the association approve the actions of the officers during the past year?

"Mr. Lober: All right.

"Mr. Ackerman: I move a vote of thanks to the retiring officers for the work, time and energy given to the association during the past year.

"The Vice President: Why not combine the two motions into one?

"Mr. Ackerman: Mr. Griffith is unable to be here, we regret that he will not serve again, and I think he will probably appreciate — if we put on the minutes an expression of our sense of the service he has rendered.

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"The President: Gentlemen, I thank you very much for this expression of confidence. I feel we have gone a long way in the last year. We have done a great deal. I only hope we can progress as much during 1917. If there is no further business a motion to adjourn will be in order.

"On motion adjourned."

[fol. 1006] GOVT. EX. No. 142

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., February 19, 1917, at 11:30 A. M.

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"Mr. Israel: I move that the secretary be authorized to send to Mr. Allen, the secretary of the Mid-West Association, a copy of the minutes of the meetings of this Association hereafter.

"Mr. Jiggens: I second the motion.

"The motion was duly carried.

"The President: Any other new business? If not, a motion to adjourn will be in order.

"Mr. Israel: I move that we adjourn.

"Mr. Matthes: I second the motion.

"The motion was thereupon duly carried."

[fol. 1007] GOVT. EX. NO. 143

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., February 19, 1917, at 12 o'clock noon.

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The Secretary: I will say in that connection last month I was requested by one of the companies to get up a table showing the percentage of commitments as compared with the shipments for the year 1916. As one of the companies wanted it, I thought I might as well make up a sufficient number so that every company might have it, and I did so. Mr. Mallory received that report, and he wrote me this letter:

"Edison Portland Cement Company

"New York City, February 6, 1917.

"Mr. Charles W. Bacon, Secretary Cement Protective Assn., Phila., Pa.

"DEAR SIR: I am glad to know that you have decided to send out the percentage sheet, showing the percentage relation of the contracts booked by the various member companies as compared with the total shipments to the first of each month, as, in my judgment, this information is very necessary so that each company may understand just how it stands as compared with the other companies."

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[fol. 1008] GOVT. EX. NO. 144

Special Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., April 4, 1917, at 11 o'clock A. M.

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"The Secretary thereupon read the letter as follows:

"Clinchfield Portland Cement Corporation

"Kingsport, Tenn., March 10, 1917.

"Mr. W. D. Lober, President Cement Manufacturers' Protective Association, 932 Commercial Trust Building, Philadelphia, Penna.

"DEAR MR. LOBER: I have your letter of the 8th, replying to my letter of the 5th, and am very glad indeed to note that you appreciate the position that we have taken with reference to the Protective Association. I hope that we will be able to perfect the organization of [fol. 1009] a little Protective Association in the South next week, and inasmuch as you have your next meeting on the 19th, I beg to submit our resignation, to be acted upon at that time.

"In doing this, I want to express my full appreciation of the great amount of good that is derived from membership in your organization. I want to compliment those of you who have worked so hard to perfect the organization, and to carry out the ideas that originated in the Association. I am not unmindful of the good that we have derived, and the enthusiam instilled into me, I believe, has done more to cause the creating of a similar organization in the South than any other one thing."

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"W. E. Law, Sales Manager.

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"Mr. McFarland: I move that the whole matter be laid on the table.

"Mr. Cope: I second the motion.

"Mr. Hilles: I object. My motion has priority.

"The President: It was not seconded.

"Mr. Dutton: This is a very important matter, and I see no harm in discussing it at this meeting, and if a Committee should be appointed, the Committee would more or less like to have the views of the gentlemen present. In my opinion, many different matters come up which affect the Eastern and Western Associations, matters practically which the National Association possibly does not keep in [fol. 1010] touch with, and in that aspect, it may be time for the Eastern Association to take up these matters, as they interest us more, possibly, than the National Association. I see no reason why we should not have the matter discussed, so that the Committee would be able to handle it from the views of the gentlemen here present.

"The President: It has been moved by Mr. MacFarland, seconded by Mr. Cope, that the whole matter be laid on the tabel. Is there any discussion on that motion? You can discuss that motion, Mr. Dutton.

"Mr. Hilles: I think the matter should be put in shape at this

meeting, or the next meeting, by the appointment of a Committee as my motion calls for, and I will naturally vote against Mr. MacFarland's motion.

"Mr. Dutton: I second Mr. Hilles' motion.

"The President: Which has the right of way? I am not a parliamentarian.

"Mr. Cox: The motion to lay on the table has the right of way, it having been made before the other motion was seconded.

"The President: Is there any further discussion upon Mr. MacFarland's motion?

"Mr. Dutton: My idea in wanting to discuss this matter now is, that these matters of promotion and such things like that will come up in this Association, and if it is going to lay over until the next meeting, it is just postponing it until that time. I think it might be [fol. 1011] well, if any of the gentlemen here have any views in the matter, to express themselves.

"Mr. Brobston: I think the idea would be that if the Cement Association were to join these associations, whether or not it would result in the resignation of the individual. If that is likely to be the result of it, we should go ahead and discuss it. If not, we don't want to put it through.

"Mr. Dutton: My thought was, that we would like to get at the object of their associations so that this Association would not donate a sum of money to the different dealers' associations which, as Mr. Cox, as I understand in his letter, states were entirely outside of the present scope of this Association.

"Mr. Hilles: We can't do anything until we find out the constitution and by-laws of the association, and that is what we have got to investigate.

"Mr. Coogan: Suppose after investigating the present constitution and by-laws of a dealer's association you should decide to contribute money, and at the next meeting of the dealers' association they change or amend their by-laws to do something that is clearly illegal, what position would we be in?

"Mr. Hilles: We would be in the position of being protected by the constitution and by-laws in any specific case. I think each case should be decided on its merits, whether or not we should contribute, and until that time the Committee would be able to ascertain the pres- [fol. 1012] ent condition of the association, and find out about their constitution and by-laws, and everything in that connection, and we would know whether any change had been made in the constitution and by-laws of such association before presenting it to the meeting.

"Mr. Coogan: If we made a contribution at this meeting, and they amended their by-laws at their next meeting next week in order that they could make use of that contribution for an illegal purpose, what could we do?

"Mr. Hilles: I would have to refer you to Mr. Cox on that point. If they subsequently amended their constitution and by-laws, I do not think that it would affect this Association.

"Mr. Coogan: This is a matter, it appears to me, that will lead us into too many complications, and should not be handled by the As-

sociation. I am strongly in favor of the motion to lay it on the table.

"The President: It has been moved and seconded that this matter be laid on the table. Are there any further remarks on it? If not, those in favor of the motion will saye aye.

"All members present voted aye, except Mr. Hilles, who voted no.

"The motion was therefore duly carried.

"The President: The next question is in regard to reporting separately contracts and current shipments for 1916. I don't know at whose request that was brought up.

[fol. 1013] "The Secretary: You were talking about it at the office, and you said I should make a note of it.

"The President: Somebody asked for it?

"Mr. Coogan: That is for what period?

"The President: 1916; last year. Reporting separately current shipments with contract shipments for 1916. I remember now. The question was whether it would be of interest, in view of our reports as to contracts ahead, which we all have, to know as well about what we are committed for in current shipments. We have a certain amount of current trade, dealers' yards, and so on, and that is to a certain extent an obligation on us, as well as the contracts which we file here, and it occurred to us that it might be of interest to have that information, say for the year 1916, which would give us an idea of how much cement might be called for in the same line in 1917, and we would then add that amount to the commitment sheets to give us an idea how much was actually sold, and also probably how much would be likely required for this year.

"Mr. Twamley: It might be of interest to the individual company to have that information, but I don't think it would be worth much to all the companies collectively. Some of us might have a large amount of dealers' trade, and some companies may even have a small amount of such trade, but I do not think it would be very interesting to send in the amount of such trade with the current monthly shipments.

"The President: It means this: The shipments to the first of the month were some seventeen odd million barrels. I don't remember exactly the amount. If we knew that collectively all the companies in this Association are in the habit of shipping, I will say just as a rough estimate, ten million barrels in current business, we would know that all the cement that could be made in the Lehigh district was either sold, or would be taken by these current requirements to the end of the year.

"Mr. Twamley: What would be the use of telling ourselves the amount that we have sold, when we know it already.

"The President: The question was brought up for general discussion. If you don't want to do that, no harm is done."

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[fol. 1014] GOVT. EX. No. 145

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., on Monday, May 21, 1917, at 11:30 o'clock A. M.

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"The Secretary thereupon read as follows:

"'Cement Manufacturers' Protective Association

"'Philadelphia, 4/24/1917.

"'GENTLEMEN: We hereby propose for membership in the Cement Manufacturers' Protective Association the Hercules Cement Corporation.

[fol. 1015] "'Dexter Portland Cement Company, by Joseph Brobston. Nazareth Cement Company, by J. A. Horner. Penn-Allen Portland Cement Company, by W. E. Erdell.'

"The President: You have heard the proposal. Do you want to say anything about the proposal of the Hercules Company for membership? I should say that it would be in order to elect them by acclamation, or take a ballot.

"Mr. Cover: I move that we elect them by acclamation.

"Mr. Horner: I second the motion.

"The motion was carried, and the Hercules Cement Corporation was elected to membership, by acclamation.

"The President: Reports. Secretary's report.

"The Secretary: I have not any special report to make.

"The President: Unfinished business.

"The Secretary: There is no unfinished business to come before this meeting.

"The President: New business. Now, gentlemen, the credit men have not been together for several months. Is there anything you want to bring up to discuss? The meeting will be a kind of a joke if we do not do anything.

"Mr. Medler: I would like to get an expression of opinion as to what the members would consider good practice in accepting bags [fol. 1016] after a long delay in transit for discount purposes.

"The President: I think that is an important matter we should give some consideration to. In regard to the return of empty bags, you are aware that at present railroad conditions are such that bags do not come back with promptness, and some important customers who discount their bills do not get a credit memorandum for bags returned as it may be a month or six weeks or some such time before they are finally returned to us.

"Mr. Medler: We discovered that we were being taken advantage of and have sent back one check where the discount was taken by including the bags shipped and it has resulted in a little discussion. It may seem perhaps a little severe to the ordinary man to be charged for the bags where the shipment has been out say a month or six weeks when under ordinary conditions that shipment would be returned to the mill in a few days, but under the present embargo deliveries cannot be made promptly.

"Mr. Smith: When we have a shipment of bags outstanding for six weeks, we usually file a claim with the railroad company and the customer is credited with the value of the bags he claims to have shipped.

"The President: Many customers prefer to make their own claim.

"Mr. Medler: We insist on their doing so.

[fol. 1017] "Mr. Hilles: When we ship cement to a customer we ask him to accept the bill of lading as evidence that we made the shipment in good faith. The bill of lading is sufficient evidence to him and he goes ahead and pays his money, taking his cash discount if he wants to within ten days, whether he has received the cement or not. In like manner we take the customer's bill of lading that he has shipped the bags to us. However, there is a time clause in our contracts and that is the ten-day clause. It seems to me that we ought to change our rule to allow no discount when the bags have been out more than ten days, but, of course, that is a matter that ought to be left to the judgment of the individual company.

"Mr. Smith: This is a matter that from a practical standpoint presents many different features.

"Mr. Hilles: I agree with you.

"Mr. Coogan: I think we would make a mistake in changing our present rule.

"Mr. Medler: I am rather inclined to agree with Mr. Hilles that when a man presents a bill of lading we should take in good faith that he has made such shipment. Our company has not had much trouble except in one or two cases lately, and I think myself that there may be cases where individual judgment may be used.

"Mr. Walter: I think if we did make an exception in one case it may be possibly only postponing trouble with other customers.

"Mr. Dutton: I believe if we make exceptions it would only lead up to chaotic conditions and disputes. If a customer finds out we made an exception in one case there is trouble right away.

"Mr. Coogan: I think it would be better to leave matters remain as they are, and I would therefore move that this meeting reaffirm our present policy so far as the handling of empty bags and bag credits are concerned.

"Motion was duly seconded and carried."

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[fol. 1018] Govt. Ex. No. 146

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 932, Commercial Trust Building, Philadelphia, Pa., June 18, 1917.

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"The President: * * * The next item is the question of employing men to investigate contracts in certain districts. There was a circular sent out to all of you regarding contract checking. We have for some time attempted to get some one to check over the list of contracts for Brooklyn in particular. We have had four or five names given to us as prospective men to do the work, and one man had practically been engaged, but he went to Pllattsburg instead. Three or four others we asked to come in, and that is the last we heard of them. We have received several communications during the last month from members in regard to this matter, and some of them are in favor of this and suggest taking on five or six men, and [fol. 1019] possibly get up a regular organization for checking contracts. I had the Secretary send you notice to come to this meeting to be prepared to discuss that matter and if possible to arrive at some decision both as to the number of men you want and the kind of checking you want done, and also to suggest some way to get the necessary force to do the work. There seems to be a very considerable scarcity of available timber for that kind of a job. I suppose these officers' training camps are taking all the men who might be available?

"Mr. Smith: Why do you select Brooklyn?

"The President: I do not know, except that it was suggested we might start there.

"Mr. Scott: I think before anything is done, it might be well to look into the way that work is done by the Mid-West Bureau, who have had very great results.

"Mr. Smith: I think it would be better if the officers of this Association get in touch with the Mid-West Bureau and get their plan of procedure, and then present at the next meeting of the Association a plan showing the cost, the number of men required, and the full scope of the work they would like to have attended to, and then we can discuss this matter more intelligently. I would offer that as a motion.

"Mr. Erdell: I second it.

"The motion was duly carried."

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[fol. 1020] GOVT. EX. NO. 147

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Men's Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 11:30 o'clock A. M., Monday, July 16, 1917.

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"The President: The next is unfinished business. Is there anything in that line? The next is new business. I note under new business the item of bag returns for the first six months of this year, and I think it might be of interest to most of you to have not only the bag returns for this year but to have the bag returns for the first six months of last year, because there has been considerable complaint on the part of some of you that your customers were not returning bags this year, and it has been stated that the total returns have been considerably less than a year ago. The figures I believe are all in, and the secretary can give them.

"The Secretary: The figures are not quite as good this year as they were last year. They are 1.93 per cent. this year as against 2.11 per cent. last year.

"The President: Is this the rejections?

"The Secretary: Yes.

"The President: The total bags is another thing I want to bring out. In 1916, for the first six months the total bags returned, leaving out the Clinchfield, were 33,584,000, and for the first six months of 1917 37,532,000, or quite a few more bags have come back in the aggregate.

"Mr. Cope: There were more shipments.

[fol. 1021] "The President: Not enough to make that difference.

"Mr. Ackerman: That is four million bags.

"The President: There is a difference of four million in the total bags returned by customers. That is equal to a million barrels.

"Mr. Ackerman: Do you remember, Mr. Bacon, what the shipment statistics show for the first six months of 1917?

"The Secretary: I forget the figures, but there was some increase.

"Mr. Ackerman: A million barrels?

"The Secretary: No; it is not quite a million.

"The President: Up to the first of July we have recovered to a large extent what we were short early in the year. Taking the individual companies, the Allentown has not received quite as many; the Alpha has received more; the Alsen has received not as many; the Atlas has received so little more that it makes practically no difference; the figures are almost the same; the Bath has received more; the Coplay has received a very few less; the Dexter has received more. There is a big difference in the Edison, because it did not get back hardly any in the first part of 1916. There is over a million bags difference there, and that would reduce the difference to three

million bags. The Glens Falls has received a few less; the Lawrence has received almost exactly the same, there being only a difference of ten thousand bags; the Lehigh has received quite considerably more pretty nearly a million bags more; the Nazareth has received a good many more; the Penn-Allen a few more, and the Pennsylvania a lot more, nearly six hundred thousand more; the Phœnix about the same or a few less; the Security has received some more.

"Mr. Cover: I beg your pardon. There is a difference of 18 per cent.

"The President: These figures show the total bags received for 1916 as 711,487 and for 1917 859,764. The Virginia has received a few less; the Vulcanite nearly five hundred thousand more. On the whole more bags have come back.

"Mr. Cover: I think we must take into account the fact that a great deal more cement was shipped.

"The President: On the whole the percentage of increase probably is not as great as is the percentage of bags returned. The report will be distributed in the usual course. Is there any other new business that anyone wants to bring up?"

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[fol. 1022] GOVT. EX. No. 148

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 12 M., Monday, July 16, 1917.

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" 'Report of Committee Appointed to Visit the Mid-West Bureau

" 'In accordance with resolutions passed at the June 18, 1917, meeting of the Cement Manufacturers' Protective Association, your committee on June 22 and 23 visited the offices of the Mid-West Cement Credit and Statistical Bureau, Chicago, interviewing its officers and also visiting with several individual subscribers to the Bureau.

" 'The general plan of the Mid-West Bureau, its financing, purposes, and detailed operations, are in the main very similar to that of our Association. The individual subscribers interviewed report themselves as satisfied with the plan of administration and services rendered. The reporting and compilation of statistics with regard to production, shipments, etc., are handled virtually the same as our Association. In addition an extensive credit record of cement producers and users in the territory covered is maintained.

" 'The Mid-West Bureau has developed and put in operation a plan

giving effect to one of the objects of this Association to which your committee invites particular attention:

" 'In the outline of the plan for this Association it was said:

" 'It has become common, for example, in cases of jobs in fact involving the use of, say, a thousand barrels of cement, for purchasers to contract with each of several manufacturers for, say, two thousand barrels of cement to be used on that specific job. This pernicious practice results in purchasers obtaining what, as a practical matter, amounts to an option extending over a long period, and, in the aggre- [fol. 1023] gate, such options induced by and based on misrepresentation impose on the manufacturer one-sided, uncertain obligations covering a considerable portion of his output, frequently curtailing his business and resulting in loss.

" 'It is apparent that such abuses could not exist if the truth were known. If the manufacturer knew the facts concerning the job, the amount of cement needed, whether his or some other cement was being used thereon, he would obviously be in a position to escape the disastrous consequence of such misrepresentations. The plan hereinunder outlined is designed to make the truth available and thus defeat such misrepresentations and their consequences.

" 'Accordingly, one of the objects of this Association recited in its constitution has been to provide the manufacturer with information concerning contracts which have been made for the delivery of cement sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation."

" 'Heretofore, this object has been attained to only a limited extent. The reporting of contracts has done much to curtail that particular species of abuse which consists in "duplication" or contracting with several manufacturers for the same cement to be used on the same specific job and by virtue of the misrepresentation obtaining what, as a practical matter, amounts to an option on the product of all but [fol. 1024] one of the manufacturers. But the reporting has not eliminated the other species of the same pernicious practice which have become known as "padded contracts" and "shipments on dead contracts." In other words, this Association has operated to curtail that part of the abuse referred to at its inception which consists in contracting with several manufacturers for the same thousand barrels of cement required for a specific job, but it has not reached the practice of contracting for several thousand barrels to be used on the specific work requiring only a thousand barrels and ordering shipments on the contract after the specific job has been completed. In an effort to curtail these abuses by ascertaining "the facts concerning the job and the amount of cement needed," this Association some months ago engaged the services of the F. W. Dodge Company to report on sundry specific job contracts. The Mid-West Bureau, with the same objects in view, has developed a service as follows: They employ a manager who has charge of an investigating service, employing therein "checkers" who travel about and investigate the facts as to specific jobs at the place where the work is being performed and

report to the Bureau the results of their investigations. Four checkers are employed at this time, but this number may be increased. The territory is divided into districts, which are systematically covered by the checkers. They report the status of each specific job contract, [fol. 1025] describing the character of the work, the percentage of its completion at the time of inspection, the approximate number of barrels required, and other pertinent information. As new contracts come in from time to time, they are placed in their proper districts, and when the checkers are again in the locality these new contracts are sent to them for investigation.

" 'In the Mid-West Bureau this service has proved of value in curtailing to a large extent all the species of abuses which depend upon misrepresentation as to specific job contracts, not only "duplication," but also "padded contracts," "shipments on dead contracts" and "diversion on contracts."

" 'The working details availed of by the Mid-West Bureau seem satisfactory, but it is necessary to explain them at length in this report. The checkers watch jobs to completion. As soon as the work is finished, checkers so report to the Bureau, and if any unshipped balance appears on the manufacturer's contract record he is advised of the completion of the work. The checkers, when revisiting a district which they have previously checked, again look over the work already investigated and notify the Bureau of its progress, thus enabling manufacturers in cases of important operations to anticipate future needs of their purchasers.

" 'Any subscriber of the Bureau has the privilege of asking for in- [fol. 1026] formation on their own or other companies' contracts. A company requesting information on another's contract is notified of the report of the checker, as well as any subsequent information which may develop, as is also the manufacturer whose contract has been checked.

" 'The Manager of this department in the Mid-West Bureau is a practical engineer, who can verify the reports of his checkers, or, if any controversy arises as to the facts, he can make a personal investigation. All records of investigation of contracts, as well as other office detail in connection with statistics, credits, etc., are kept in the office of the Bureau and handled by its secretary.

" 'The Mid-West Bureau, since adopting this plan or method of checking contracts, do not issue a monthly contract report showing balances due on contracts, such as we are publishing at an expense of $600 to $700 per month, but issue a daily sheet showing all new contracts reported, and, at the end of the month, a statement showing total amount of cement shipped on specific contracts by each company. The total amount only is shown, and not a distribution with respect to each individual contract.

" 'Subscribers to the Mid-West Bureau depend entirely on checking service rendered them by the Bureau to eliminate duplication, padded or unspecific contracts, shipments on dead contracts, diversions, or such other unfair practices by the trade; whereas, members of the Cement Manufacturers' Protection Association must depend on the

[fol. 1027] monthly contract report to show such duplication or conditions if any exist.

" 'The first estimate of cost made by the Mid-West Bureau for the conduct of the Bureau on its present plan was $75,000 per year. They believe, however, that this cost will be considerably reduced.

" 'Your committee believes that the plan operated by the Mid-West Bureau could be adopted in toto by this Association, and that this checking service, along with the service as now rendered by the Association, could be carried on at a cost of about $35,000 a year, or a fraction over 1 mill per barrel.

" 'Your committee, therefore, recommends the appointment of a committee composed of the officers of the Association and three other individuals representing member companies of the Association, with full power to employ an Inspection Manager and such number of checkers as the committee may deem expedient and to provide for the proper administration of such clerical work as may be occasioned by this increased service, eliminating such of the present forms, reports, etc., as are deemed inexpedient; and, further, to provide sufficient funds to cover the increased service, the increase of the membership dues in this Association to such basis not to exceed 1 and 1.2 mills per barrel as the committee may determine; and, further, that the committee be continued in power until the increased service is [fol. 1028] installed in satisfactory operation and the committee is discharged by the Association.

" 'W. D. Lober, Chairman; H. M. Scott, W. G. Dutton.'

"The President: The discussion of the report and the question of the adoption of the recommendation at the end is before you. I have talked to a number of the members of the Association with regard to our visit to the Mid-West Bureau and what we saw there and what we heard from certain of the Mid-West subscribers. I might say that personally I am in favor of undertaking this service, and would hope that if we undertake it and the Association desires to go ahead with it that during the present year we would work with a view to really getting it started and getting it organized and in shape, so that it will be working smoothly and efficiently before the end of the year or by the end of the year, and then during 1918 we would get the full benefit of it. We would undoubtedly get some benefit from it this year, but not the full benefit. I do not think that would be possible. There would be a good many difficulties in the way of getting this done. You all recognize the difficulty of getting the men, and the proper kind of men, as there are too many of them that are in various branches of the military service, and so on. I feel that we ought to have an expression of opinion from the various members as to whether they are in favor of this or not. [fol. 1029] I do not think it is a thing that we want to put to a vote right away, as to whether we shall adopt it and adopt the recommendation at the end or not.

"Mr. Coogan: I see the committee recommends the appointment of a committee with full power to act and put in this system. I suggest that a committee be appointed to make up a very careful

estimate and budget and plan for the working of the system, and that that budget and plan be submitted to the executive heads of the companies for vote by a letter ballot. I think, in the first place, the estimate of cost or expense is entirely too low. It is given as $35,000. I think it involves the outlay of a considerable amount of money and the matter should be given very careful thought and our executives given a chance to look over the budget and then vote on it. I make that as a motion.

"Mr. Griffith: I second the motion.

"(Motion carried.)"

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"The President: The resolution of Mr. Coogan was that instead of appointing the committee as recommended in this report, that a committee be appointed——

"Mr. Griffith: A committee or this committee?

"The President: Do you mean this same committee.

[fol. 1030] "The President: —that a committee of five be appointed to formulate a full plan of organization and a budget to carry out this practice or system of checking contracts which they have in the Mid-West, the committee to submit that to the chief executive of each company for approval by letter ballot. It seems to me that it would take probably until our next meeting to get that, wouldn't it? Anyhow, Mr. Coogan's motion was that the result be submitted to the next executive meeting of the Association.

"Mr. Coogan: I have no objection to changing that part of it if anybody wants it, so as to give the officers authority to proceed with the recommendation as soon as the letter ballot is received.

"Mr. Brobston: This meeting can adjourn subject to the call of the chair.

"The President: If there is no objection on the part of anyone, we can amend the motion to read that when this meeting adjourns it will be to reconvene at the call of the chair to take official action on this plan.

"Mr. Coogan: I would accept that amendment to my original motion.

"The President: Mr. Coogan accepts that. This committee, I understand, would be a committee of five.

"Mr. Coogan: That is up to the President.

"Mr. Scott: What is the committee to be? It will be a new committee.

"The President: It will be a new committee. The members want more detailed information as to the expense and to have it approved by not only this body, but by the executive heads of the various companies.

"Mr. Scott: In other words, in order to carry out the plan, you are going to find out from the executives whether you can adopt it or not?

"The President: It will be submitted to the executives and they will disapprove or approve of it. We are putting it up practically

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to the chief executives of our companies before we come to a decision."

"The President: We will appoint a committee of five to go on with this matter, the committee being composed of the three officers of the Association and two others, and they will submit this report with a more detailed budget, as I understand it, to the executives of the companies for a letter ballot, and then further action will be taken by the Association when it reconvenes."

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[fol. 1031] Govt. Ex. No. 149

Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 11.30 o'clock A. M. August 6, 1917.

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"The President: The business before the meeting today is the consideration of the supplemental report on the extended service of the Association. This meeting is a continuation of the meeting of July 16, 1917. The committee which was appointed in pursuance of the resolution adopted at that meeting consisted of Mr. Holman, Mr. Coogan, Mr. Dutton, Mr. Scott and myself. We have the following to submit:

"The committee appointed in accordance with resoultion adopted at meeting of the Cement Manufacturers' Protective Association, held July 16, desires to supplement the report submitted at that meeting as follows:

" 'Report

" 'It is believed that an organization consisting of a manager and four or five checkers will be sufficient to handle the increased service. For this purpose authority to increase the dues to not over two mills per barrel should be granted, although the entire amount may not be required, and on account of probable difficulty in securing an organization the increased dues will certainly not be needed at once.

" 'It appears that we are at present spending about one mill per barrel annually on 28 to 29 million barrels, (although dues are only six-tenths of a mill) which necessitates additional assessments—and the increase of regular dues should be sufficient to take care of this as well as the new work.

" 'Your committee has not thought it advisable to figure on cutting out any of present expense, although it feels that later on some of our present reports may be discontinued.

[fol. 1032] " 'From the above it will be noted that your committee figures that the outside cost of the proposed new work will be about one mill per barrel, or $28,000 to $29,000—this to cover salary and expenses of manager—four or five checkers—and additional office help and expense.

" 'Your committee also desires to suggest a change in the committee recommended to carry out the proposed plan. In order to obtain a broader representation of the Association's membership in this important work, a committee to consist of five representatives of member companies, the executive officers to also act as members ex-officio, is suggested.

" '(Signed) W. D. Lober, Chairman; W. A. Holman, F. M. Coogan, W. G. Dutton, H. M. Scott, Committee.'

"Mr. Cope: You say you think the overhead charges will be about two mills?

"The President: We put that in the report as an outside figure. I don't believe it will be two mills. The Mid-West Association figured on two mills when they started out on this same service. They have found that it was considerably more than enough, and I am informed on the first of July they reduced it to a mill and a half. Now, a mill and a half, I don't believe, will be quite enough for [fol. 1033] us; probably a mill and three-quarters will carry it. The committee feels that it ought not to be hampered by too great restrictions in this respect, although they would feel that the thing should not be run with the greatest possible economy to procure the proper results.

"Mr. Erdell: I move that the report be adopted.

"The President: Any second? Mr. Erdell moves that the report be adopted.

"Mr. Swett: I second the motion.

"Mr. Erdell: May I ask for the result of the letter ballot?

"The President: The letter ballot has not been read, although we have been advised of it. I think only the committee was advised of it.

"Mr. Erdell: I think that should be incorporated. I think it should be reported in the minutes of the meeting.

"Mr. Bacon: I report that all the companies answering the letter ballot voted aye. I think they all answered except one or two companies."

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"The President: I appoint as members of the committee for the purpose of engaging a manager to conduct the checking of contracts, Mr. Holman, Mr. Coogan, Mr. Scott, Mr. Swett and Mr. Erdell, the present executive officers, to act ex officio, and I would like Mr. Holman to act as chairman of that committee. As I stated to you this morning, my annual affliction is likely to strike me and I will be departing for a more pleasant climate."

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[fol. 1034] GOVT. EX. No. 150

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 11:30 A. M., Monday, September 17, 1917.

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"Mr. Holman: Your committee are very much gratified to be able to report that we have engaged the services of Mr. H. S. Gaines, who has been for some time assistant to the President of the Ohio Builders' Supply Association. Mr. Gaines has arranged his affairs in the West so that he can come with us now permanently. He is here today. Most of you gentlemen have met him. The committee felt that, of all the candidates considered, Mr. Gaines possessed the greater number of qualifications, and we believe that we have in Mr. Gaines a very high class man, and one who will successfully handle the work that you have in contemplation.

"I thought that it would be desirable, after having engaged Mr. Gaines, to communicate with Mr. Holst, who is the President of the Ohio Builders' Supply Association, and let him know what we had in mind in taking a man that I assume would be some loss to them, so that you may be interested in having me read a letter that I wrote to Mr. Holst on August 27. Mr. Holst is President of the W. O. Holst Building Supply Company in Toledo, President of the [fol. 1035] Ohio Builders' Supply Association, and probably one of the leading dealers in the State. I wrote Mr. Holst the following letter:

" 'DEAR MR. HOLST: I thought I should like to write you regarding our negotiations with Mr. Gaines, and express to you not only my personal feelings as Chairman of the committee, but the thought of all the committee relative to the arrangement which we have entered into with him.

" 'Each member was duly mindful of the excellent work which Mr. Gaines has done for your Association, and we at first hesitated to approach him on a matter which would mean the severance of his relations with you. We did so, not with a feeling of disregard for his present connection, but with the thought in mind that the work which he is to undertake will, in our opinion, be of distinct benefit not only to our industry, but to our friends in the building material business generally.

" 'We all felt that the nature of Mr. Gaines' experience would be very helpful to him in taking up his new work, and that his knowledge of the dealers' problems would be of benefit to the members of our Association; and while he in one way severs his connection with you and enters a new field, it is one so closely related to and so greatly co-operative with our valued dealer friends, that we hope that you and your members will feel reconciled to the change which Mr. Gaines feels is to his personal advantage, while fully appreciating

[fol. 1036] the very pleasant nature of his connection with yourself and your associates.

"'Very sincerely yours.'

"Mr. Holst replied, under date of August 30, as follows:

"'DEAR MR. HOLMAN: I was very glad to receive your letter of the 27th inst. in reference to Mr. Gaines. It gives me an opportunity to express to you my opinion of him, and I believe the opinions of all our members of the Association who have had an opportunity of watching his work here. I have found him to be a man of strict integrity and to have constructive ability of the highest order along organization lines; he is a forceful talker and can get his ideas to the audience without useless words or flowery rhetoric.

"'We are especially sorry to lose him just at this time, as we have just revised our by-laws to fit a man of his caliber, and we may have a hard time to find a man to take his place. I do not know what his duties are with your committee, but I feel that he would not undertake them unless he felt himself able to render to you good service.

"'He has been in a position to judge of the problems of both the manufacturer and the dealer in so far as their dealings with each other go, and I am sure we are very glad to have a man as fair as he is on the other side of the proposition.

"'I want to thank you for your very cordial letter, and to hope that our loss may be your gain.

"'Very truly yours, W. O Holst.'

"The plan that we have in mind is this: Mr. Gaines, in the very near future, will go to Chicago, and spend a day, or as many days as he thinks are advisable for him to spend there, in going over the work of the Mid-West Association when Mr. Barbazette, the manager of the Association. Then when he comes back your committee plans to meet with him and, on the basis of the information that we have in hand and that we think Mr. Gaines will get by reason of his trip, we will formulate a plan of work for our Association here. We then propose to submit that plan to Mr. Cox for his approval, and I think that at the October meeting here we will be able to outline a plan to you fully, and practically have it under way at that time."

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[fol. 1037] GOVT. EX. NO. 151

Regular Meeting of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 12:45 P. M., Wednesday, October 17, 1917.

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"The Chairman: I have gathered from what I have read on the subject, that the intention of that tax was to make it a charge against the person for whose account the freight was shipped. That is the intention, but whether by our practice of naming prices f. o. b. delivery point we relieve the consignee from that liability I don't know. Mr. Cox is not here, but I think we should ask him for information on that point.

"Mr. Hilles: Have you a legal opinion on the standard form of contracts?

"The Chairman: We have from our own counsel, yes. We have in our latest form the clause that the customer pay any advance in freight rates or any tax upon them.

"Mr. Moyer: Yes, but I understand that has been eliminated by most of the companies in the East.

"Mr. Griffith: We still have it in our contract forms.

"The Chairman: You see we will have to pay that tax on practically everything. We buy coal, for instance, and we will have to pay that tax on pretty near every bill."

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"The Chairman: There is one thing that occurs to me. If we ask Mr. Cox for a general opinion as to how this revenue tax may affect us, it is going to be a matter of some little time to get that information. This tax law is somewhat extensive and I talked informally to one or two lawyers about it and they didn't seem to know themselves just what it all means yet. This particular item of tax on freight we want advice on right away. It probably will be [fol. 1038] necessary to ask Mr. Cox to give an answer to this right away. Anything else that he may have to suggest to us he can suggest later. This one item I think we ought to get an answer to soon.

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"Mr. Hilles: I would like to call the attention of the credit men to the fact that the Portland Cement Association is appointing a committee on credits and collections, that there are several members of that committee from this district; that the committee of the Portland Cement Association on reporting credits is very anxious to make a report that would be of some value to the Portland Cement Manufacturers of the country at the December meeting of the Association. If the credit managers will think over in what way they can co-operate and assist, if they will communicate with Mr. Viets, of Chicago, the chairman of the Portland Cement Association, he will be glad to have you take up with him any questions of that kind, or you can communicate with Mr. Medler or with me and we will transmit it to Colonel Viets, because we expect to have a meeting of this committee next month and we feel that there are a grat many things that might be suggested to the committee that will help them. Such, for instance, as the possibility of presenting to the Association the total amounts outstanding on the books of the cement companies

more than thirty days old, on, say, November 1, 1917, as compared with November 1, 1916 and 1915, which would give us a line on how collections were proceeding throughout the entire country. I just make that as an illustration of the kind of things we think might be worth while. Whether they would be worth while or not, I don't know."

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[fol. 1039] GOVT. EX. NO. 152

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 11.30 A. M., Wednesday, October 17, 1917.

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"The Chairman: Now, under the head of reports, it seems to me we should have a report from the committee in regard to contract auditing work. Mr. Holman is the chairman of that committee. Is there anything you want to say?

"Mr. Holman: I think the report would practically be the letter we sent out to all the members. That practically states the report of the committee.

"The Chairman: Do you suggest incorporating a copy of that letter in the minutes of this meeting?

"Mr. Holman: I would be very glad to.

"The Chairman: You heard Mr. Holman's suggestion. Does anybody make a motion to that effect?

"Mr. Cope: I make such a motion.

"Motion seconded by Mr. Griffith and carried.

[fol. 1040] "The letter referred to is as follows:

"'Cement Manufacturers' Protective Association

932 Commercial Trust Building

Philadelphia, Pa.

"'Office of Cement Manufacturers' Protective Association

Philadelphia, Pa.

"'DEAR SIR: We are ready to make a beginning of contract investigation under Mr. Gains' direction for the purpose of supplying member companies with accurate information regarding contracts filed, which will enable the member companies to protect themselves against the kinds of misrepresentation and deception which have

been more or less common in so-called 'specific job contracts,' and tend to move such transactions toward a more honorable and reliable basis.

" 'It has come to be pretty generally recognized that these transactions, while in the form of contracts, are, as a practical matter, one-sided obligations which only the manufacturer can be compelled to perform, and it has become common to secure such contracts by misrepresentation, to serve as options extending over long periods, misguiding the manufacturer in the adjustment of his selling and manufacturing operations and frequently occasioning great loss.

" 'The misrepresentations commonly resorted to in these contracts [fol. 1041] are duplication, padding of contracts and calling for shipments on expired contracts. The service of the Association will embrace the investigation of the facts, so that each manufacturer may be informed that he is being thus imposed upon and enabled to free himself from such contracts or shipments as are based on misrepresentation, by cancellation, refusal to ship or otherwise.

" 'In providing this service the Association is simply attaining more fully the object for which it was created, namely, the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition, and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information. The Association does not undertake to direct or control or influence the acts of the manufacturer. It simply provides him with accurate information, which enables him to act as he chooses. If, for instance, a manufacturer has one of these "specific job contracts" calling for, say, ten thousand barrels of cement for a particular job, this service will develop the truth concerning that job, which may be that it involves only two thousand barrels or has been completed. This information will enable the manufacturer to protect himself by cancelling the contract or declining to make further shipments. But the work of the Associa- [fol. 1042] tion stops with supplying the truth. It will consist simply in ascertaining the truth, in investigation of the facts and the communication of them to the members.

" 'It is understood that investigations, which we shall term audits, will be intelligently undertaken and efficiently and diplomatically conducted, resulting in reliable information for the guidance and protection of members in the proper conduct of their business, together with fair and businesslike treatment of their customers, the dealer and the contractor.

" 'We shall not undertake investigations in number and volume at the expense of thoroughness and reliability, and with this in mind our beginning must of necessity be of moderate volume, and our growth from such a beginning will be as rapid as the proper training of an organization to successfully handle such increased work as may become desirable.

" 'Investigations of Contracts now in effect:

" 'When suggesting investigations of contracts previously filed and now in effect, members are requested to consider only such contracts

as are not completed or nearing completion, and which, if not bona fide and legitimate, would be detrimental to the future interests of the manufacturer having such contract and the industry generally.

"'As our present facilities are limited, we cannot undertake a general investigation of expired or soon to expire contracts, or other than the more important contracts of reasonable size in and adjacent [fol. 1043] to large centers of population, such as Philadelphia, New York and Boston, and the co-operation of members in making the work as valuable as possible to the future will be appreciated. Upon receipt of such requests, Mr. Gaines will undertake investigations and reports to members requesting such at as early a date as possible.

"'Investigations of New Contracts from this date:

"'We do not believe an investigation of every contract filed to be either necessary or desirable. The organization required to do this would be out of all proportion to the results obtained. Each company should carefully look over the daily report to members of contracts filed and the monthly report of contracts in effect, and report to the Association office any information leading such company to believe that any contract filed is not bona fide, and in what particular, which information will be used as the basis of an investigation and report, both to the company making the request and furnishing the information, and to the company making and filing the contract.

"'If each member company will give to other member companies through the Association such information as it may have, we feel that investigations of contracts which are brought to our attention will correct a large percentage of abuses and misrepresentations, and, at least for the present, be as much as we can undertake for proper investigation.

[fol. 1044] "'Attached herewith are the following forms, which will be used in connection with contract investigation and report as follows:

"'Form No. 1.—This form to be used by members in calling the attention of the Association to 'Special Contracts' upon which they desire further information.

"'Form No. 2.—This form is to be used by the Auditor on the work.

"'Form No. 3.—This form to be used by the Auditor on the work.

"'Form No. 4.—This form will be used by the Association when sending information on audited contracts to the manufacturers.

"'A supply of Form No. 1 is being sent you for calling the attention of the Association to 'Specific Contracts' upon which you may desire further information.

"'Yours very truly, W. D. Lober, President; F. M. Coogan, W. G. Dutton, W. E. Erdell, H. M. Scott, B. L. Swett; W. A. Holman, Chairman.'"

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[fol. 1045] "The Chairman: In addition to that, Mr. Griffith writes:

" 'We are just in receipt of your circular letter of the 5th, explaining fully the work to be done on investigations under Mr. Gaines. I have gone over this carefully, and feel that a great deal will be accomplished by these investigations, but, as advised you, I do feel that after consulting with Mr. Cox, your attorney, a more simple way to arrive at overshipments of contracts in which a dealer places with two or three companies the same amount of cement, say five thousand barrels each, and only five thousand barrels will be required for the whole job, that if each company was to arrange to furnish to the Secretary daily a duplicate of his shipments, giving the name to whom the shipment has been made, car number, point of delivery, address, and if against contract, same to be marked accordingly, the Secretary in this way could ascertain overshipments, and I feel this would materially facilitate the investigations from now on. I would appreciate very much indeed if you will bring this matter up before the meeting of the 15th.'

"That is, of course, a matter that I am not particularly qualified to discuss, as I am not directly concerned with the sales end. It occurred to me, however, that daily reports of shipments, particularly on contracts, might be of considerable help to Mr. Gaines. That is certainly in some localities.

"Mr. Holman: I would like to suggest that that be referred to the committee. We will undertake to investigate it and report at the next meeting, because I believe that it will have a direct bearing upon the work which the committee was appointed to do.

"Mr. Griffith: Mr. Chairman, that was only suggested as a thought for quick action. I think you can arrive at the checking of contracts very much better if you know the shipments as made from each mill daily, which would apply on current business or contracts. Those shipping sheets could come down from the mills as in duplicate made out by the different mills, one to the Secretary and one to the home office, and then the Secretary could check up each shipment as it goes to New York or any point for current business or for contracts, and give us advice of the car number and the point of delivery, and it would save a great deal of time in the checking up of contracts.

"Mr. Hilles: I think the matter of the daily report of shipments should be referred to the committee which has power to act, and await their decision as to whether it should be proceeded with."

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[fol. 1046] GOVT. EX. No. 153

Regular Meeting of the Cement Manufacturers' Protective Association, Sales Managers' Branch

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 11:30 A. M. Monday November 19, 1917.

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"Mr. Scott: The question was discussed rather thoroughly coming over in the train of having some of the meetings in New York, or all of the meetings in New York. It seems to me that practically every one can reach New York as easy or easier than Philadelphia. How do our by-laws and constitution cover that?"

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[fol. 1047] GOVT. EX. No. 154

Regular Meeting of the Cement Manufacturers' Protective Association

Meeting held in the Board Room of the Union League, Philadelphia, Pa., at 11:30 A. M., Monday January 21, 1918.

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"The Chairman: Now, gentlemen, as you know, we have also the minutes of two meetings last summer which the Secretary informs me were for the May and June meetings, and which were missing. These minutes have been printed and distributed, and unless there are corrections, a motion that these minutes be approved as printed is in order."

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"Mr. Ackerman: The Hercules Cement Company during the year 1917 paid $225.00 with the understanding that a deduction would be made to put the assessment on the basis of the actual shipments Their shipments reported during the year made the amount of the assessment due $62.45, so that there is an adjustment of $162.65 to be made.

[fol. 1048] "The Chairman: My recollection in that matter is that that amount was to be credited on their 1918 dues.

"Mr. Ackerman: Then I am simply to credit them on their 1918 dues with that amount?

"The Chairman: That is my recollection, that instead of returning it to them, we would credit it on dues. The records will show that.

"Mr. Ackerman: Then I will do whatever the records show.

"The Chairman: I neglected to say when we started the meeting that I find from reference to last year's minutes, this being the annual meeting, that we held one meeting only and did not have a separate meeting for the Credit Managers' Branch and the Sales Managers' Branch. There is no reason for our doing anything differently this year.

"Are there any other reports? Mr. Holman is not here and I do not know that he would have any special report to make for his committee if he were here. Would Mr. Gaines like to say anything in regard to his work?

"Mr. Gaines: I don't think there is anything that I can say, Mr. President. I think everybody is thoroughly familiar with the progress of the work that I have in hand. If there are any questions that any one desires to ask, I will be very glad to attempt to answer them.

"Mr. Ackerman: How many men have you under you?

"Mr. Gaines: Three.

[fol. 1049] "Mr. Cope: Are they permanently located anywhere?

"Mr. Gaines: Yes, each one has headquarters at Philadelphia, New York and Boston. The Philadelphia man is supposed to cover the territory west of, we will say, Trenton. The New York City man is supposed to cover Brooklyn and adjacent territory to New York City. The Boston man is supposed to cover New England. Any investigations that we have to make up the State in New York, which ever man is available, I send up there from time to time to clean up the accumulation of requests for investigations."

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"The Chairman: I don't know. I think I expressed my views on the subject at the time that came up, and that we did not consider the acceptance of a note with interest ten days from the date of the bill was any ground for allowing cash discount, and that that was not cash payment.

"Mr. Medler: The question was brought up again by some of the dealers. The request was made on me. This man wanted to give a sixty-day interest-bearing note which he said he could discount. It is the same old story.

"The Chairman: He would simply be using your credit to discount his paper.

"Mr. Medler: Yes, and I told him that we would not consider it and there was no use in discussing it.

[fol. 1050] "The Chairman: If he wants to discount his paper he ought to use his own credit and not your credit.

"Mr. Hilles: It seems to me that the thing that would have the most important bearing on that question is the recent decisions of a number of attorneys, including the attorneys for the American Bankers' Association and the American Trade Acceptance Council, when they were called on for opinions as to whether or not trade acceptances and notes would be regarded as cash, and they have

rendered unqualified opinions that neither trade acceptances nor notes are regarded as cash. These opinions were rendered in connection with the various proposed amendments to the lien laws on private work and bond laws on public work being proposed before the Legislatures of the States that will meet this year. There is no other deduction to draw from it but that anyone who does allow such a discount is making it a commercial rebate or discount."

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"Mr. Cope: It seems to me that the Credit Men's end of this Association is only a very small part, the way it is being run today, and I think it is a very important part, and very essential that we get a little pep and punch into it.

"The Chairman: There is a movement, I am told today, on foot among one of the dealers' associations in this part of the country, [fol. 1051] to demand fifteen days for cash discount instead of ten, and that is a subject that might be discussed by the Credit Men. If there are enough Credit Men here today, I think that would be of interest to them.

"Mr. Cope: My Credit Man brought up a matter on trade acceptances for cash discount that they could take the same as a thirty days' note or sixty days' trade acceptance.

"The Chairman: That is another matter that we discussed some time ago.

"Mr. Dutton: I suggest that the Sales Managers use all efforts possible to get the Credit Men down to the next meeting.

"The Chairman: I think that would be a good idea.

"Mr. Barbour: Would it be worth while for Mr. Bacon or Mr. Gaines to write a note to these Credit Men and say there are important matters to be discussed and give them an idea of what the discussion would be, and perhaps that might shake them out a bit.

"The Chairman: I think to some extent it lies with the Credit Men themselves. If they have questions that they want discussed, we won't get them discussed unless they come here to do it. I hope the Sales Managers will bear that in mind and try to assist in stirring up a little interest.

"Mr. Ackerman: Do the Credit Men get notices of their meetings?

"The Chairman: Yes.

[fol. 1052] "Mr. Cope: The Credit Men don't see each other as frequently as the Sales Managers do.

"The Chairman: No, they do not. They ought to see each other more frequently.

"Mr. Ackerman: This notice goes direct to the office and is then passed on. Is that the idea?

"The Chairman: I think the notices are directed to the individual.

"The Secretary: The notice of the meeting is sent to all the Sales Managers and all the Credit Men personally.

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"Mr. Morton: Yes, I was in Washington and had a talk with Mr. Noyes before this Committee was asked to go down, and I had a line on just what it was going to be.

Mr. J. B. Lober: Then the idea was if the representatives of the cement industry would agree with the Fuel Administrator on a plan, the Fuel Administrator would then issue an order that we would not be allowed to run over 60 per cent of capacity, and we would be held strictly to that, and would not be permitted to run anything over that."

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"Mr. J. B. Lober: Of course, the Fuel Administrator would issue an order, but he wanted this conference with the Committee in order to enable him to arrive at a plan. The Fuel Administrator could put out an order, and we will have to accept it, which he could have [fol. 1053] done without this conference, but he didn't want to do that, and he has had or will have every industry in the country down in order to reach some plan of action. I really think it would be an advantage to the industry if he would restrict the output of production to just about enough to meet the demand and no more."

"Mr. Ackerman: If they see that we get the coal.

"Mr. J. B. Lober: Yes, that would be their part, and we, on our part, agree not to make any more cement. It would then be up to the Coal Administrator to see that we got the coal. I think that it would add stability in a measure to the industry and would be of advantage to us.

"Mr. Twambley: It would lay that bugaboo of more production for a while.

"Mr. J. B. Lober: But the Government will not encourage overproduction on anything, because it means labor, fuel and everything of that sort, and they want to stop that. They don't want anything more made than the country and the Government operations in war require. They want to put all their energies, of course, to the successful prosecution of the war. Of course, they realize that cement is one of those things that we got to have. What they want to get at is how much does the country require, and how much does the Government require, and then when they get at that, that is all they want made."

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[fol. 1054] GOVT. EX. NO. 155

Regular Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 916, Widener Building, Philadelphia, Pa., at 11:15 A. M., Wednesday, February 20, 1918.

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"Mr. Medler: The unfortunate thing about this is that all the companies are not represented by their credit department and we could not get any uniform expression of opinion on the subject.

"The Chairman: How many credit men are there here today? We tried to make a special effort to get them here, but it seems that we have not succeeded.

"Mr. Medler: I don't think it is worth while to discuss the subject today.

"The Chairman: Does that hold good on the other subjects?

"Mr. Medler: They are all alike.

"The Chairman: In other words, we had better pass this until the next meeting when we will endeavor to have all the credit men here.

"Mr. Hilles: I would like to ask what action is proposed to be taken to get them here.

"The Chairman: We have sent out a special request for them to attend the meeting today and I have done some telephoning myself [fol. 1055] to try to get them here. In fact, I have very little ground to talk myself, because our credit man is not here.

"Mr. Hilles: Mr. Cope promised to get his credit man here today.

"Mr. Jiggens: Would it be advisable to have a special meeting of the credit men?

"The Chairman: You mean so that these matters would not have to lay over for another month? Does anyone have anything to say on that matter? I don't know, but it seems to me these credit matters are very important and should be considered at least important enough for these members to attend the meetings.

"Mr. Twamley: May I ask what the questions for discussion are? I haven't seen a copy of the letter.

"(Letter handed Mr. Twamley.)

"The Chairman: Let us see if we can arrive at some plan whereby we can get the credit men together, either at a special meeting or to be sure that they are here at the next meeting. As I say, I haven't much room to talk, as our man is not here, although he told me yesterday that he would be here, and I don't know what could have held him up. Do you think it would be advisable to address a letter to the executives of all of our member companies and see if anything can be done to have them here at the next meeting?

"Mr. Medler: I think that would be a good thing to do to stir up interest in that branch of the Association.

[fol. 1056] "The Chairman: Now, under the head of new business, we have another matter in reference to a letter which Mr. Bacon received from Mr. Mallory, which Mr. Bacon will read.

"The Secretary: I will read this letter so that the companies can pass a resolution asking for the information set forth in Mr. Mallory's letter if they so desire:

" 'February 1, 1918.

" 'Mr. Charles M. Bacon, Secretary Cement Manufacturers' Protective Asso., Widener Building, Philadelphia, Pennsylvania.

" 'DEAR SIR: I have been very much interested in the statistics issued by our Association covering the total sacks returned for the year 1917, and I would like very much to be put in a position to figure out the percentage of returned sacks for our Company, as compared with that of the other companies, using the total number of sacks shipped by each company during 1917 and figuring the percentage of the total sacks returned so as to learn whether or not our company is getting as large a percentage of returned sacks as some of the other companies.

" 'I have already made a rough calculation which indicates that we are getting a smaller percentage than some of the other companies, and I will appreciate it if you will take the matter up and [fol. 1057] see if it is possible to obtain from each of the companies a memorandum showing the total number of cloth sacks which each company shipped during 1917; that is, eliminating the shipments in paper and wood, so that the percentages would be on a comparative basis.

" 'If this information is available, it might be illuminating to some of the companies, as well as ourselves, if you would work out the percentage and send the results to each company.

" 'Yours very truly, W. S. Mallory, President. WSM-BC.'

"At the present time our bag returns show the number of bags returned and those rejected, but they do not show the number of bags shipped during the year and Mr. Mallory, I believe, wants the number of bags shipped by each company and the number returned, regardless of the number rejected.

"Mr. Griffith: Why not include that in the same report you are sending out now every three months?

"The Secretary: We don't have the number of bags shipped. The report you get is the number returned and the number rejected, but Mr. Mallory wants the number shipped also.

"Mr. Griffith: That is, make another column?

"The Chairman: I think Mr. Griffith's suggestion is very good; that is, that the report would show in the one column the number of bags shipped, in another column the number returned and [fol. 1058] in the third column the number of bags credited, so that would give us all the information.

"The Secretary: I would have to have additional information from the members.

"The Chairman: The only additional information would be the number of sacks shipped.

"The Secretary: Yes.

"The Chairman: Has any one any objection to supplying Mr. Bacon with that information?

"Mr. Twamley: I move that the information asked for in the letter of Mr. Mallory be supplied to the secretary.

"Motion seconded by Mr. Cover and carried.

"The Secretary: This letter from Mr. Mallory is for the year 1917 and also for the future.

"Mr. Griffith: Why not have it for every three months, the same as the other report?

"The Secretary: Yes, but we will have to go back one year to get it so as to cover 1917.

"Mr. Scott: Mr. Mallory's point is that our records show a tremendous number of bags outstanding in the customers' hands and we want to see if our records show a larger number than the other companies. In other words, we want to know the number of bags outstanding so that we can provide for the future and so on.

"Mr. Jiggens: I would suggest that a special letter be sent out to all companies asking for the shipments made in 1917.

"The Chairman: Mr. Bacon will send out a letter to all of the companies along the lines of Mr. Mallory's letter, requesting the [fol. 1059] information as to the shipment of sacks in 1917, and, in addition to that, we will then make this report up, as I understand it, right through the present year.

"Mr. Coogan: What advantage is it quarterly? Your bag returns show your returns for the different quarters and it might be valuable to have the shipment for the year, but I can't see where it would be valuable to keep it up quarterly. I don't see how it would be valuable, although it might be interesting to have it for the year. It shows that the bags are not returned, but it does not show where they are.

"Mr. Twamley: This bag report that shows the percentage of rejections is made up quarterly, is it not?

"The Secretary: Yes, every three months.

"Mr. Twamley: Wouldn't it be well to have this additional information on the same report?

"Mr. Coogan: My idea is to have as few reports as possible and the reports that we do have to have them as simple as possible. Anybody will admit that a three months' period would give you good information so far as the percentage of rejection is concerned, but, so far as your percentage of returns is concerned, as compared with your total shipments, I don't see that it would be valuable. Take, for example, shipments during May, June and July, and there may be a large return one year and the next year the other way.

"Mr. Medler: And for January, February and March you might get two hundred per cent return on the bags shipped.

[fol. 1060] "Mr. Brobston: From a practical standpoint, I think if you can get the information at the end of the year, that is all you want.

"Mr. Coogan: I move to amend the motion to get these figures for the year 1917 and distribute them.

"Mr. Brobston: May I make a suggestion that the reports show the total number of bags shipped for 1916 and 1917. Wouldn't it be interesting to have the total number of bags for both years?

"The Chairman: The idea then is to supply Mr. Bacon with information showing the shipment of sacks during the years 1916 and 1917, with the amount of sacks returned.

"Motion seconded by Mr. Jiggens and carried.

"Mr. Brobston: While we are on the subject of bags, I would like to ask whether the companies are still maintaining the practice of purchasing bags only from those to whom they are sold. In other words, whether the companies are still refusing to purchase bags from fences and other people who offer to sell us bags frequently second-handed, who have bought or stolen the bags. Is the practice of the companies still to refuse to buy those bags?

"Mr. Coogan: We have been sorely tempted, but we still remain virtuous.

"Mr. Brobston: I am glad to hear that. We refused twice to buy these bags and I would like to know whether the selling of bags is being encouraged or whether the companies are still refusing to handle them.

[fol. 1061] "Mr. Twamley: We have had a number of offers of that kind, but we have not accepted any of them up to date.

"The Chairman: It is quite a temptation for the manufacturer to buy the sacks when we have to go in and buy them at the present high prices.

"Mr. Coogan: If you consider what it will lead to, it is a very bad practice.

"The Chairman: It is simply a question of policy which is going to mean something to us in the future.

"Mr. Twamley: It is simply furnishing a market for stolen bags. That is what it amounts to."

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"Mr. Brobston: We might go one step further on that point and find out the policy of the different companies as to buying and paying for the bags of firms other than their own. That question was brought up some months ago and at that time all of us stated distinctly that we would not buy any bags except our own. That was the policy of the companies at that time. Has that policy been changed by anybody?"

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"Mr. Coogan: The committee on trade practices of the Portland Cement Association recommended that the companies repurchase sacks only bearing their own brand, and I suppose outside of the Eastern district that has been pretty generally adhered to. In the East, however, there has been a practice established of allowing the [fol. 1062] five cents, and the recommendations of that committee has not been followed out in the East. My understanding is that there are any number of different practices in the East, but the one generally used is to allow five cents provided a man does not return an unreasonable number of foreign bags and then the foreign bags are interchanged with the companies on the same basis.

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"Mr. Coogan: It seems to me that is a matter of trade practice and if anybody wants any information on it, they could read the

report of the committee on trade practice of the Portland Cement Association and get all the information they might want from that report as to the proper method of handling it. My understanding is that we have no committee or any other means of handling these questions of trade practice.

"The Chairman: No, it is outside of the province of this association to take the matter up to any extent."

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"The Chairman: In reference to that matter, I would like to say that when we get the name of a contractor in a big city like Brooklyn, for instance, it is almost impossible, with some of the names we have to deal with over there, to locate that man unless we have his home address. Now, as far as getting the contractor's address [fol. 1063] in a small town is concerned, it doesn't mean quite so much, but it is important to a large extent and I think we will save a lot of time. I know, as far as our company is concerned, in investigating our contracts, we have wasted a lot of time trying to get the address of the contractor. It is hard to locate him and I think this will save a lot of time of the auditors in auditing these contracts for the association.

"Mr. Holman, was there anything you had to say with reference to the committee of which you are a member?

"Mr. Holman: The committee on contract investigation has to report that the matter of investigation of contracts is proceeding steadily. The committee had a meeting a few days ago and discussed a very important matter, which was later transmitted to the members by a letter, calling their attention to what we consider is an abuse of contract information. A great many complaints have come to us during the past few weeks regarding the misuse of information gathered and disseminated by the association, particularly with regard to contracts and also with regard to figuring on shipments, on productions and so forth. There seems to be a condition at present whereby a great many of our customers and a great many of the contractors are very well posted with regard to contracts, shipments and productions and statistics of individual companies. The committee has no thought at all of in any way dictating to members, [fol. 1064] or indicating to them, the particular use which they shall make of the statistical or contract information, but we do feel that the indiscriminate use of such information to the extent that it becomes a matter of common property to our customers, is something that detracts very largely from the efficiency and benefit of the work. We want to strongly recommend that all of the information published by the association be used by the executives, of course, in such manner as the respective companies see fit to use it, but for the purpose largely of informing themselves and checking up the results of their sales representatives, in that way making full use of the information in accordance with the object of the association rather than utilizing the information as materal for the making of sales. We find there has been a great deal of complaint in re-

gard to salesmen of various companies asking people who have placed orders with other companies why that order was placed with that company instead of with them, and a good many of the members have felt that their relationships with their customers were made unpleasant, even jeopardized by the use of information as to what they had done. I think as far as dealers and contractors are concerned it would be more advisable if they understood in a general way the purposes of this association; that is to say, the work we are doing, which we believe to be just as much for the benefit of the contractors and dealers, so far as contract investigation is [fol. 1065] concerned, as to the individual member cement companies, but when that information in detail is furnished to contractors and dealers, which has been done unquestionably, it not only detracts from the value of the information for the purposes the information is intended to cover, but it also makes very common the work which we are doing, and your committee wants to very strongly recommend that that information be used in a confidential way for the purpose of enlightening you as to the facts regarding contracts which are taken, but the information should not be given out promiscuously in any way that would unquestionably jeopardize the continuance of the furnishing of such information. I think we have covered the situation pretty thoroughly in our letter and we don't want anybody to understand that it is our thought or intention to indicate at all how the information shall be used, but we do feel that there is a clear cut purpose of that information, as outlined in our constitution and by-laws, and that the information should not be used for any other purpose.

"The Chairman: Has any one here anything to say with reference to Mr. Holman's report?

'Mr. Holman: This information is very valuable to us if used right and I think that I express the unanimous opinion of the committee when I say that the value of the information to us as individual members of the association is directly in proportion to the use that we make of it.

[fol. 1066] "The Chairman: There is no doubt in my mind that there has been some misuse of this information, but I think it is due to carelessness more than anything else, although, as far as our company is concerned, we have had some of our dealers who knew that one had this association and were reporting contracts, and they got in touch with us and asked us to furnish them with a list of contracts filed in their towns, for instance, but we have refused in every case to supply them with any such information, but you can evidently see that that information given dealers would not be used in the same way that we handle it ourselves. They use it right away as a basis to secure business. They use it in an entirely different way than we use it. They are not interested as to what contracts are filed in their town unless they can secure some tonnage from the information they get from us. There is another leak which I think exists so far as this information is concerned and that is it is very possible that a few of us are not careful enough as to where we keep our reports. Now, I found a tendency of salesmen coming

in and the first thing they wanted to do was to go to the contract reports and look them all over and then they go out and spread that information around everywhere, and that is going to hurt. As far as our company is concerned, we had a case some time ago where we filed a contract and inside of three or four days the customer advised us that five or six salesmen were in there all throwing up to him about the contract which he had placed with our company, and [fol. 1067] wanted to know why they had not gotten part of it. The contractor then had a bad feeling toward the association. He felt as if he was giving us business, but at the same time he didn't want us to take that information and put it into sources whereby everybody interested on the job came back at him and wanted to know why they didn't get part of the contract, so that I think it is very important that the information turned over to the manufacturers by the Association reports should be kept under cover and handled along the line that it should be.

"Mr. Coogan: I think Mr. Holman has brought out the point quite clearly. It was not the wish of the committee to suggest the way or method by which this information should be used, as between the different companies there might be an entirely different manner of using it. Each member may use it as he sees fit, but, at the same time, he should feel that he has the responsibility of that information not getting outside of his own organization. If you have a salesman that makes a misuse of the information, he ought not to get it, but the information, on the other hand, if you have a salesman that can use it to his own advantage, he should get it. We have put out instructions that it must be used only by our company and not to the detriment of any other company in the Association, and I don't think we have had any trouble. I think any company can decide for themselves how they ought to use this information. [fol. 1068] "Mr. Holman: Yes, we had no thought or intention of suggesting any specific method other than we thought the information should be used as information for the executives of the companies in order for them to check the operation of their salesmen and not furnish the information to their salesmen which, as a rule, would be used in a manner which would not be in accordance with the desire of the executives. The whole purpose of the information is that those in charge of the sales can be more intelligently informed by reason of having the truth, but that does not mean that everybody down the line to the office boy has to have that information, because they do not all know how to properly handle it.

"The Chairman: Is there anything further to say with reference to this matter?

"Mr. Coogan: I want to bring up a question with regard to the monthly summary of contracts. In going over that list I notice a great many contracts, some expiring December 31, 1916, and December 31, 1917, and they are still being carried on the sheets. Now their expiration dates have been extended or the contracts have been cancelled by the member companies. I notice on some pages as much as thirty per cent. are contracts which have expired either on December 31, 1917, or prior thereto and it seems to me that each com-

pany should go through their list of contracts and if they have any contracts on there which are cancelled or on which the expiration dates have been extended, they ought to notify the association so [fol. 1069] that the report may be kept up in the proper manner. I want to ask Mr. Bacon whether a contract, for instance, which the Alpha Company had, shown on the report as expiring December 31, and in January he received a notice that the date was extended to June 30, whether that would show on the next report as June 30 being the expiration date.

"The Secretary: Yes.

"Mr. Coogan: There are then evidently hundreds and hundreds of contracts which expired and which the association have not any advice about.

"The Secretary: That is perfectly true.

"The Chairman: Don't you think it is possible that some of the companies knowing that the contract expired December 31 of last year may not have gone to the trouble of notifying the association of the cancellation? What we should do, however, is, whether the contract has expired or whether the date has been extended, is to notify the association.

"Mr. Griffith: And if it is not done by the time the next report goes out, I move that the secretary write to each individual company and ask if the contracts have been cancelled or the date extended."

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"Mr. Coogan: I have one thing here that I would like to take up. In connection with this credit report, I wanted to make sure that there was uniformity in regarding these outstanding accounts which are used in making up this summary. For example, I notice that [fol. 1070] some of the companies carry either nothing or very small sums for September accounts. The same is true of August accounts. October they all have some. Some of the companies show no notes and no renewals. It seems to me that perhaps there was some misunderstanding either as to some of the companies reporting such small amounts and some nothing, and that if they reported it one month they didn't consider it accumulative and didn't keep reporting it every month. I wonder if there could be anything in that, as if it is valuable at all to us it ought to be correct."

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"The Chairman: That brings up the same subject again. We will have to have these credit men at these meetings more than we have had in the past. Have you any suggestion to make, Mr. Coogan, in reference to that matter?

"Mr. Coogan: No, except that I think each company should look up their records and make sure that they are all using the same method in reporting."

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"Mr. Brobston: What is the practice when an account is charged off as worthless? Is that still shown on the report?

"Mr. Medler: There never has been a ruling on that question where the name has been continuously reported and then it disappears with-[fol. 1071] out having been turned over to an attorney, but the assumption is that it has been charged off.

"The Chairman: It seems to me very important that we have the information of anything that has been charged off as worthless, as the man might want to buy again, and as far as the list would show, he would be all right.

"Mr. Medler: It usually goes to an attorney when it becomes too old to collect through the ordinary channels, and you get your information in that way.

"Mr. Brobston: It seems to me there ought to be some method of keeping that record.

"Mr. Medler: Well, there would not be one case in years except for a man who had an account of five dollars or ten dollars and it wouldn't be worth while suing for it.

"Mr. Hilles: If an account is placed in the hands of an attorney that covers that.

"Mr. Medler: I think it does, if it is big enough it is sued on."

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"Mr. Coogan: I am not interested. There was a discussion here about two months ago as to the advisability of moving the offices of the protective association to New York. The New York people, I understand, there are something like seven or eight of them over there, have been taking it up, and I think it is a question we ought to decide and we ought to find out how we are fixed here on leases and find out what the sentiment is with regard to moving the office. There is only one reason why it should not be moved and that is on account of Mr. Cover, because it is rather unhandy for him, but still it would give him an excuse to come up the night before."

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[fol. 1072] GOVT. EX. No. 156

Regular Meetings of the Cement Manufacturers' Protective Association, Credit Managers' Branch

Meeting Held at the Home Office of the Association, Room 916 Widener Building, Philadelphia, Pa., at 11.15 A. M. Monday, March 18, 1918

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"The Chairman: If I am not mistaken, about two months ago a letter was sent to all the credit managers stating that there were

several matters we would like to have brought up at this meeting. These different subjects have been gone over, and the Association, or our attorney, Mr. Cox, feels that these questions bear on matters of trade practices or trade policies and consequently do not come within the scope of this Association. Therefore, we will have to drop them.

"Mr. Walter: Other than those questions, I had nothing special in my mind.

"The Chairman: Has any one here any suggestion to make regarding the different credit reports, any improvements or corrections which should be made in them?

[fol. 1073] "Mr. Lober: One thing that I would like to call your attention to is that the Midwest Association goes a great deal further with their reports than we do. I suppose you have all noticed that. They have at least two more months on them than we have. They go back, I think, to all accounts which are over thirty days old. Our reports don't give them until they are ninety days old. That is, they are ninety days old before we report them. I want to call your attention to that. They, of course, give a great deal more information than we do.".

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"The Chairman: Are there any other matters which any members here want to bring up for discussion?

"Mr. Lober: Would it be proper for us to discuss here our experience with cash discounts, whether there is any marked difference under the present financial business conditions in the number of accounts which are being discounted, or whether there is any increase or decrease?

"The Chairman: I would prefer to wait until Mr. Cox is here to discuss that matter.

"On motion of Mr. Nash, seconded by Mr. Erdell, the meeting adjourned.

Meeting of the Sales Managers' Branch Held at 11.15 a. m., Home Office of the Association, Philadelphia, Pennsylvania, March 18, 1918

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[fol. 1074] "The Chairman: Under the head of unfinished business there was a matter that come up before the credit men regarding the moving of the offices to New York, and they voted that we move the offices to New York on April 1st, to the new quarters, 19 West 44th Street, at a rental of $1,800.00 a year. The motion is in order that the sales managers' branch confirm the resolution as passed by the credit managers' branch.

"On motion of Mr. Erdell, seconded by Mr. Swett, the action taken by the credit men's meeting in regard to the moving of the offices to New York April 1st was affirmed."

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"Mr. Barbour: Is there any use of bring up the question of the valuation of the cement sacks as sold by the manufacturer and as compared with the price the manufacturer puts on them when he sells them to the dealer? There is a very wide difference. As far as we are concerned, we think that something ougt to be done to equalize it."

"The Chairman: I don't imagine that is a matter with which the protective association has anything to do.

[fol. 1075] "Mr. Barbour: I don't know that we can have any decisive action on it, but I believe it is something that they must be thinking about now.

"The Chairman: If there is no further business, a motion to adjourn is in order.

"On motion, the meeting adjourned."

[fol. 1076] GOVT. EX. No. 157

Special Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Tuesday, May 14, 1918.

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"The Chairman: * * * There have been at different times complaints on the part of some of our members relative to the way information has been handled which is supposed to be secret, the use of the Association reports. During this last month or so we [fol. 1077] have had one or two more complaints. It is evident that in some way or other salesmen are securing the information from the reports and are using it in a way detrimental to other manufacturers' interests. I wonder whether it would be advisable to have a discussion on this subject to find out what the different members think would be a good, safe way in which this information could be handled with their salesmen.

"Mr. Coogan: Mr. Chairman, I remember that question was discussed some time ago, and it was decided then that this Association could not prescribe or dictate to the members in any way in which they must use the information which the Association gives them and it was felt that each company would have to figure out what they wanted to do with the information, but they should be held responsible for the proper use of that information. I don't think the Association can go beyond that. There is no way that you can lay down a certain hard and fast rule, and I think if there is a misuse of the information that it should be taken up with the company who has misused the information and see if we can correct that.

"The Chairman: Mr. Coogan, I appreciate the fact that the Association cannot prescribe any fixed way in which the members have

to handle this information, but my idea of bringing the matter up was to have a little talk on it, and possibly get some suggestions from the different members as to the way they think it advisable to handle it, not that we are going to prescribe any way in which we will handle it, but there may be some companies that have a cer-
[fol. 1078] tain way to handle it, and I thought a little discussion as to the way they are doing it might enable the others to clear up mistakes which they have been making.

"Mr. Coogan: Mr. Chairman, that matter was discussed at our February meeting. It was covered in the minutes of the meeting of February 18th. It seems to me it is covered in there about as fully as we could cover it in discussing it further.

"The Chairman: Well, my object of bringing the matter up again was this: That since that meeting there have been several complaints from manufacturers regarding the misuse of this information, and I appreciate the fact that the Association cannot dictate to its members how this information is to be handled, but I thought possibly some one here might have some suggestion to make which would enable us as a whole to have a better insight into the way to handle this information to get the best results.

"Mr. Twamley: There would be no impropriety, would there, in the Association calling to the attention of the members the company who has misused the information or is alleged to have done so?

"The Chairman: I believe in every instance where there has been any complaint like this it has been taken up with the company against whom the complaint has been made."

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[fol. 1079] "The Chairman: I would say this: It was a proposition where a salesman for another company went to a dealer with some Association information.

"Mr. Hilles: The original sheet, you mean?

"The Chairman: As I understood, it was the original sheet, yes.

"Mr. Coogan: Well, as long as you are relying on the human element, you are going to have a thing like that happen once in a while. You can't stop it. I don't think you are ever going to stop that in all cases.

"The Chairman: Personally, the way I feel about this matter is different. No doubt a lot of the other manufacturers do not feel the same way as I do, but I think it is almost an impossibility to use this information in such a way at all times that there will not be certain complaints coming in, but I think there is no reason why we should make such a secret out of these contract reports. Let the customer know that we are all acquainted with the contract which he is placing. I think they will be more careful than in placing contracts that are not right. That is only my personal opinion of it. As far as our company is concerned, if all the other companies felt the same way, we would have no objection to any other salesman of another company going right back to our customer and tell them where they got the information, because I feel in this way: That a

customer, when he places a contract and knows that everybody is [fol. 1080] going to see it and knows it is going to be investigated, is going to be more careful in placing a contract that is not right.

"Mr. Coogan: I don't believe 25 per cent. of the dealers today don't know of the existence and the purpose of this Association. I think in some cases they have the work of the Association distorted to a certain extent, but they know of the existence of it and they know the general principles, and so far as I am concerned, and I know several other companies feel the same way, we have never made any attempt to conceal. In fact, we have told them of the existence and purposes of the Association. I understand Mr. Gaines at one time had a letter written setting forth in plain language just what the work and the purposes of this Association were. Did you ever send that out? You never sent that out, did you?"

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"The Chairman: Going back to this other matter, I am willing to pass it on, but in one instance this month we got a letter from another company to the effect that if the misuse of the information continued they were going to resign from the Association, and although we have straightened it out, nevertheless we want to, every one of us, be very careful how we handle this information.

"Mr. Hilles: The life insurance companies had a lot of trouble of that kind about ten years ago. They adopted the method they called of twisters. A life insurance salesman went around, and if he got any information like that they would try to get him to switch [fol. 1081] the policy to his company by offering him special terms and so forth, and it was used and published in such a manner that the insurance salesman who used that method was soon in the black book of not only their own, but all companies, because it was a most despicable performance to go around to a man who had already placed an order, you might say, and quarrel with him and try to get him to change it. I think it is worth while to have every company address their sales force, stating that whenever information is given them that it is considered disreputable practice to go to the man who placed the order and try to get it away from the company to whom he had given the order or quarrel with him because he didn't give it to the twister."

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"Mr. Griffith: Mr. President, in line with taking up little credit matters in reference to information that we are asked to give as to whether the extra discount of larger than 5 per cent. should be given if settled within three days.

"The Chairman: Isn't that a matter of trade practice, Mr. Griffith?

"Mr. Griffith: I think it might be just as well to talk it over here if it is agreeable to you gentlemen.

"The Chairman: Mr. Cox, what are your views on that matter?

"Mr. Cox: Why, I think that is rather a trade practice than anything we deal with here.

[fol. 1082] "Mr. Griffith: Mr. President, in reference to the matter I just spoke of, that was brought to our attention in a printed form by one of the dealers of the Association, and I do feel that it is a matter for the trade relations to take up rather than for us.

"The Chairman: I think it would be advisable to take it up at a meeting of the Portland Cement Association, which will be next week. I would like to hear from Mr. Gaines if he has anything to say to the members present."

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"Mr. Griffith: I would suggest that a committee of three be appointed to draw up a suitable resolution of thanks to Mr. Bacon for his work in this Association in the past three years.

"Mr. Coogan: I second the motion.

"Mr. Bacon: Gentlemen, it is really with great regret that I do leave the Association, but as I said in my letter there are circumstances which cannot be overlooked which should make it necessary for me to hand in my resignation. Mr. Griffith and I fought pretty hard to get things in line. It gave him a great deal of anxiety, and I tried to relieve him as much as I could. His valuable assistance made the Association a success, and it has given me a great pleasure to see it go on. My treatment by the manufacturers has been most courteous, and I regret very much that I have to sever my connections with people who have been so very, very kind to me, and I thank you all.

"The Chairman: I know we all feel, Mr. Bacon, that we are sorry to lose you, and, as Mr. Griffith said, you started with the Association in its inception and you have been with us from the time we started, and practically all the work has been, up to recently, entirely in your hands, and everything has been handled most satisfactory to the Association. In reference to this committee that Mr. Griffith suggests, I will appoint Mr. Griffith as Chairman, Mr. Moyer and Mr. Coogan to draw up the resolution."

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[fol. 1083] GOVT. EX. No. 158

Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 12 o'clock noon, Tuesday, June 18, 1918.

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"Mr. Holman: As a matter of information, I should like to ask the member who is in favor of Trade Acceptances, what he thinks the

advantages are from the standpoint of cement companies, in our business as standardized now, five cents a barrel discount for cash in ten days or thirty days net."

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"Mr. Dutton: Well, we might as well discuss that now as long as it has been brought up. There have been some of the member companies that think that on account of the few contracts being closed recently the daily reports are very small, and they think we should get out our monthly report, which heretofore has been published once a month, say, every other month; that in that way we would be doing something to conserve and help the paper industry and help the printers along, and, at the same time, have all the information, because it would mean then that we would have to keep our daily reports for two months intact until the big report came through; but that is not very much trouble these days. I notice that four or five contracts are about all that are coming through."

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[fol. 1084] GOVT. EX. No. 159

Regular Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Tuesday, July 16th, 1918.

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"Mr. Gaines: It must be obvious to the members that unspecific descriptions make it necessary for the auditors to use up a great deal of time in locating jobs before they can commence their investigations as to requirements and conditions, and I beg to respectfully urge all member companies to give us their co-operation and instruct their salesmen thoroughly in this important feature of our work.

"Mr. Holman: I am sure it will be very interesting to you to know the operations of the Association in a financial way. When our committee was first formed it was for the purpose of formulating a plan for contract investigation, and we estimated that the expense of the work, including the other work of the Association, would approximate two mills per barrel. We hoped that the work could be done for an amount less than that figure. Mr. Ackerman has prepared for me a statement based upon the actual expenses of the first six months of this year and an estimate of the expenses for the last half of the year based upon our present operation, which we feel will prevail for the rest of the year. This will give us a surplus at the end of the year of approximately $15,000; that is to say, the amount

of dues as authorized would amount to approximately $56,000, and the expenses at the anticipated rate (based upon present operation) will amount to approximately $41,000, leaving a surplus of about $15,000. That would make the cost of operation, as we are now set, between 1.4 mills and 1.5 mills, as against the two mills which were authorized."

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"Mr. Lober: Now, we have other matters that we are considering and expect to discuss still further, and hope to have something additional to report at a later meeting, but we do want to impress on the credit men the necessity for getting these reports here, and, as [fol. 1085] I said before, we expect to take up with the delinquents this matter as vigorously as we possibly can.

"The Chairman: Might I ask whether any of the companies that have been slow in getting these reports in by the sixth have given any reason whereby they cannot do it?

"Mr. Lober: Not to my knowledge.

"Mr. Gaines: It is different reasons, due to internal conditions, etc.

"The Chairman: They seem to be the same offenders?

"Mr. Gaines: Yes.

"Mr. Lober: There are some other details. Some of the companies do not use the blank; some of them do not give all the information which is asked for, and we expect to take these matters up with the individual companies.

"The Chairman: Under the head of unfinished business, I do not believe there was anything left over from the last meeting. Is there any one here who knows of any matter that should be brought up today that was discussed last month? As there is no response, we will go to the new business then. Mr. Scott, have you anything to say today?

"Mr. Scott: Nothing at all.

"Mr. Lober: I have a matter I would like to get an expression of opinion on. I have received from a number of the companies, letters in regard to the intercompany sack exchange basis—foreign sacks. I believe we could discuss that here as to the desirability of a change, [fol. 1086] and as I know that some of the members have been making that change, it seems to me we ought to have a uniform practice—all of us.

"The Chairman: I think Mr. Lober has brought up a matter which we are all very much interested in at present. I would like to hear from some one what his views are in the matter. Mr. Griffith, have you anything to say?

"Mr. Griffith: We are still holding to the old rate of five cents. I feel if we raised that price it would only imperil the matter.

"The Chairman: How do you feel about it, Mr. Twamley?

"Mr Twamley: I understand the question is the amount to be paid for sack exchange between manufacturers.

"The Chairman: Yes.

"Mr. Twamley: I feel in view of the present cost of bags that

that amount is too small. I think a rate of ten cents would be an improvement.

"The Chairman: The big drawback in making a change in the interchange value of sacks, of course, is for the reason which Mr. Griffith brought out, but I doubt it would amount to as much as we possibly think it would. Mr. Griffith remarked that changing the price of the sacks for interchange between mills from five cents to ten cents would encourage customers in returning all their sacks to one manufacturer. How do you feel about that, Mr. Coogan?

"Mr. Coogan: We prefer the five cents. We agree with the re-[fol. 1087] marks that have been passed here that if we go to ten cents there will be a great deal of abuse. We do not see any reason why there should be a change.

"Mr. Medler: We are paying five cents now and I do not think we care to change that. We do not like to handle foreign sacks; they are expensive and troublesome. We cannot get enough labor to count our own sacks and we do not want to bother about turning over that labor to take care of the other sacks. We do not think we ought to change from the five-cent basis."

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[fol. 1088] Govt. Ex. No. 160

Regular Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Tuesday, September 17, 1918.

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The Chairman: New business. Has anyone here anything to say in reference to new business to come up today?

"Mr. Twamley: Mr. President, would there be any objection to all of the companies reporting their shipments on government work, which would include railroad work, or any orders coming from the Cement Committee, the same as other shipments? They have been in the habit of reporting by the Protective Association at the end of fifteen days or a month.

"The Chairman: What advantage would that be?

"Mr. Twamley: Nothing more than the information?

[fol. 1089] "Mr. Ward: The Cement Committee could furnish that.

"Mr. Twamley: I don't think so.

"The Chairman: The Cement Committee gives us from month to month the shipments on government contracts.

"Mr. Twamley: That is not the shipment; that is the allotment. I am speaking of the shipments.

"Mr. Holman: The shipments come along as a rule from month to month, based on the allotments. In the case of your company we have had called to our attention several orders where that has not

been the case, but in the main we find that their shipping instructions are placed at about the rate of that, they depending on the allotment. That is, it is impossible for the Cement Committee to show any report other than that based on the allotment.

"Mr. Twamley: I understand that, Mr. Holman, but I thought the Cement Protective Association could report that.

"Mr. Holman: Of course, it is safe to assume that when an allotment is placed with a company of so many barrels that they will in the future ship that amount of cement.

"Mr. Twamley: The only information I was looking for was whether there were any other companies shipping as little as our company in proportion to the cement placed with it.

"Mr. Lober: I think, speaking for our own company, we have so many kinds of separations and reports to make, that I would rather [fol. 1090] not do it; not that we have any reason for not doing it other than the demand upon the reduced office force is so great now.

"Mr. Twamley: The conditions in the very near future may be so much better that I would not care about it.

"Mr. Lober: May I make this suggestion: suppose we let it go to the next meeting and if the situation still seems to you to be acute you can bring it up then.

"Mr. Twamley: All right.

"The Chairman: How is that? I didn't get it.

"Mr. Lober: I suggested that we let it go to the next meeting.

"Mr. Brobston: I was going to make this suggestion to Mr. Cope, and that is this: we are making so many reports now, do you think it is worth while to make any more? Don't you think you could telephone to these one or two companies and get your information in that way?

"Mr. Cope: I am satisfied to let it rest now.

"The Chairman: It seems to me with this report which we have to prepare for the government at the end of each month, will give every manufacturer a line on just where his shipments are going, so that if it is necessary to bring it up later we can go to that report.

"Mr. Holman: If we can avoid doing it from the point of convenience, why then we ought to do it.

"Mr. Lober: I know we do not want to make any more reports. With what we have to make to the Federal Trade Commission and [fol. 1091] the Cement Association and all these other things, along with our reduced office force we have our own troubles to cope with." [fol. 1092] "Mr. Cover: Mr. Dutton, I want to bring up something. I think that this is a matter which we could discuss at this meeting and which it is proper to discuss at this meeting rather than at a meeting of the War Service Committee, although it does pertain to Government regulations. It seems to me it would be a good idea for the Protective Association to serve us right now in a rather new capacity. It will be probable that all of us before we get through will find that some dealer or some user of cement will violate the regulations or violate the pledge, and we will have to refuse to ship. Now, I think that whenever that happens that every company ought

to notify the Protective Association of that action and then I think the Protective Association ought to notify every other company that that particular party has been treated in that way so that we will all be on our guard. It would certainly be very bad if there would be a system developed there of looseness which would enable any dealer to violate their duty with one of us and immediately take up his wants with some other company. The other company might be entirely ignorant; the other company might want to help along the Government regulations just as much as we do, and yet they might [fol. 1093] ship to such a party. Now, can't we use the Association for that purpose?

"The Chairman: Mr. Cover, if Mr. Cox were here, I could get an immediate answer on that. I do not know whether that would come under the scope of the Association or not. It seems to me that it is a protective matter and one which the Association could be of service on, but I think it might be well before we go ahead with the proposition to get Mr. Cox's opinion on it, so that it can be brought up at the next meeting. Any discussion on it?

"Mr. Brobston: Mr. President, don't you feel that this is absolutely a matter which will be of assistance to the government and therefore that there can not be any legal question about our right to do it at all, and by postponing it for a month we might lose the effect of it to a very large extent, because, as Mr. Cover has pointed out, a person who is going to violate the pledge may do it right away, and the other members should be notified promptly that this man has not lived up to the pledge, so that they might be on their guard. Certainly that is absolutely legal in every sense."

[fol. 1094] "The Chairman: I should think it was. Personally, I would be in favor of it. Has anyone else anything to say?

"Mr. Griffith: The reports from the different dealers would not come in until about the fifth or tenth of next month. Therefore, I think it would be in line to take it up with Mr. Cox and discuss it at the next meeting.

"The Chairman: There is nothing we could do prior to getting those reports, and I think in the meantime we can talk it over with Mr. Cox. I agree with Mr. Brobston that it is something we are doing to assist the Government, and therefore would be in the province of the Association, but as long as it can wait over until next month I do not see any necessity for going ahead with it today.

"Mr. Holman: I do not think it is necessary to defer any action you might feel justified in taking until the next meeting. Our committee has in mind, just as soon as these governmental regulations become operative and we find out what the procedure is going to be, we will then determine whether or not the Association, through its present organization, can be of service to the industry in carrying out of the orders of the Government. We have in mind several things which the Association can do along the lines of Mr. Cover's suggestion, but we think at the present time we cannot make any plans because the situation is not entirely clear. Our thought is that just as soon as it is cleared up, and we know what the procedure [fol. 1095] is going to be, then we can endeavor to fit in the activities

of the Association, and when the time comes it is my purpose as Chairman of this committee to take up with Mr. Cox the things we wish to do that we think will be of service to the industry and get Mr. Cox's approval. That is to say, we will tell him what we would like to do and just ask him to tell us if there is anything within our program then not within the function of the Association. Personally, I think anything this Association can do to help individual companies in helping out the orders of the Government would be within the province of the Association. But we would like to suggest that no definite plans of action be made now because of what I am going to tell you later. We are not all quite clear as to just what the method of procedure is going to be, and the thought of the Committee is that just as soon as we clarify the situation we will then see in what way the work of the Protective Association can best be adapted to it and assist the individual companies in carrying out the orders of the Government.

"Mr. Brobston: I was just going to ask Mr. Holman one question: Whether he thought it would facilitate the work as outlined by him if we should today pass a resolution authorizing Mr. Gaines to at once start to carry out any suggestions that were made to him by the War Service Committee.

"Mr Holman: It was not my thought as Chairman of this Committee, and I do not think it was the thought of the other members [fol. 1096] of the Committee, to do it as the War Service Committee; that is, the Association itself would determine the things it would do based upon its knowledge of the conditions in the industry, and while we appreciate your suggested motion, I believe the functions of the Committee as now constituted will give us that status.

"Mr. Cover: I was going to ask practically the same question as Mr. Brobston.

"The Chairman: This proposition, as I understand it, is a case of the Association being an assistance to the individual members in following out rules and regulations set down by the War Industries Board, rather than an assistance to the War Industries Board, because we have our own situation to deal with.

"Mr. Holman: Oh, yes. This Association would not in any way offer its services directly to the War Industries Board or any other department of the government. This Association is composed of cement manufacturers, and anything that we, as an Association, can do to assist these cement manufacturers who are its members in carrying out the orders of the Government I am sure will be approved by Mr. Cox, and any part of the program, from the factory point of view, that we want to put into effect that Mr. Cox thinks is not within the province of the Association, of course we will have to be guided by him; but in a general way I think Mr. Cox will permit us to do everything as an Association we will want to do for our interest.

"The Chairman: Mr. Holman, you will, therefore, some time before the next meeting, take this matter up with Mr. Cox so that it can be brought up then; in the meantime we will allow the matter to rest.

"Mr. Holman: If it is satisfactory to the members the Committee will keep in touch with the situation, and just as soon as they feel the time is ripe to develop the plan as an assistance to the industry we will put it into effect."

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[fol. 1097] Govt. Ex. No. 161

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Tuesday, October 15, 1918.

[fol. 1098] "Mr. Lober: Those special reports, those special notices of accounts placed in attorney's hands, as I understand it, are sent out immediately on receipt of notice from the company that they have placed that account with an attorney. There is a special circular sent out to all of the members at once. They do not wait for the issue of the regular monthly report."

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"The Chairman: Is there anything else under unfinished business; if not, we are upon new business.

"Mr. Coogan: We were talking to Mr. Gaines this morning about a matter in which a great many of the members are interested, and that is the new freight rate book. I understand that New England has been issued. New York, Pennsylvania, New Jersey, Delaware, the District of Columbia, and I think, Maryland, are now in the hands of the printers and should be distributed within a short time, within probably a week or ten days at the very most. As you know, the books have been checked and rechecked, and, of course, it is taking a considerable length of time to do that work, but I think as they come out they will be very useful and satisfactory."

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[fol. 1099] "Mr. Coogan: There is a matter while it has no place in this situation, but inasmuch as all the people present are members of the Portland Cement Association, and participate in it, it seems to me, if there are no objections, that it might be a good time to discuss how the different members feel about the work being carried on by the Portland Cement Association; whether it should be curtailed or what should be done with it. We would like to draw out the thought of some of the members. Of course, we have no voice in this thing at all, but personally I would like to have it to carry

to my superior, so that I may let him know what the feeling is and I believe that the Executive Committee would be glad to know the feeling of the different members; as to how far we think this promotion work ought to go.

"Mr. Lober: Do we want to go into that and have a long discussion in the minutes?

"The Chairman: It would be the best way to circulate the information around among the members, no doubt, if we had it in the minutes; how do you gentlemen feel about it?

"Mr. Coogan: Why not put it to a vote, as to whether it can be taken up in two or three ways?

"Mr. Cox: The only thing I insist upon is if you do talk about it it should go in the minutes because one of the features of our minutes is that they always have everything set down in black and white, and I would not like to depart from that rule."

[fol. 1100] "Mr. Lober: That is not what I mean. Of course, if we brought the matter up at this meeting it is going in the minutes, but whether the Association should go into that particular feature of its activities entirely separate and apart from anything connected with this Association.

"Mr. Cox: That is a matter of your convenience rather than anything else.

[fol. 1101] "The Chairman: Well, I do not think a little discussion here would be out of order, then.

"Mr. Coogan: Why not put it in a plain vote; that is, are you in favor of continuing the special dues and special promotion work as carried on at present, or are you in favor of the curtailment of that work along the line which the Executive Committee seems to think most advisable? A man could vote for either one or the other which would give his general principles. That does not necessarily mean that the Executive Committee will decide to curtail the dues; they might keep up the dues but curtail the work if they decided that way.

"Mr. Hilles: You might put that curtailment in there in a way that would not make it seem as though we were going to abandon the work, because there is no intention to abandon any of the work, but we felt that it would, or personally I feel that it is a pretty hard time to promote any new work.

"Mr. Holman: Mr. President, along the lines of what Mr. Coogan has said, it seems to me we are facing a situation in which we have been asked by the Government to do certain things as an aid to the war program. A large part of our special dues is devoted to promotion and inspection. Only such roads as are absolutely necessary and which contribute to the prosecution of the war will be allowed to be built from now on. Now, it seems to me very unwise, very unpatriotic for us to utilize men and money in promoting something [fol. 1102] that is not desired by the Government, and is considered by them inimical to the prosecution of the war. My idea is, both from the standpoint of patriotism and good business, that we should confine our promotion now to those things that the Government

wants built and permits building, and not waste our money or put ourselves in an unpatriotic position by doing things that the Government desires us not to do, so that I think that our special dues until the war is over should be confined to promoting things that are a part of the war program."

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[fol. 1103] "Mr. Holman: Before we adjourn, I have a matter I would like to mention. It is more or less personal, but I wanted to make a few remarks about a matter that I have been thinking about a great deal lately. A year ago in May I made some suggestions as to the advisability of making some changes in the work which the Association was doing, particularly with regard to inaugurating the contract investigating department that Mr. Gaines is in charge of. Mr. Lober, then president, asked me to become chairman of a committee to formulate a plan for a change in the activities of the Association. As a committee we did that, employed Mr. Gaines, and the committee was continued at the suggestion of the members for the purpose of what might be termed chaperoning Mr. Gaines in carrying on his work. As chairman of that committee Mr. Gaines has, of course, from time to time conferred with me, asking advice in regard to matters which came up almost daily. The important matters have always been referred to the committee, and our action has been the result of the consensus of the committee as to what to do, in most cases also referred to the members at our various meetings.

"Recently I have felt that there was a feeling on the part of some gentlemen in the Association that I was exercising what might be called a dominating influence over the affairs of the Association, and to a certain extent running things in accordance with my own ideas, influencing Mr. Gaines in his work in accordance with my [fol. 1104] personal ideas you all know I have been very much interested in the work which this Association has been doing. I do not think that there is anything that has ever been done in the Cement Industry since I have been connected with it that has been productive of as much real good as this work which we have done since Mr. Gaines came with us, in connection with the other activities of the Association. I have been very much interested in the work because of the good that I thought it did to the industry, and my whole thought in directing the work as chairman of this committee has been to secure and promote conditions in the industry which would be beneficial to all of us, and as far as I was concerned personally, and my own company was concerned, as being a part of the whole we would, of course, share in the improved conditions as a part of the industry and not as one particular company.

"There have been various suggestions made from time to time that certain things be done by the Association. All of those suggestions have been discussed by the committee, and nothing has been done except as the result of the consensus of their feeling. I have probably had some rather positive ideas about some things, and

I have personally disapproved of doing a number of things that some Association members from time to time have suggested that we do, but in all cases these have been matters that Mr. Cox has advised us were not within the province of the Association, and in accordance with the Constitution and By-Laws, and could not be done. There [fol. 1105] has been some criticism directed at Mr. Gaines because he was more mindful of instructions that he received from me and suggestions that he received from me than those that he received from other members. Now, it is manifestly impossible for any man to be chairman of this committee and not come in very close contact with Mr. Gaines, but I believe that you all feel that my contact with Mr. Gaines that I have never asked him to do anything that has not been in my opinion for the best interests of the Association and the industry, of which my own company is only a part. I want to bring this up today because it is my opinion that the success of an Association of this kind necessitates harmonious feeling among the members. I have continued as chairman of this committee, and will be perfectly willing to continue if the members wish me to do so. On the other hand, if they feel that somebody else can do the work better, I will be very glad to withdraw and give my hearty support to anybody else who may be named as chairman of the Committee. It is manifestly impossible to have a meeting of the committee every day or two, and Mr. Gaines has felt, and I have encouraged him to feel, that the purpose of the committee of which I was chairman was for him to confer with and advise with in regard to things that came up from time to time.

"The statement has been made that certain things ought to be done, and if the Atlas Company did not approve they could withdraw, and that they were not necessary to the existence of [fol. 1106] the Association. Now that, of course, I know perfectly well. We are, however, very much interested in this work, and I think that if all the companies who are members would become more interested in the Association work, taking greater advantage of both the credit information and the contract information that is given, that they would secure benefits that they are not now securing, and have perhaps a different idea of the way things are being done. But I want to say that I thought at this time it was necessary for me to speak about these things, not with any thought of antagonism or criticism, but I think we ought to be a harmonious whole. Mr. Gaines' work, his best efforts, cannot be had if there is a feeling on the part of various members that he is not working for the interests of all the members of the Association, and that he is being in any way influenced or guided by the interests of any one company. I think if any of you have any matters on your minds that this is the time to talk about them right here now and on the table. As I said before, in exercising the office of chairman of this committee I have been guided at all times by Mr. Cox's recommendations as to things that we could do and the things that we could not do, and, of course, that will have to be the situation at all times. But I want to say now that if there is any feeling on the part of the Association that they would like to have a change in the chairmanship of this com- [fol. 1107] mittee, as far as I am concerned, I will be entirely willing to withdraw and co-operate heartily with anyone else. * * *

"Mr. Twamley: Mr. President, I want to say that this is the first intimation that I have had that there was anything but harmony in this Association. Representing as I do one of the smaller companies, I would be perhaps one of the first to feel it if there was anything like the dominating influence of any one company, or if a larger company were trying to dominate this Association to the disadvantage of the smaller companies. I have never experienced anything of that kind, and the work of the Association, as far as I have personally observed it, has been very efficient under the management of Mr. Gaines and Mr. Holman as chairman of the committee, and I should like to move a vote of thanks to the committee and of confidence in the committee as at present constituted. I make such a motion.

"Mr. Ackerman: I second the motion.

"Mr. Holman: It is very kind of Mr. Twamley to make those remarks, but in all seriousness I did not bring this question up for the purpose of getting a vote of thanks. I think that it is a very serious thing, and I think that we can be serious among ourselves without being critical of each other or antagonistic. While I am very grateful to Mr. Twamley for his kind words, I would be very much more satisfied if any of you gentlemen who have any thoughts along the lines that I have expressed, that we discuss them instead of acting on Mr Twamley's motion, and I know that Mr. Twamley will understand the thought that I have in mind in objecting to the motion.

"Mr. Twamley: I withdraw the motion.

"The Chairman: As president of the Association I would like to make these remarks to Mr. Holman. I know for a fact that you have given the Association as chairman of the committee and Mr. Gaines a lot of assistance, and I feel from the bottom of my heart that it has absolutely been unselfish. I do not know of a single instance where there has been anything done by yourself which could be considered as being from a selfish standpoint. I believe Mr. Holman is right. If there is anything to say, come up now and say it; if not, let us forget it."

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[fol. 1108] GOVT. EX. No. 162

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11.30 A. M., Tuesday, November 19, 1918.

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"Mr. Lober: The Credit Committee this morning discussed the difficulties that some of the smaller member companies may be

having in using the Credit information which is now being sent out on the monthly list. It occurred to us that, due to the large number of these lists which are now in existence, that it was a very difficult matter for the companies which did not have a good size office staff to refer to these lists and get what was on them.

"We recommend in that connection that the Association prepare certain forms; one form to be used by member companies in applying to the Association Office for credit information. The form would be in such shape that possibly all the member companies [fol. 1109] would have to do would be to fill in the name and address of the customer or prospective customer that they desire the information on, sign it and mail it to the office. We would also have a form which would be used by the office here furnishing that information."

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"The Chairman: As it stands now, a member company if they want to get information as to the past experience of the different cement companies regarding certain accounts have got to go back over their monthly credit sheets.

"Mr. Lober: Over their own lists."

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"Mr. Gaines: We then give that company all the information on that card, showing the history of that Purchaser with the different companies.

"Mr. Griffith: Then would that be followed by letter with any further information that you might receive from the other companies?

"Mr. Gaines: Any information we might receive from another company under the system I should think would be put on that card."

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"Mr. Lober: I have the form right here, and I understand that they are not at present going into all that detail.

"Mr. Scott: Do you know whether the results they have obtained from that collection of data there has justified the cost?

[fol. 1110] "Mr. Lober: I think Mr. Medler can probably answer that better than I can. His company is a subscriber to the Midwest Bureau.

"Mr. Medler: It seems to me that the Midwest has gone just a little beyond what is necessary for an organization to do. There is a definite function that they can perform and they have gone almost into the commercial agency reporting system, an expensive system. To do it right you have to have reporters, and there is no use doing it half way.

"We can reach up to a certain point where we will get valuable information through the exchange of experiences with the members,

and when you get beyond that then you are getting into the commercial reporting system, which is a very expensive proposition, to do it properly, and that is what we are trying to eliminate, the enormous expense attached to that and get the full benefit of our own membership in this organization.

"That is the result of our experience."

"Mr. Holman: With regard to the question of Mr. Scott as to the furnishing of credit information, it seems to me that it could be divided into two general classes, one of which I would term credit protective and the other credit informative.

"The Chairman: What is that?

[fol. 1111] "Mr. Holman: The collection of information with regard to credits I should think should be divided into two general classes; first, credit protective, and second, credit informative. That is to say, the first would be what I assume to be the function of this Association to protect the members against the abuse of credit, but not to go so far as to furnish information upon which to base the extension of credit.

"The Chairman: I understand that, but what I understand of the Western reports they are cutting that down.

"Mr. Holman: The Western Association, I think, have rather curtailed that function in recent months, but their idea for a long time was not only to furnish credit information with regard to past bad accounts, which is the credit protective feature, but to go a step further and to assume in a way the function of Dun & Bradstreet, that is to furnish information upon which to base credit.

"That never seemed to me to be a function of either that Association or this one. Our objects are protective rather than informative. If we entered into the plan that Mr. Scott has referred to, it will require a very heavy addition to our forces, and it would involve the sending of reporters to the customers, to which there has been a considerable objection in the West."

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"The Chairman: Mr. Gaines, will you let us hear from you?

[fol. 1112] "Mr. Gaines: I secured that information and sent it back to the members in the form of a statement showing the method each company used in counting sacks, whether before cleaned or after cleaned. That report has been made to the members, and we can incorporate it here as a part of the records of this meeting."

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"Mr. Gaines: Mr. President, about the only thing is a matter that several of the members of the Association from time to time have brought to my attention, viz: That there were possibly some subjects connected with the conduct of their business that might be profitably discussed in the meetings; that they are getting some very valuable information from the Association, and it might be profitable to discuss at some of the meetings of the Association the facts as brought out by the statistics and information produced.

"It has not been within the scope of the Association heretofore to do those things. I do not think it is the idea of anybody to make a forum of the meetings, but possibly through bringing up subjects that you are interested in we could send out questionnaires and gather together more valuable information along other lines than we have been doing up to the present time.

"Some time ago I took the matter up with Mr. Cox and had a talk with him about it, and I think perhaps Mr. Cox would en- [fol. 1113] lighten us as to the things along that line that might be added that would make the Association more valuable.

"The Chairman: Mr. Cox, will you let us hear from you, please?

"Mr. Cox: Gentlemen, I want to apologize, first, for being late this morning, which has some bearing on the subject which Mr. Gaines has just brought out. The reason I was late was that I received sudden orders to get some important matters ready, and the effect of that has been, I confess, that I have almost completely forgotten what Mr. Gaines and I talked about.

"In general I think we have to bear in mind two things, one is the substance of what we do here, and the other is mechanism. We have been so anxious about the substance that we prepared a very limited mechanism in the form of our constitution and by-laws, and one of the theories on which that has been prepared is that nothing could be done outside of those by-laws which was not first submitted to each member individually by a letter ballot for approval.

"Now, if you are going into a somewhat larger and perfectly proper field, I think that the way to go about it is to consider, first, roughly, what we want to accomplish, and then to bring our machinery, by which I mean our constitution and the by-laws to a point where it will secure the proper operation of the legitimate treatment of those subjects; and my thought is that it will do no harm if we here and now simply consider generally what sort of subject the Association [fol. 1114] might profitably handle, leaving it to be determined later the extent to which those subjects would be handled and how they would be handled.

"The Chairman: Gentlemen, Mr. Gaines has been going over this matter with me on several occasions. Some of the other members, too, have been bringing up several matters which have been considered heretofore as outside of the scope of the Association, and if I understand it correctly, Mr. Cox, according to our constitution and by-laws we are limited from discussing some of these other matters which may be of importance so far as the industry as a whole is concerned?

"Mr. Cox: Yes.

"The Chairman: Well, now, in order to discuss those matters was it your idea that we would have to make a change in our constitution and the by-laws?

"Mr. Cox: I think that would be the proper way.

"The Chairman: And in order to make that change we will have to specify particularly just what we want to discuss, not the exact subjects, but in a general nature the line of discussion of matters

which you want to bring up here, and which are not covered at the present time by our constitution and the by-laws?

"Mr. Cox: Yes.

"The Chairman: For instance, the matter of trade practices or policies.

"Mr. Cox: Yes, that is right.

[fol. 1115] "The Chairman: And that would have to be submitted to all the companies and voted upon by letter ballot?

"Mr. Cox: Yes.

"The Chairman: Making it a part of our constitution and by-laws?

"Mr. Cox: Yes.

"The Chairman: Gentlemen, you all understand, I guess, what we have been referring to. I would like to hear some discussion on it, if anyone cares to say anything or can give us any light or their ideas in this matter.

"What have you to say about it, Mr. Coogan?

"Mr. Coogan: It would be my idea to refer this matter to Mr. Holman's committee to bring in and report at a later date. I think we could get further with it in a shorter space of time by that way than any other.

"The Chairman: There is no doubt you are correct there, Mr. Coogan, but I thought possibly before its being turned over to the committee that some of the men here might like to say something in reference to it.

"Mr. Moyer is pretty well acquainted with these matters.

"Mr. Erdell: Why not let the committee, or these gentlemen, report what they had in mind?

"The Chairman: I think we could do that.

"Mr. Moyer: I think this is a matter which we should give very careful thought. I would not care to pass an opinion offhand as to whether the Association should enlarge its scope or not, and I think [fol. 1116] it could be handled better and more expeditiously by taking up with the Contract Committee, which Mr. Holman is the head of.

"The Chairman: Mr. Holman, will you arrange to call a meeting of the Committee at some time before the next monthly meeting, and go over this matter with the Committee, so that the Association will know about what we want to take up, and we will let it rest until that time?

"Mr. Holman: Mr. President, in order to get a general idea as to the feeling of the members, wouldn't it be well for Mr. Gaines to address a letter to the members, incorporating Mr. Cox's remarks, which would tell us in a general way what his thought is on the matter, and then ask each Company to make suggestions by letter as to the nature of any subject or any discussion which in their opinion would promote the general welfare?

"Then, after we get those expressions from the various members, we can decide how we will proceed further. It seems to me that would be the more orderly way to bring it about, to first, in that way, as-

certain just upon what basis, as Mr. Cox has told us, the various members might have it in their minds.

"The Chairman: I think that is a good way. In that way we can get all the member Companies' different thoughts about the matters which they would like to have the Association handle, and then the Committee with those in front of them can get busy.

[fol 1117] "Mr. Holman: I think the thing to do then would be to submit all the suggestions to Mr. Cox for his opinion as to whether or not they were proper subjects. In that way we can eliminate without further discussion the things which Mr. Cox thinks would not come properly before this Association.

"The Chairman: In other words, the Committee will go over those suggestions and weed out the ones which Mr. Cox deems not advisable or not feasible to undertake, and then the rest will be submitted by the Committee to the Association.

"Mr. Holman: I think in that way we can get the feeling of the members as to what they think is advisable; then, based on those suggestions, we could decide how best we could proceed.

"The Chairman: Mr. Gaines, you heard what Mr. Holman had to say. It is his idea that you address a letter to all the member Companies requesting them to give you any subject or matters which they would like to have brought under the scope of this Association, and then, with all of that data collected together, the Committee can take the different matters up with Mr. Cox and find out just those which the Association could handle.

"Mr. Gaines: Yes, sir; I will attend to that.

"The Chairman: You will then address a letter along those lines?

"Mr. Gaines: I will take care of that.

"The Chairman: Under the head of new business, anything new to bring up today?

[fol. 1118] "Mr. Coogan: I have one thing. At our last meeting we passed a resolution for the printed report of contracts terminated to be shown as of January 1st, 1919.

"In talking to some of the members they seem to think it is important that we have a printed report of contracts as of January 1st, 1919, but that the report should be a corrected report, and inasmuch as a great many contracts expire on December 31st, the member Companies should make sure to have all of their cancellations in the hands of this office, so that the printed report as of January 1st, while it may be possibly delayed for a few days, will be absolutely correct when it is sent out, and it will be a very small report."

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"Mr. Griffith: I should like to have the report as of the first of the year showing what has been cancelled, and that would give us a very good idea of what still might follow over the following year."

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[fol. 1119] "Mr. Scott: Might it not be well for the vice-president to send a letter along the lines of Mr. Coogan's suggestion, calling our

attention to the necessity of this data being at hand and cleaned up to show the report as of January 1st. To show a report of January 1st that may contain a lot of contracts whose expiration is dated January 1st would not be of any value at all. It is my view that such report should contain actual commitments as near the first of the year as possible. That would be valuable to all of us. It is a question of making the effort."

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"Mr. Lober: I have been requested to bring up a matter. Mr. Swett was to bring up the question of obtaining from member Companies data as to their shipments on direct carload business to the job and to dealers through yards.

"I understand he had a phone conversation with Mr. Gaines and had expected to bring it up himself but could not be here. I understand, further, that his idea was that from that data could be worked up something on the cost to dealers of handling direct carload business. I do not know just exactly how he expected to figure this. Possibly Mr. Gaines has some ideas on the subject more definite than I have and I am bringing it up as requested for discussion and any recommendation or action you want to take.

[fol. 1120] "I think he had in mind the idea that dealers in apportioning their overhead expenses were putting more of the overhead on the direct carload business which they never touched than they should; that they should put more of that on their yard business, and that the real cost of handling and taking care of what you might call wholesale business was less than they considered.

"I do not know whether Mr. Gaines can add something. I think possibly he can, as he had a conversation.

"Mr. Gaines: I can only say this, that Mr. Swett said that his idea was that he would like to have a questionnaire sent out to the members to find out what percentage of their shipments was warehouse business and what percentage was shipped on contracts, with the idea of making some cost figures as to what it cost the handlers of cement to handle carload business.

"Mr. Moyer: I think he went further than that, as I recollect it. I had some conversation on the subject, and that is, if you only report the shipment on open business through dealers' yards and then the business that you ship under contract, you do not accomplish what is attempted, because a great many of the shipments under contract go through dealers and are handled through warehouses.

"What he really wants to get at is the shipments under open business, not under contract, which go through dealers' yards, the shipments on open business which go direct to the contractor and not [fol. 1121] handled by the dealer, and the shipments under contract which go through the dealer's yard and the shipments under contract which go direct to the consumer and not handled by the dealer. That will accomplish the object which we want to achieve.

"Mr. Griffith: Is that three questionnaires, then?

"Mr. Moyer: Two.

"Mr. Griffith: No, dealers direct, dealers open and consumers.
"Mr. Moyer: Divided into open contracts.
"Mr. Griffith: Three.
"Mr. Gaines: That is right.
"Mr. Erdell: I move that the Vice-President send out that questionnaire some time in December and covering the year 1918.
"Mr. Ward: That will entail a great deal of work.
"Mr. Moyer: It is worth it, though.
"Mr. Lober: I think it is a very big job.
"The Chairman: This matter here is practically one of those things we were discussing which we want to possibly refer to, when we said that we would have this letter sent out by Mr. Gaines, and Mr. Cox thinks that this should be handled by Mr. Holman's committee at the proper time, that right here to day we cannot do anything on it because it does not come under the scope of the Association as our present by-laws and the constitution stand.
"Mr. Moyer: It is the reporting of shipment. It does not go any further than that.
[fol. 1122] "The Chairman: Will you reply to that, please, Mr. Cox?
"Mr. Cox: My thought was that this really represents an enlargement of the activities of the Association. The thing does not seem to me objectionable at all, but it really is a subject beyond what we have been doing and what I thought is properly one of those subjects that ought to be dealt with by being referred to the committee that is going to deal with the general manner of enlarging the Association's work. I do not mean there is anything harmful in it or anything of that kind.
"Mr. Moyer: It really should come under the by-laws as at present?
"Mr. Cox: Possibly it should.
"Mr. Holman: Let that come in as a suggestion."

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[fol. 1123] GOVT. EX. NO. 163

Annual Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Thursday, January 23, 1919.

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[fol. 1124] "Mr. Lober: Of course, the idea of a good deal of this credit information was that it would be a guide and it would give the credit men of the member companies a knowledge of where to go for the more detailed information. That is, just on Mr. Ward's

point, if I have placed an account in an attorney's hands, if it was an account he was interested in, or his company was interested in, it would show where he should go to make inquiries. Your Mr. Naylor would call me on the phone if he were in a hurry and wanted to know just what the details of that were. I have had an instance of that. We placed an account in the attorney's hands, an account of a concern which was in good credit, discounted their bills. It was due to their having misued contract cement which we found, discovered, as a very flagrant case. We charge them with the difference between the market price and the contract price which they refused to pay, and eventually that account was placed in the hands of an attorney for collection, or it still is. Another company was interested in that account, and when they noticed we had placed it in the attorney's hands, within a day or so afterwards, I got an inquiry from the credit man of that other company asking for the particulars. He said they were interested and that their record [fol. 1125] had been to them very satisfactory, discounted bills, and so on, and he wanted to know if there were any special circumstances, which there were, in no way affecting their ability to pay for any cement which they bought, simply reflected on their business conduct."

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"Mr. Lober: The resolution is that there should be added to the reports of accounts placed in attorney's hands as published in the monthly list the amount of such accounts, and that the notice of this action, if the resolution is carried, be sent to the member companies, and their attention called particularly to it, and also that their attention be called to the necessity for reporting promptly accounts which have been placed in attorney's hands and which have been paid or settled.

"Mr. Hilles: I second the motion.

"The Chairman: You have all heard this motion.

"(The motion was unanimously carried.)

"The Chairman: Have you anything else?

"Mr. Lober: Yes. At the meeting of the big Association in December, a number of the credit men, mostly the members of the Mid-West Association, met together with a member of our own Credit Committee, informally, and he thought possibly we might be able to exchange some ideas which would be helpful to each other. One of the opinions that was brought out at that time was the suggestion [fol. 1126] that it would help, in this large sheet which covers the summary of the totals on the monthly credit report for a period of thirteen months, might have added to it the percentages of the total amount on the sheets which appears in each of the various columns. Now, the Mid-West apparently from its last report has adopted that. For instance, they show here, 'December 31, 1918,' the accounts which are 29 days past due; in other words, which are over 30 days

old, and under 60 days, they show here $445,000, which is 32.4% of the total. Then at the bottom of the sheet, December 31, 1917, which is a comparison of exactly one year back, it showed in that column 41½%. In other words, taking the whole thing of the totals, on the sheets, running across, you can see by a comparison of the totals on the sheets, this year there is a bigger proportion of unpaid accounts running quite a little overdue than there was a year ago. The proportion, between 30 and 60 days, a year ago, was much larger relatively, 6% more, than it is this year, and that difference is taken up in the columns which are further along on the sheet. The proportion in the accounts between 60 and 90 days, there is a difference this year which shows there is 35%; last year it was only 26. We thought that it might be desirable from the point of our credit list to have those percentages put in our report.

"The Chairman: Mr. Lober, is that information of any special help to a credit man?

[fol. 1127] "Mr. Lober: In this way, I should say it would be. The committee thought so at the time. That will show you the general tendency, whether your competitors on an average are collecting their accounts more promptly than they were a year ago. You can tell this, you can figure your own and see whether you are doing as well as the others.

"The Chairman: This report does not show the condition of each individual company.

"Mr. Lober: No; it is a general report. That report there shows that the collections of the accounts which become overdue, past due, are slower than they were a year ago in the Mid-West."

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"Mr. Lober: I know you do; that is all you can do.

"There is another matter I have here that the Credit Committee wishes to submit. It is a form of questionnaire to be sent to the members to stir up a little interest in this credit matter, and we thought that it would bring out some opinions as to how our various members who are getting credit information, what they did with it, and the answers could be of advantage in an educational way in giving some of our members hints as to the improvements that they could make in their own credits, and so forth. If it is desired, the questionnaire will be sent out; it covers eight questions, as follows:

[fol. 1128] "'Suggested Questionnaire to go to Credit Managers.

"'1. To what Commercial Agencies do you subscribe for credit information?

"'2. What other sources do you use for securing credit information?

"'3. Do you keep a separate credit file?

"'4. How often is it revised?

"'5. Do you keep a card system on credits?

"'6. Do you keep your sales department advised of the condition of credits?

"'7. Have you any suggestions to offer that would improve our present credit system?'

"And then, afterwards, at one of the meetings, was added number 8, as follows:

"'8. What do you consider a bad debt? When do you charge it off?'

"The Chairman: Mr. Lober, was not that last question the subject of a good deal of discussion at the meeting they had over at the Biltmore?"

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"Mr. Lober: If there is no discussion, I will put it in the form of a motion, that the office be instructed and authorized to issue this questionnaire to the credit men of the member companies, and to secure replies as promptly as possible and compile them if it is possible, by the next meeting.

"The Chairman: And the answers will then be placed together and sent to the different credit managers.

[fol. 1129] "Mr. Lober: I think it would be probably as well to issue it in writing to the various credit men before the next meeting so that they could consider it before they come here, and if there are any questions they want to discuss, they can discuss it.

"The motion was seconded by Mr. Philips and was unanimously carried.

"Mr. Lober: There is one other thing. I think that the amount of time I have already taken makes it undesirable to go into any very great discussion of it today. We have considered whether we could bring up more credit matters and discuss them more thoroughly at the meeting than we have been doing. There are three subjects here that we thought might be brought up for discussion at the credit managers' meeting:

"(a) Discussion upon the analysis of recapitulation of monthly credit reports.

"(b) Discussion of the relations between the credit and the sales departments.

"(c) Discussion of a suggestion that all companies submit forms, and so forth, that are used in getting credit reports with the idea of choosing those which were of a sound and standardizing form."

[fol. 1130] "'January 23, 1919.

"'W. G. Dutton, President Cement Manufacturers' Protective Ass'n, New York City:

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"'We also recommend to the Association the advisability of revising the monthly printed contract report to show price changes on old contracts by reason of the changes in sack values, freight rates, etc. This can be done when sending to the Association your monthly contract report, and advising the Association of revised prices on old contracts.

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"'Respectfully submitted, V. (so in orig.) M. Coogan, W. E. Erdell, Albert Moyer, H. M. Scott, B. L. Swett, W. A. Holman, Chairman.'

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"Mr. Gaines: It has been suggested by several members, after we have tried out this Tuesday proposition, of Tuesday as the regular meeting date, that the regular meeting date be changed to Thursday, that is, the third Thursday in each month, rather than the third Tuesday in each month. This affects several of the members. I have talked to most of them and they say that Thursday is acceptable to them; in fact, I have had only one, I think, that suggested he might be busy on Thursday, but said he could be here. There are some of our members cannot be here on Tuesday and as I think you ought to have everybody here, it seems advisable to change that date.

"The Chairman: Will someone make a motion, please, recommending the third Thursday in each month as the meeting date?

"The motion was made by Mr. Moyer, seconded by Mr. Holman, that the meeting date be changed to the third Thursday in each month, and was unanimously carried.

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[fol. 1131] "Mr. Gaines: It has been suggested by one of the members of this Association that we have a little lost motion in closing out contracts that have expired on the records of the Association, and the suggestion has been made that when contracts expire the contract be cancelled with the Association in the regular manner by furnishing us with the yellow slips, giving on that yellow slip the balances due when the expired contract is cancelled. In other words, the suggestion is that when the companies authorize the Association to cancel contracts expired, that they should record the balances due and cancelled and that the same should be recorded upon the daily sheet and accounted for in the summary.

"The Chairman: Mr. Gaines, the yellow slip which manufacturers use for that purpose will answer in giving all this information.

"Mr. Gaines: Absolutely.

"The Chairman: It runs in my mind that this same matter was brought up in the early part of the year. Some companies were reporting contracts. How did they do that?

"Mr. Gaines: The volume of expired contracts comes at the end

of the year. The past method of handling that has been to simply take off the expirations as we are authorized to do so by the different companies in their monthly report, and not carry those in our summaries, simply take them off of the contract report and consider them expired without notifying anyone of the balances due on expirations. The expirations have not been taken into our accounts, [fol. 1132] because we have not been notified of the balances due on expired contracts that have been cancelled.

"The Chairman: This is really not a change; it is simply to bring the matter around to a uniform method of handling it.

"Mr. Gaines: Absolutely."

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"The Chairman: Mr. Ward has been elected President for the ensuing year, Mr. Gaines Vice-President, Mr. Ackerman Treasurer and Miss Phalen as Secretary. Mr. Ward, I hand the rest of this meeting over to you to handle now. (Applause.)

"Mr. Ward: Gentlemen, I want to thank you for the honor. I suppose it is in order for me to make a speech, but I am not going to do so. However, I want to say that my predecessors, Mr. Griffith, Mr. Lober and Mr. Dutton, together with Mr. Gaines, have brought things up to where I feel it makes it easy for anyone else, and so long as we have our present Vice-President and Treasurer and Secretary on the job I feel that things will go along all right. And I further want to say that I think we have brought this organization up to where it is about one of the best of its kind in existence. Any organization that can produce the results that this one has, at an annual expenditure of $50,000, I think is going some."

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[fol. 1133] GOVT. EX. NO. 164

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Thursday, February 20, 1919.

[fol. 1134] "Mr. Lober: Yes, sir. It is rather short this morning. The Credit Committee has just had a meeting and I am glad to say that we had the best attended and most interesting meeting of the Credit Committee that we have had in a long time.

"We discussed in a general way the three questions on the circular of February 6th, to credit managers. We also discussed the answers to the questionnaire which was sent out in connection with the action taken at the last meeting, to which we have quite a number of replies.

"The Credit Committee in its discussion and after its discussion felt that what was needed in connection with those two circulars was a full discussion on the part of the Credit Committee and also [fol. 1135] of the credit managers of the member companies. That cannot very well be had in the time at our disposal here. They have, therefore, decided to have in place of a meeting of the Credit Committee only in advance of the next meeting, a meeting of the credit managers to discuss these questions which have been circularized.

"We will have that Wednesday evening, in advance of the regular meeting of the Association, which will be the following day, Thursday. We can then report on the result of that discussion at the regular meeting, the next day, March 20th, I guess it will be."

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"Mr. Lober: I suppose you all noticed that the Credit Report was almost as prompt as usual. I got mine on the 19th, a week later than we would like to have it, and I have been inquiring this morning as we were discussing the questionnaire and so forth, the dates on which your reports got in here. Undoubtedly, they were not in on the 6th or you would have your reports sooner. Those of you whose reports were not here on the 6th must know it, and I do not think that there is any particular use of my calling the attention of the various credit men to the delay by specifically stating the dates they come in. I did that last month, and I have done it a number of other times.

"That, I think, might be another matter that could very profitably be discussed at those meetings which I mentioned a little while ago, [fol. 1136] to see if we cannot in some way get those reports in promptly. We can thrash that out later.

"I would like to see that report out not later than the 12th. I think it should not come out much later than the 12th. Every day means that much more risk in case there is something on there that would cause us to take action on some of our own accounts.

"Mr. Gaines: It takes seven days at the outside, to get that report out; sometimes we can get it out in six days.

"Mr. Lober: Seven days after the last one comes in?

"Mr. Gaines: Seven days after the last one comes in, yes.

"Mr. Lober: Well, that is the 12th."

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"The Chairman: In regard to the questionnaire that was sent out, did you receive replies from all members, Mr. Gaines?

"Mr. Gaines: We received replies from all members in time to get them out, with the exception of one company. They were all printed and sent out to member companies.

"Mr. Lober: All the members have received copies of replies. We can take that question up when we have this meeting which I mentioned a little while ago, and discuss it."

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[fol. 1137] "Mr. Lober: Mr. Matthes brings a suggestion to my notice in regard to this delay in getting in the credit reports.

"The question of sales and credits are intimately tied up. Mr. Matthes seems to think that it might be desirable to bring this delay to the attention of the sales managers, particularly, and to suggest to them that it is important for them to have this information in the hands of their company's credit departments at the earliest possible day, and that it might be of assistance if the sales managers of those companies whose reports are coming in after the 6th, get after their own credit departments and urge their own sales managers and ask their own credit managers to send in their reports more promptly.

"Possibly before I leave here today I might get information and speak personally to the sales managers and the credit managers of the companies both, that were behind last month, and see if that won't be of any assistance.

"The Chairman: No one has any unfinished business?

"Mr. Gaines: Mr. President, at the last meeting of the Association I was instructed to advise the members that the following subject would come up for discussion at the next meeting, viz: The advisability of reporting to the Association the amount of the unshipped balances due on all contracts when contracts are cancelled with the [fol. 1138] Association, by member companies, upon expiration, completion or cancellation.

"The Chairman: I think the general idea of that was, as an illustration, a contract would be filed, say, for 10,000 barrels, and when that contract is completed it just shows on these reports as completed and there is no data to show whether there were 9,000 barrels or 11,000 barrels, or any specific quantity shipped on that contract.

"I think it was considered desirable to devise some method whereby all members would be informed of the exact quantity shipped on each and every contract filed, whether the contract was under-shipped or over-shipped, as compared with the quantity filed.

"Has anyone any suggestions to make in connection with that matter? May I ask, then, if there would be any objections, if any member has any objection to filing, when the contract is physically completed, with the Association, the exact number of barrels shipped under such contract?

"Mr. Cover: Either complete or expired?

"The Chairman: Either complete or expired, when the contract is finished, giving the complete details of the transaction. I do not suppose that there are but few contracts ever filed that the exact quantity as shown on the report is actually shipped on the job. They are usually a litte under-shipped or a little over-shipped.

"Mr. Twamley: To get the matter before the house, I move that in future, in reporting contracts completed, that full details be given [fol. 1139] with respect to the number of barrels furnished in each case.

"Mr. Hilles: May I ask Mr. Twamley if he would have any objection to adding to that motion, to make it inclusive, all contracts that are completed, expired or cancelled, because we have three kinds of contracts that end.

"Mr. Twamley: No objection whatever.

"I mean, that when a contract is terminated or disposed of that full details be given as to the number of barrels shipped under the contract.

"Mr. Hilles: I second the motion.

"The Chairman: You have heard Mr. Twamley's motion, which has been seconded. All in favor, say 'aye'; contrary, 'no.' The motion is carried.

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"Mr. Coogan: I have a circular letter sent out by the Southern Statistical Bureau to Mr. Swett, Mr. Moyer, Mr. Stapleton, Mr. Cover, Mr. Griffith, and to Mr. Kimball of the Atlas Company. I believe there is an objection on the part of the Southern Statistical Bureau to exchanging information, and they have requested in this circular that those companies pay them a certain amount a month and join in with the Southern Association. I was wondering if we wanted to take any action limiting this Association to the Lehigh Valley mills, and making those shipped from Virginia subject to the Southern Association; in other words, cut off the activities of [fol. 1140] this Association at the Virginia-North Carolina line, as well as all activities with regard to reporting as well as paying dues on the shipments into that territory.

"The Chairman: As I understand that, Mr. Coogan, the members of this Association whose mills might be so located that they would be members of the Southern Association, would only report shipments into what would be termed the Southern Association, and to the Northern territory to this Association only; is that the idea?

"Mr. Coogan: It does not make any difference about the location of the mills. What they are after is with regard to the shipments into that territory, whether they come from the Lehigh Valley mills or the Virginia mills. They are after the shipments. They base their dues in a little different manner from what we do.

"Mr. Hilles: Is it my understanding that, for instance, if Mr. Ward shipped 50,000 barrels to New Orleans from his Hudson River mill, that he would not pay dues on the 50,000 barrels into this Association?

"Mr. Swett: Yes, he would; if he did not belong to the Southern Association.

"Mr. Hilles: That is what I want to make clear.

"Mr. Swett: In other words, those Lehigh Valley mills shipping to any extent down South should become members of the Southern Association and pay dues to the Southern Association on such cement as shipped into that territory.

"Mr. Smith: Irrespective of the amount shipped into the territory?

[fol. 1141] "Mr. Coogan: That is the way they have it in this letteer.

"Mr. Smith: Then, if a manufacturer shipped a carload into one of those states he would have to pay full dues in the state?

"Mr. Swett: If a manufacturer shipped only one carload south he would be foolish to become a member of the Southern Association.

"Mr. Smith: He might want to become a member of that association for the purpose of getting information contained in their reports.

"Mr. Swett: Why would he be interested in a territory that he could not ship to?

"Mr. Smith: He would ship something. He might get information in the reports and want to ship more.

"Mr. Swett: If he were interested to any extent he should be a member of the association.

"Mr. Smith: That might depend upon how much it would cost him.

"The Chairman: Gentlemen, it would seem to me unfair that any member should pay double dues; that is, that he should pay twice on the shipments to any particular territory; that he should pay two associations on two shipments into any particular territory.

"Mr. Hilles: Will Mr. Coogan make a motion to set it clearly before us?

"Mr. Moyer: I do not think it is desirable for companies having no mill located in the Southern territory to split up their statistics betweeen this association and some other association. I would not [fol. 1142] think it would be desirable for the Vulcanite Company to be a member of the Eastern Protective Association and the Mid-West Protective Association and report to them shipments into Ohio and not report those shipments into Ohio to this association. It destroys the value of the statistics to the Eastern Association. It seems to me that protective associations are organized along the line of grouping of mills; that all mills grouped in the South or on the borders of the South are grouped into the Southern Association; those in the Mid-West, in the Mid-West Association; and those in the East, in the Eastern Association, all placed along those lines. I do not think we ought to upset that plan.

"Mr. Swett: The Southern Association would only affect four companies. That is a large territory. They are evidently going to run their association along the line we are here, checking up the contracts. Now, that territory extends as far as the Mississippi River on the West.

"I think any concern that ships a volume down in that Southern territory should belong to that Southern Association and stand some of that expense, because the contracts are checked up from the Southern Association report and not from here.

"The Chairman: As I understand Mr. Coogan and Mr. Swett, they do not intend to divide the information; that they will still give this Association all the information they are giving at the [fol. 1143] present time, but what they are really objecting to is paying double dues to the Southern Association and to this Association on the same shipments.

"Mr. Swett: No. They won't give the information either. They will give the information to the Southern Association. If the Lehigh

Company, for instance, joined the Southern Association, we will not report our contracts in the Carolinas or Virginia to this Association. We want it based on shipments made into those states, we won't pay dues here on those shipments.

"The Chairman: What would you do, in regard to reporting your shipments, for instance, total shipments; would you divide your shipments?

"Mr. Swett: Certainly. We would have the Southern Association take care of the Southern territory, the same as the Mid-West does of the Central West, and the same as the Eastern Association does of the East.

"Mr. Coogan: If you shipped 20,000 barrels of cement from the Lehigh Company mills south, you would show that in with the general shipments?

"Mr. Swett: Certainly; that would have to be done.

"Mr. Coogan: You could not divide your shipments.

"Mr. Moyer: As long as there is no division of shipments, so that the value of our shipments as to production and total shipments is [fol. 1144] not disturbed, why, I see no objection to any company that ships a sufficient amount of cement into the South as an individual joining the Southern Protective Association.

"Mr. Coogan: Then I move that any company desiring to take out membership in the Southern Statistical Bureau be granted the privilege of reducing the report of shipments on which dues are based by the amount of cement which is shipped into the territory covered by the Southern Statistical Bureau, and that the reports covering the activities of that company in the field covered by that bureau be made direct to the Southern Statistical bureau, instead of this Association, with the understanding that the shipments, total reports of production and shipments, be carried on the same as at present."

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[fol. 1145] GOVT. EX. No. 165

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Thursday, March 20, 1919.

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[fol. 1146] "Mr. Lober: There was a general meeting of the Credit Managers last evening, as was announced at our last meeting, and as stated in the minutes of the last meeting.

"We had a very satisfactory attendance and a very full discussion of the credit matters which were brought up as previously announced. There will be a summary of the discussion sent out from the Associa-

tion office to the Credit Managers, either printed or mimeographed as may seem to be desirable and that will comprise the report of the Credit Committee for this meeting.

"There is no use of going over all that. It would take me a considerable amount of time and you will all get it in printed form or typewritten form.

"There will be another meeting of the Credit Managers similar to the one last night next month, and in all probability that will be the night before the meeting of the Association.

"I would like to add one thing to the discussion last night that I intended to mention and forgot, and that was in connection with the analysis of the monthly report. A year or two ago Mr. Hilles of his own initiative figured up a sheet which showed as of—I think it was January 1st, 1917, but I am not sure, the amounts opposite the number of each company on the summary sheet per hundred thousand barrels of cement shipped during the previous year.

[fol. 1147] "In other words, the summary sheet as you get it shows the total which each company has outstanding on the monthly sheet. That cannot be compared relatively to the totals of the other companies unless you know how much the other company in question has been shipping. The company that is shipping at the rate of a million barrels a year, for instance, should have on the monthly report, say, only one half as much as a company shipping at the rate of two million barrels a year, to compare equally.

"To get your own standing as compared to other companies you would have to figure your amount on the summary sheet the first of any one month per one hundred thousand barrels of cement shipped during the previous year, or for a million barrels, or any way you chose to figure. One hundred thousand barrels seemed to be a convenient figure. I do that occasionally for my own information.

"I meant to bring that up last evening for the information of the other Credit Managers and suggest that they may do likewise if they wanted to find out just how their collections outstanding at the first of any month compared to other companies who were reporting to the Association. You can of course get the shipment of other companies by taking their statistical report now at this office."

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"The Chairman: We have several matters which were taken up [fol. 1148] at the last meeting which are to come up for further discussion today. One of them is the printing of the monthly contract report. I have talked to several member companies and I find that a great many of them are of the opinion that we should print that contract report monthly regardless of the fact that there may not be a great number of contracts to report. I will be glad to hear any discussion of statistics or any motion in regard thereto."

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"The Chairman: At the last regular meeting the question was brought up in regard to interchanging information and statistics with

a proposed association comprising the mills in the South Atlantic States, that Association to be built along the lines of our Association.

"At that meeting I was authorized to appoint a committee of three to go into this matter particularly with regard to what dues, if any, members of this Association that made shipments into the territory mentioned should pay, and where the dividing line should be, and so forth. Now I went a little beyond my instruction in that respect and appointed a committee of six, instead of three, and before that committee makes a report or discusses the matter I would like to have a resolution ratifying my appointment of the committee of six instead of three. The committee is composed of Mr. Holman, Mr. Swett, Mr. Coogan, Mr. Moyer, Mr. Griffith and Mr. Scott.

"Mr. Smith: I move that the action of the President be affirmed. [fol. 1149] "Mr. Ackerman: Motion seconded.

"(Motion unanimously carried.)

"The Chairman: Mr. Holman has had that matter up and has handled it for the committee and I will ask him to make a report on it as the matter now stands.

"Mr. Holman: We had a meeting in New York on Wednesday the 12th, and following the meeting I wrote a letter to Mr. Dickinson, the Chairman of the Auditing Committee, of the Mid-West Bureau. I will read this letter and that will explain to you all the opinion arrived at by our Committee here in the way it was presented to Mr. Dickinson.

" 'March 13, 1919.

" 'DEAR MR. DICKINSON: At the last meeting of the Protective Association the President was asked to appoint a committee to investigate and report upon some manner of cooperation with an association to be formed by the Southern mills. This committee, of which I am a member, had a meeting yesterday and it was considered inadvisable for members of the Protective Association making shipments into the South to join the Southern Association and report to it shipments made into the Southern territory, which shipments are now being reported to Protective Association.

" 'It is the understanding of the committee that if an association is formed in the South along the lines of the Protective and [fol. 1150] Mid-West Associations that the expenses of the operation will be more than the Southern mills feel they can afford.

" 'It was the opinion of the committee that the best results could be obtained by memberships in various associations by companies local to the district or territory in which the association is formed, and an exchange of information along the lines that we have discussed as between the Protective Association and the Mid-West Bureau. A suggestion was made that if an association was formed by the Southern mills along the lines of formation and operation similar to the Protective Association or the Mid-West Bureau, which our counsel would approve of and would authorize exchange of information, that the Protective and Mid-West Associations, as associations, contribute a sum of money towards the expense of operating said Southern Association, which would meet the finan-

cial requirement and allow both the Protective and Mid-West Association to proceed as now without withdrawing any tonnage reported to either Association and reporting it to the Southern Association as members of that Association. Our counsel advised that he would approve of such an arrangement, if satisfactory details could be arranged. We decided to hold the entire matter in abeyance until we could refer the matter to you and ascertain whether or not your bureau would be favorable to such a plan. The amount to be contributed by the Protective and Mid-West Associations would be arrived at by an estimate of the tonnage shipped into the Southern [fol. 1151] territory by the companies which are now members of these associations. Such a plan would enable exchange of information among the three associations based upon no changes in the present membership.

" 'It was deemed advisable to defer any report or action on the matter until we could get the views of your Bureau. I shall be glad to hear from you as early as convenient.'

"I sent that letter to Chicago in time to be received by Mr. Dickinson last Friday before the Mid-West Bureau held its regular monthly meeting. Mr. Dickinson advises me in reply under date of March 17th:

" 'Your letter of March 13th with reference to the proposed plan of cooperation between the Protective Association, Mid-West Bureau and Southern Association was duly received, and presented to the members of the Mid-West Bureau at their regular monthly meeting held on March 14th. A motion was thereupon made and carried to the effect that the Chairman of the Mid-West Bureau be authorized to enter into negotiations with the proper parties and have the power to take what steps are necessary in order to secure the cooperation and coordination of the three associations, along the lines suggested in your letter.

" 'As Chairman of the Mid-West Bureau, I shall therefore be glad to go into the matter further with you and make such arrangements as will be satisfactory to all concerned, with a view to the exchange [fol. 1152] of information between the Southern Association and our respective organizations following the formation of the Southern Association along similar lines to ours, which would meet with the approval of our respective counsel.'

"As I understand that, the proposal which the Committee made to the Mid-West Bureau has been accepted subject to the working out of the details satisfactory to them and the Association, to their counsel, and I think it is now before you gentlemen for consideration, so far as the attitude of the Protective Association toward the plan is concerned.

"The Chairman: You remember the extensive discussion we had on this subject at the last meeting, and this is apparently a happy solution of the situation, to my mind. The matter seems to me

to be up to the Southern Association now, as the Mid-West and our Association are apparently in accord in the matter, and I think it would be well for us to adopt a similar resolution to that adopted by the Mid-West and to keep this Committee intact to work out any further details with the Southern Association when it is properly formed, then we can go ahead, based upon their willingness to meet the views of this Association and the Mid-West, subject to the proper formation of their Association, which will be decided by Mr. Cox at the proper time.

"Do any of you gentlemen want to hear this resolution as passed [fol. 1153] by the Mid-West Bureau again? I will ask Mr. Gaines to read that part of Mr. Dickinson's letter to Mr. Holman.

"Mr. Gaines (reading): 'Motion was thereupon made and carried to the effect that the Chairman of the Mid-West Bureau be authorized to enter into negotiations with the proper parties and have the power to take what steps are necessary in order to secure the cooperation and coordination of the three associtions along the lines suggested in your letter.'

"Mr. Twamley: I offer a similar resolution that the committee of six members that has been appointed by you be empowered to conduct negotiations along the lines suggested in the Mid-West resolution."

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Mr. Hilles: I second the motion.

The Chairman: Gentlemen, you have heard the motion.

(Motion carried.)

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[fol. 1154] Govt. Ex. No. 166

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, New York City, at 11:30 A. M., Thursday, April 17, 1919.

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[fol. 1155] "Mr. Lober: The Credit Committee had a meeting and the credit managers had a meeting last evening. A summary of the minutes of the meeting of March 19th had been made by Mr. Medler. The office here will send copies of that summary to the credit managers. I do not know whether they will go out today or not, but within a day or two they will be issued.

"The Credit Committee in going over the minutes has made a series of recommendations which cover a considerable portion of the

minutes, but not all. Those recommendations were submitted to the credit managers last evening and were adopted as good practice, and the office will issue those.

"The recommendations were as follows:

"'April 10th, 1919.

"'At the meeting of the Committee, held at the office of the Association, Wednesday afternoon, April 9th, 1919, the Minutes of the Meeting of March 19th were reviewed and studied with the result that the following recommendations are made:

"'First. The Committee recommends, in view of the satisfactory meeting held on March 19th, that the Credit Managers hold more frequent meetings and that for the present these meetings be held monthly.

[fol. 1156] "'Second. The Committee recommends, that Member Companies continue reporting the amounts of accounts in the hands of attorneys which are due them.

"'Third. The Committee recommends, that each Member Company adopt a system which will enable it to report to the Association unpaid accounts 60 days old or more promptly at the end of each month, even under extraordinary conditions, which might delay the closing of their customer ledger. Member Companies wishing suggestions relative to such system may communicate with the Chairman of the Committee.

"'Fourth. The Committee recommends, that Member Companies report their unpaid accounts at the end of each month in accordance with their books at the close of business for that month. Members should not hold up report to the Association pending any adjustments during the month following.

"'Fifth. The Committee recommends, that Member Companies report all notes receivable and Trade Acceptances. The report should show the month or months' accounts that the notes or Trade Acceptances cover, the day of maturity and the amounts thereof. In case of a renewal of a note the word renewal should be added to the above information. The Committee particularly calls the Members' attention to the fact that in reporting the renewal of a note the month or months' accounts which the original note covered should still be shown. In case a note or Trade Acceptance is pro-[fol. 1157] tested or unpaid on maturity, it should be so reported and returned to the original ledger account.

"'Sixth. The Committee calls the attention of the Members to the free service given by Dun & Bradstreet in the way of letters of introduction for salesmen, giving them access to credit reports in branch offices. Pocket editions of the reference books for States and large cities can be purchased from the Commercial Agencies. * * *'

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"Another matter that was discussed last night was the question of sack returns, the great variation which is shown in the rejections as between various member companies.

"The credit managers felt that the variations were larger than they should be, and that something might be done to reconcile those differences, and they would like to have the office here take up that question with the various companies and find out which man in each organization is directly connected with that work, and see if it would not be possible to have a meeting and discuss these differences and find out if there was not some way to have some more uniform method of inspecting return sacks so that the results would be comparable instead of showing such an enormous variation.

"I think the difference—from a minimum to the maximum—is something about five to six times. I do not know whether any action would be required by this meeting to authorize Mr. Gaines to start [fol. 1158] that now. We discussed it last night for a little while and we felt that it might be gone into further to advantage to all of us.

"Mr. Griffith: Is there any idea suggested how to get at this?

"Mr. Lober: All that I remember was we were to try and find—we did find out last night that some of the men who were at the meeting were not in a position to go into the matter; that is, they did not have anything to do with that particular feature of their own company's business. Others were in a position to discuss it, and it was felt that the first thing we ought to do was to find out just who in each company should be consulted or brought into a meeting with that particular object in view.

"The Chairman: Do you think it possible, Mr. Lober, that instructions could be issued, or any plan formulated, whereby the men inspecting sacks—different men in different companies inspecting these sacks—could determine what was a good sack and what was a bad sack. Does not the human element enter in there to a great extent?

"Mr. Lober: It enters into it to a very great extent, but it seems to me the differences as they are now are too great to be entirely covered by the personal equation. Possibly by discussion we might draw up some standard rules for inspection which would tend to make it somewhat more uniform. I do not know whether we could or not.

"Mr. Dutton: Do you not think when these sacks are inspected that [fol. 1159] the man who is inspecting them knows whether or not they are fit for re-use again? That being the case, I should think the personal equation in there would not amount to much because a sack that one mill can use again is practically in the same condition that another mill could use again. If they cannot repack a sack they should not give credit for it.

"Mr. Lober: The results apparently do not show that. You can take your own statistics in regard to returned sacks here in the East and compare them to the Mid-West statistics, and you will find great variation in the case of the same company where the same company happens to be represented in both associations.

"The Chairman: I think you will find that one reason for that

variation is that some companies allow credit for any sack which can be repaired and used again, and others do not.

"Mr. Lober: That would not account for it either because we do that. Any sack we can use we allow credit for. As a matter of fact, our own experience is that we allow credit in spite of our rejections being around the average, sometimes larger—we allow credit for sacks which we cannot use. That is, sacks where the personal equation comes in; that is, the inspector has figured that the sack is useful. When we come to pack it in the packing house it breaks down on the machine. We have a certain amount of loss there. That, of course, is due to the judgment of the inspector, which is not always perfect. [fol. 1160] It is quite possible on the other hand that he rejects some that might withstand the packing again, but I do know that all of them that are bad are not rejected.

"I do not know whether anything can be worked out on that line or not. I might say that the same matter was put up to the Package Committee of The Portland Cement Association, to try and work up something in the way of a specification or a set of rules for inspecting, and possibly testing, return sacks which would as far as possible make that inspection at the various mills uniform.

"The Chairman: Has any one any suggestion as to how that could be done?

"Mr. Dutton: My candid opinion in this whole matter is this, that with some of the companies the sales department has too much to say regarding bag credits. I know it is very easy for a company to have certain accounts which they do not want to lose where there were complaints coming in of bag credits, to overlook and go ahead and give them a credit that they were not entitled to. I feel that this is largely due to the selling end of it that that is done, because I cannot conceive why there should be this big variation in bag credits if it was left entirely to the operating department and the credit department in the mills."

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[fol. 1161] GOVT. EX. No. 168

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, New York City, at 12:32 A. M., Thursday, July 17, 1919.

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[fol. 1162] "Mr. Cope: I suggest that in reporting contracts by the member companies to the Association that in reporting we mention the name of the dealer and the delivery point of the cement. I would like to see the home town or home city of the dealer who

buys cement from the cement company, and I offer that as a resolution, that hereafter in making reports that we mention the town or city of the dealer.

"The Chairman: Could that be done, Mr. Gaines, without entailing a great deal of extra work?

"Mr. Gaines: It can be done very easily. No extra work at all.

"The Chairman: Gentlemen, you have heard the resolution that in making contract reports we give the dealer's home town as well as the delivery point. Is there any objection?

"(Motion unanimously carried.)

[fol. 1163] "Mr. Gaines: The members will probably be interested to learn that this office was visited on Tuesday, July 8th, by Mr. Henry S. Mitchell, Special Assistant to the Attorney General of the United States, Department of Justice, who stated that he had been commissioned to investigate the cement industry and the operations, particularly of this Association.

"We furnished Mr. Mitchell with all of the data that he called for, lists of our reports, examples and samples of all our work, and I answered as best I could such questions as he asked me. With the permission of the members of the Association I will continue to assist him in every possible way in the investigation that he has undertaken.

"Mr. Twamley: Is it not a fact, Mr. Chairman, that our reports and our minutes are sent to Washington each month?

"Mr. Gaines: I will answer for the President, that it is a fact that since the organization of this Association we have furnished continuously samples of all reports and minutes of all meetings to the Federal Trade Commission.

"Mr. Hilles: Copies of all reports?

"Mr. Gaines: Copies of all reports except daily reports. We furnish a sample of daily reports, and a copy of each monthly contract report with such other reports as we made to the Federal Trade Commission. I called that to Mr. Mitchell's attention, but it seems that [fol. 1164] the departments in Washington do not co-ordinate and he asked that we send such reports as he wanted direct to him at Washington, which we did.

"Mr. Lober: Does he want those reports regularly, or does he just want them at this particular time?

"Mr. Gaines: Just at this particular time. He did not make any request as to the future.

"Mr. Lober: You wish a resolution authorizing you to send to him the reports just the same as you do to the Federal Trade Commission?

"Mr. Gaines: I would appreciate it if a resolution was offered stating whether or not I had followed your wishes in this matter and authorizing me to cooperate in any way that he may ask.

"Mr. Lober: I offer a resolution to the effect that it is the intention of this Association to comply with the requirements of the Federal Government, and that the action of the Vice-President in assisting the special representative of the Department of Justice be approved and that he be instructed to continue to cooperate in every way possible.

"The Chairman: Gentlemen, you have heard the resolution?

"(Motion carried.)

"The Chairman: In regard to the next meeting, we have always had a great deal of trouble in getting a quorum here for the August meeting, as a great many of the members are away, and I would suggest that if agreeable to every one we do away with the August meeting and have the next meeting in September.

"Mr. Twamley: I make a motion to that effect.

"Mr. Cope: I second the motion.

"(Motion unanimously carried.)"

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[fol. 1165] GOVT. EX. No. 170

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 11:30 A. M., Thursday, October 16, 1919.

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[fol. 1166] "The Chairman: Have any of the members present any new business which they would like to bring before the meeting?

"Mr. R. W. Hilles: Mr. President, I have not any new business to bring before the meeting, although I desire to mention once more the importance of sales managers as well as credit managers interesting themselves in bond laws in their respective states where they ship cement. As you know, we have good bond laws in some of the states, particularly in New Jersey.

"In view of the fact that dealers and so-called jobbers in the cement industry have reached a position where cement manufacturers will carry their accounts themselves in many cases on road contracts and on public work, by selling direct to the contractors, [fol. 1167] it is greatly to be desired that each and every company through their respective representatives residing in the states where there are not adequate bond laws should interest themselves in this subject. Get in touch with representatives in the legislative bodies of those states and, particularly in the case where you know a Representative, see him personally and explain to him the necessity of such a law. Get a copy of the New Jersey law from the Chairman of the Credit and Collection Committee.

"If this subject is not quite suitable for further discussion in this meeting I apologize; but I leave the thought with you, not having been interrupted up to this point.

"The Chairman: I think that that would be a question that we

should take up at a meeting of the credit managers. It seems to me that would come before the credit managers of the different companies.

"Mr. R. W. Hilles: Mr. President, I agree with you. The particular reason I mentioned this at this meeting is because the sales managers have charge of the salesmen. In my wanderings around the country and investigations I found the salesmen of many of the companies are politically far more influential than either the sales managers or the credit managers. I found legislative members chumming around with the salesmen of some of the cement companies. It shows how high the industry has risen."

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[fol. 1168] GOVT. EX. NO. 171

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 11:45 A. M., Thursday, January 15, 1920.

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[fol. 1169] "Mr. Coogan: The proposed budget for the year 1920 is estimated at $55,512. In addition to that, there has been some $1,500 expended by the attorneys on this government suit, and which should properly be paid by the Association, which will make the total $57,000. The estimated shipments, as near as we can get to them, are about 27,000,000 barrels, and on the same rate of dues, two mills per barrel, as last year, it would bring you in $54,000, and with an unexpended balance from last year of approximately $3,000, will give you $57,000.

"The printing of the contract reports has been raised from $5,000 to $10,000, and the Committee recommends, in order to bring it within the $10,000, for the present we lay our lines to prepare to print the contract sheets four times during the next year. At the same time, the contract reports are printed you can also get out the report of the balance due on contracts divided among the different states. If we find it necessary later in the year to print the contracts more often than that, it will be necessary to raise more money, but we can do that at that time. We feel that under existing conditions, and as far as we can see at the present, four copies ought to be sufficient to carry us through.

"The only other increase of any importance is in the expense of running the office, and most of that is in the detail of the office work, which last year was $6,682, and this year our estimate is [fol. 1170] $10,712, and there are some little increases in the other items, but most of the increase is in the expense of running the office.

"If anybody has any questions they want to ask about this report or proposed budget, we would be very glad to answer them as well as we can.

"Mr. Cover: How many auditors does this provide for?

"Mr. Coogan: I believe three auditors. There is no increase in the number of auditors in the field. There is a little additional money covering their additional travelling expenses and perhaps some slight increases in their salaries.

"The Chairman: Gentlemen, you have all heard the report of the Contract Committee, and if there are no objections, we will let the report stand and fix the dues on last year's shipment of 27,000,000 at two mills.

"Mr. Coogan: I make that as a motion, Mr. President, that the dues for 1920 be fixed on the same rate as last year, two mills per barrel, based on the shipments for the year 1919.

"Mr. Goode: I second the motion.

"(Motion unanimously carried)."

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[fol. 1171] GOVT. EX. NO. 172

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 12:15 P. M., Friday, February 27, 1920.

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"Mr. Coogan: The Contract Committee held a meeting on February 6th, at which time Mr. Gaines presented us this letter, addressed to Mr. Alker, President, which reads as follows:

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[fol. 1172] " 'Cement Manufacturers' Protective Association

19 West 44th Street, New York

" 'January Thirtieth, Nineteen Twenty.

" 'Mr. E. P. Alker, President Cement Manufacturers' Protective Association, 19 West 44th Street, New York City.

" 'DEAR MR. ALKER: Beg to herewith tender my resignation as Vice-President of the Cement Manufacturers' Protective Association, to take effect at such time as you may find it convenient to relieve me of my duties.

" Thanking you, and, through, you, the members of the Association for the many courtesies that you have all extended to me during the time that I have held the office, I beg to remain,

" 'Yours very truly, H. S. Gaines, Vice-President.'

"The committee discussed the matter with Mr. Gaines and got his ideas as to when he would like to be relieved of his duties here, and while we were anxious to hold him as long as we could, we felt in all fairness to him, under the conditions, that we should accept his resignation effective as of March 1st, and in order to have it formal, I will make a motion that the resignation of Mr. H. S. Gaines, as Vice-President be accepted, to take effect on March 1, 1920

"Mr. Swett: I second the motion.

"The motion was carried.

"Mr. Coogan: At that meeting there was a subcommittee appointed to recommend to the Association the election of a successor to Mr. Gaines, and this sub-committee has worked in connection with the Committee as a whole and for the Committee I would recommend the election of Mr. C. R. Hulsart, who at the present time is an assistant to Mr. Wait, in the Portland Cement Association's office in New York City, and the Committee would recommend the election of Mr. Hulsart as Vice-President, to succeed Mr. Gaines.

"Mr. Smith: I move that the report of the Committee be received and the recommendation adopted.

"Mr. Naylor: I second the motion.

"The Chairman: You have all heard the motion.

"Motion carried."

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[fol. 1173] GOVT. EX. No. 173

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 11.45 A. M., Thursday, March 18, 1920.

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[fol. 1174] "Mr. Ackerman: In connection with reading the minutes of the last meeting, at which I was not present, a discussion came about as to charging companies for either cement sent out or cement received. As I understand it, it is now the consensus of opinion, if not the direct request, that the company issuing the cement stand the cost; that is to say, if 'A' Company ships 100,000 barrels total in January and of that 100,000 ten goes to 'B' Company, 'A' Company pays on the 100,000.

"The Chairman: That is my understanding. I believe that is the general understanding, Mr. Ackerman.

"Mr. Ackerman: Very well. Now, that will neces-tate a change in I think all but five companies' bills that went out the first quarter, as there was a great deal of intershipping. We can take care of it, but as we send out the April bills, we will charge or credit the difference as the situation shows up at the time.

"The Chairman: I think that will be satisfactory.

"Mr. Ackerman: I will leave that to the accountant just exactly how we will manipulate it, but if there is a little over or under in each bill, you will understand what it means. In the future the shipping company is to be charged.

"The Chairman: The company making the shipment will be charged.

"Mr. Ackerman: The originating company.

[fol. 1175] "The Chairman: The originating company. Is there anything under unfinished business that any one wants to bring up? I do not think there is any unfinished business. Is there any new business to come before the meeting?

"Mr. Swett: I am beginning to feel that possibly the Association has not enough auditors to check up request on contracts; that is, requests for information on contracts. As we all know, the bookings for the last three or four months have been very, very heavy, and the outlook is that it will be much heavier, and I think this would be the time for us to consider at least the question of putting on more auditors so as to keep these contracts up to date. I would like to see how you feel about that.

"The Chairman: How far behind are we now?

"Mr. Hulsart: It depends on territory largely. We are keeping pretty well up in Pennsylvania, in the vicinity of Philadelphia, which can be reached by an auditor there. We are keeping well up in New England and the vicinity of New York, but in the upper part of New York State, being covered by one auditor, he is moving from Buffalo towards New York, which leaves some requests for investigation, which we will reach in the course of a couple of weeks. That leaves them standing for some time, and while he is doing that other requests come up in Buffalo, which he will have to get back on after two or three weeks.

"Mr. Swett: Is there not a possibility that the Cement Manufac-[fol. 1176] turers are not requesting information on their contracts as they have in the past?

"Mr. Dutton: I would like to make a statement there. In figuring over the contracts on file with the Association, I believe you will all agree with me that there is more tonnage on file today than there has ever been before. Now, to enable each company to be of as much assistance to the Association in checking up duplications, and so forth, I feel that this proposition of issuing this report only once every three months, that we are making a big mistake. Now, ordinarily I have a practice when the report comes in every month of going over the thing pretty carefully, and where I can find the contracts gathered together geographically, I can discover duplications among my own contracts and my competitors, a great deal quicker than I can now by having to take the old report in December and then check down from three months of those daily reports. It is very easy to overlook a duplication in that way. Now, of course, I appreciate that we eliminated that report on account of the expense, but it is just a question, if the Association is going along for several years with that expense, I think we are making a big mistake to try to cut down the expense now when we really need that information collected geo-

graphically as frequently as possible in order to get these duplications.

"Now, the auditors and Mr. Hulsart here, of course, are going to keep in touch with it, but we can all be of immense assistance to him [fol. 1177] and his auditors by checking up individually ourselves. So I think the extra expense for a monthly report would well pay for itself for a while anyway. I would like to hear what the other members think about it.

"Mr. Swett: May I ask when the next monthly report will be issued?

"Miss Phalen: As of June 1st.

"Mr. Swett: Then I make a motion that it be brought forward as of March 1st.

"Miss Phalen: The one of March 1st is now in the course of being printed.

"Mr. Swett: That is all that is necessary then.

"Mr. Dutton: That is March 1st. What is the idea?

"Mr. Swett: First we will take the March 1st report and work on that, and then we will see at a later date whether it is necessary to bring forward the June 1st a month or so.

"Mr. Dutton: Still you cannot leave that go to the last minute, if the Association has to print that report; we cannot let it go to the last minute.

"Mr. Swett: If we clean house as of March 1st, we will find that a matter of sixty days will not be so much.

"Mr. Moyer: I move that the matter be referred to the Contract Committee.

"Mr. Swett: Would not that mean a delay?

"Mr. Moyer: Not necessarily.

"Mr. Swett: The Contract Committee will decide as to whether it will bring that June 1st contract report forward to May 1st.

"Mr. Swett: As of March 1st.

"Mr. Dutton: Ordinarily we would get one as of April 1st, under the old arrangement.

"Mr. Swett: You know your booking from March 1st to April 1st will not mean so much.

"Mr. Dutton: That is right. I imagine if we get one by May 1st that will be a great deal better.

"Mr. Swett: The Contract Committee will take that matter under consideration.

"The Chairman: It has been moved and seconded that this matter be left in the hands of the Contract Committee.

"(Unanimously adopted.)

"Mr. Swett: Now we will go back to this question of putting on new auditors. I know that our company is very much interested at this time to know whether our contracts are bona fide or not, or as to whether they are overestimated, and I imagine that the majority here is just as much interested as we are. The bookings have been very large; I guess greater than it has been for a number of years, and I believe in preparedness; I believe that we should put on these new auditors now and have these contracts investigated with the information that is necessary, because it might be at a later date

when we are even more anxious to have these contracts investigated than we are now, we would just simply snow under the organization, we would not be able to handle it, while, if we had a few auditors [fol. 1179] and kept those investigations up to date, I feel most of us would be better satisfied. It is going to cost more money, but I think it is necessary.

"Mr. Goode: I agree with Mr. Swett in everything he says. I think now is really the time for every company to know exactly and accurately what the commitments are. If we go into the summer, there is no knowing where we all stand, and we will all be in a better position to conduct our business and know what new business to take on.

"Mr. Dutton: Mr. Chairman, why not refer that to the Contract Committee to take up at the same time we are taking up this monthly report proposition? Each goes hand in hand. I will make that motion.

"Mr. Cope: I second it.

"The Chairman: It has been moved and seconded that the matter of increasing the number of auditors be left in the hands of the Contract Committee.

"(Motion was unanimously carried.)"

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"Mr. Swett: Mr. Cox, here is a matter we would like to take up with you. The Pennsylvania Highway Department is very much worried at this time as to whether it will be able to secure enough cement to go on with their road program for this year, and we felt it might be a good idea for us to meet at luncheon today and decide among ourselves just what we could do in the way of furnishing the quantity of cement desired by the Pennsylvania State Highway Department. Would that be in order?

"Mr. Cox: I presume that you mean that the discussion at the luncheon will be confined solely to getting out the cement; it will not have anything to do with bids or anything of that kind?

"Mr. Swett: Just a question of whether we can produce enough cement to take care of their wants. That will be the discussion entirely.

"Mr. Cox: There is no objection if it is confined to that, as I assume it will be."

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[fol. 1180] GOVT. EX. No. 174

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 11.30 A. M., Thursday, April 29, 1920.

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[fol. 1181] "Mr. Moyer: The Contract Committee held a meeting immediately after our last meeting and decided that, owing to the large number of contracts on file—it was in excess of any previous period, that it would be necessary to employ two more inspectors to investigate them. We authorized the employment of two more men, and I understand that Mr. Hulsart has been able to obtain only one more at the present time.

"You have something to say, Mr. Hulsart, about that?

[fol. 1182] "Mr. Hulsart: In connection with the investigation of contracts, and the general work that is being handled in the office, I have made the following notes:

"The work in this office, as you all know, consists partly of contract investigations and the preparations of the reports of investigation that go to the member companies and partly of the work of filing and preparation of statistics relative to contracts that are filed in this office, together with other incidental work.

"The number of investigations that were made in 1919 averaged 59 per month; in 1920 they have been as follows: Based on the reports that were prepared in this office, the actual number of contracts investigated has differed slightly, being more or less. So there were prepared in this office in 1919 an average of 59 reports per month; and in 1920, January, 81; February, due to illness of office force, only 29; March, 80, and in April, including yesterday, the 26th, 147. At that rate there will be over 160 in April. That is an average of 90 per month for these four months, including February, which had the small number of 29.

"That shows the need of the additional investigators, but I am having difficulty in getting the kind of men I think you all agree are required to properly represent the cement industry in handling these investigations. Our investigators frequently meet some very delicate situations, and it takes a man with some personality and presence to handle those situations tactfully and to get the neces-
[fol. 1173] sary information to prepare the proper report to the member companies. I have been able to get only one additional man. Another man is considering taking the sixth position, and I expect to hear from him today. We are paying those men $175 a month, and I do not believe that we will be able to keep six such investigators as I feel we should have at that salary.

"So much for the investigation of contracts, indicating that this month, for instance, we will prepare nearly three times the number of investigations that were prepared monthly last year.

"Our commitments on March 1st of this year were seven times what they were last year. Assuming that the average size of contract for cement this year is about the same as last year, we have about seven times the number of contracts on file March 1st this year as last. This means that a large proportion of the work done in this office is several times what it was last year. This work is being handled at present with the same office force. It means pretty steady hard plugging on their part, and I wanted to be sure that the members know all that they are doing. Every one in the

office is working mighty hard. They are working extra hours and putting in full time while they are here."

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"Mr. Dutton: * * * I also feel that the Association has not been up against conditions such as they are today for about two [fol. 1184] years. In November, 1917, I think we had a bunch of contracts filed very close to each other, and today, with conditions as they are, I think it is very necessary that we get our reports on contracts investigated immediately, and, of course, if the office is catching up, that will help, to some extent, but we realized at the last meeting that we needed two more investigators.

"It is just a question in my mind if we can get the proper kind of men at that salary. Wouldn't it be proper, in consideration of the salaries that men are getting today, to go out and pay a man what he is worth to get the proper kind of men? Our company itself is going to start in a very few days, to go over our contracts very carefully. I am going to ask the Association to audit them for me. If that is the case with our company, I presume that is the situation with a lot of other manufacturers. I do not think any time should be wasted on that if a few dollars more will help us get the thing done in the way we want, because that is information we should get. I do not know how the other manufacturers feel about that. However, I do not feel this is the time to quibble about a few dollars.

"The President: I do not think there is any limit placed on the salary paid the auditors.

"Mr. Swett: I do not think that there has been by the Association, but nevertheless, there has been a maximum, trying to keep the salary around a certain figure.

"The President: I think that if we have got to pay a man $200 a month, we have got to do it, that is all.

"Mr. Swett: That is right.

"Mr. Hulsart: I might say that the only limit is that a certain salary was indicated in the budget prepared for 1920, and any increase in salary, as is also the case with the increase in the number, will involve increases in the budget, which matter I am not prepared to discuss in definite figures at the present time, but can at a later meeting.

"Any increase in the office force would so crowd us that more space would be absolutely essential, which would involve still more expense. We hope to avoid that, and Miss Phalen thinks that by treating the force that we now have fairly in every way, including the matter of salaries, that they will be able to handle the work.

"These matters may necessitate a request for a small amount of additional money. If so, I will be better prepared to take that up more definitely later."

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[fol. 1185] GOVT. EX. No. 176

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 12:10 P. M., Thursday, September 23, 1920.

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[fol. 1186] "Mr. Moyer: Why shift the responsibility on me? The report reads as follows:

" 'The Contract Committee at a meeting held at the Association office, August 19, 1920, considered the statement of expenditures for the first six months and estimated expenditures for the last six months of this year. The estimated total for the year of all items contemplated in the 1920 budget is within the total of that budget. The amount that the total estimated expenditures of all items for 1920 exceeds the budget is on account of the expense of additional field engineers, not contemplated in the budget, but necessitated by the very large number of requests received for the investigation of contracts. Already this year there have been investigated more than twice the number of contracts investigated all of last year; and for the last three months, the average number per month has been four times the monthly average for 1919. Notwithstanding this, requests for investigation have been received in greater number than they could be handled. About 500 requests were received in August, while our field men were able to investigate only half that number. The Contract Committee has, therefore, authorized the temporary employment of two additional field engineers making seven in all and an additional typist for this work.

[fol. 1187] " 'In view of the importance of keeping up this valuable service and the additional expense necessitated by the large number of requests received for contract investigations, the Committee recommends that an additional assessment of one-half mill per barrel be made, the same to be due with the regular dues for the last quarter of this year.' "

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"Mr. Hulsart: I have already spoken to a number of the members relative to the report which shows the commitments of each company by states. This has always been prepared and issued in connection with the printed contract report which is printed this year once every three months; consequently, the report is issued once in three months. One member has asked me whether it can be issued every month. It can, if the member companies will report on all contracts whether they have shipped on them or not. If the report is of value to the members, we can get it out.

"The President: How many of the member companies would want this information every month?

"Mr. Cope: I don't see the value of it. I should like to have some one tell us the real value of getting out this report every month.

"Mr. Dutton: Our real object is to see the commitments of all manufacturers. If this report is of value if issued every three months, I think it is of value if issued every month.

[fol. 1188] "Mr. Cope: Is this by states?

"Mr. Hulsart: Yes, by states.

"Mr. Cope: Would it be all right if it were not divided into states?

"Mr. Dutton: I do not think it is necessary to have it divided into states.

"Mr. Hulsart: That would still necessitate the member companies submitting once a month their unshipped balances on every contract whether they have shipped on the contract or not.

"Mr. Cope: We do that.

"Mr. Hulsart: Some of the companies do not.

"Mr. Dutton: Isn't it the custom to report on contracts that have been active during the current months?

"Mr. Hulsart: The practice is to report only on those contracts on which shipments have been made. I do not know how the records are kept in the various companies' offices. For some it would be easy to make the report and for some it might not.

"Mr. Dutton: I think it would be just as easy. With very little additional work, you can get the total by states.

"Mr. Hulsart: If the companies submit their reports by states.

"Mr. Cope: I am in favor of it for one. I make a motion that we adopt Mr. Dutton's suggestion that we have this statement given out monthly instead of every three months showing commitments of each cement company as of the first of the month.

[fol. 1189] "The President: You have heard Mr. Cope's motion that the member companies report their total commitments by states each month and that the report be gotten out by the Association once a month instead of once every three months.

"Mr. Moyer: I do not think that at the present time the report is of sufficient value, due to the extraordinary conditions of the cement market, for the member companies or the Association to undertake this additional work. We are already short of help. I do not believe we ought to abandon the report. I think we ought to carry on the statistical information as we have in the past and when we get to the time when we need it every month then we can have the report made out that way.

"Mr. Burch: I heartily approve of that.

"The President: All those in favor of having the report made up every month, kindly rise.

"Three members rose and the President declared the motion lost.

"Mr. Hulsart: Following the constitutional provision that notices must be sent out five days before the meeting, we have been sending

notices accordingly. It would be just as easy to send them out earlier. Unless there is some objection, we shall send them out a full week ahead in the future. There has been objection to the short notice.

"The President: Is there any new business to come before the meeting? If not, a motion to adjourn is in order.

"Mr. Smith: I so move. I'd like to get in the record. I am not here very often.

"Motion seconded and carried."

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[fol. 1190] GOVT. EX. No. 177

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the home office of the Association, room 502, Berkeley Building, 19 West 44th Street, New York City, at 12:20 P. M., Thursday, October 21, 1920.

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[fol. 1191] "Mr. Lober: I think most of the members of the present committee feel that the present favorable conditions with respect to collections are not going to continue indefinitely and we may find in the course of some months, or during the next season, a very much worse situation with regard to failures than we have had for several years. I have not seen many of the present members for some time. I have been away myself or they have been away. However, from the reports that are being given out now by the authorized agencies, it would seem as if the failures had started to increase. Of course, you can take care of that yourself by using greater care in extending your credits; or you can insure. The Credit Committee had an interview with one of the members of one of the Credit Indemnity Companies, which must have been six or eight months ago, and we got some information in regard to the conditions for the use of the members, but I do not know that anyone has taken advantage of it. Personally (and I think the members of the committee agree with me), I think that our company can do it much cheaper—that is, take care of our credits—than have the indemnity companies take care of it.

"Mr. Erdell: I think most companies felt that way at that time, but it might be possible for the Credit Committee to get together and urge something again in the way of some improvement.

"Mr. Goode: Mr. Lober, have they given any thought to the meth-[fol. 1192] ods employed by the Midwest Credit Committee?

"Mr. Lober: You mean the report—

"Mr. Goode: The information given to members. I have heard favorable reports concerning it.

"Mr. Lober: The opinion expressed here in the Association, generally, was that that was not within our scope. The thing they had was almost a credit reporting agency. We are simply informative in every way and there is some objection made to our entering on any such program as that for that very reason. That is, we inform of conditions, but we do not report on standing or anything of that sort. Those that are habitually 'slow pay' you can find out from the list. You know pretty well who sells all these different people and the Credit Committee felt and I think a number of members of the Association felt that if you wanted any further information you could get it from the regular channels. There was quite some objection raised to the thing when it was proposed."

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"Mr. Hulsart: It has been suggested that the work of contract investigation has been so heavy this year that a few words covering this work might be of interest.

"During August we received 500 requests for the investigation [fol. 1193] of contracts. This threw us very far behand and necessitated the employment of two temporary auditors. At the end of August we had 436 uninvestigated requests. Today this has been reduced to 180 uninvestigated requests, which is about two weeks' work.

"Of the contracts investigated during the first four months of this year, the average was one hundred per month or a little less than twenty-six per auditor per month. This has been increased to 297 in September or fifty-four per auditor per month. So far during the month of October, 234 contracts have been investigated. Considerably over three hundred will be investigated during the whole month, making about the same average per auditor per month.

"A total of 1,838 contracts have been investigated so far this year. For purposes of comparison, there is noted the number of investigations made during the last six months of 1918 and during the year 1919. During the last six months of 1918, 483 contracts were investigated. During all of 1919, 716 were investigated. This made an average for the last half of 1918 of 80 per month or 27 per auditor—and for the year 1919 an average of 59 per month or 20 per auditor per month. Of course, during those years there was not the necessity for haste and such hard work on the part of the auditors as there has been this year. Personally I appreciate very much the way that the auditors have realized this necessity and have gone to it. As a result they have increased the average from 20 per month per auditor to 54 per month per auditor.

[fol. 1194] "The cost of these investigations, including the auditors' salary and expenses, during 1919 was $13.85 per contract. This has been gradually reduced to a cost of $7.40 per contract investigated during the month of September.

"The 1,838 investigations made so far this year have shown overestimates amounting to 2,152,000 barrels. Applying this propor-

tionately to a conservative estimate of the number of investigations that will be made during the rest of the year would show over-estimates of 3,000,000 barrels for the year."

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"Mr. Hulsart: * * * Another matter: We have here on the wall the beginning of a Hall of Fame. It is still incomplete. We are waiting for a photograph of Mr. Dutton and it might not be out of place if Mr. Dutton received the instructions of the Association in that connection.

"Mr. Burch: I desire to make a motion. I move that Miss Phalen be appointed a committee of one to ask Mr. Dutton for his picture and if she gets it from him to turn it over to us.

"Miss Phalen: I have already made a strong appeal and I have yet to get satisfaction.

"Mr. Naylor: I second that motion.

"Motion passed.

"Mr. Hulsart: In further connection with our protographs, it has been suggested (Miss Phalen made the suggestion) that a photograph of Mr. Gaines, who was manager of the Association for three years, be included in the collection.

"Mr. Burch: Mr. Gaines will be glad to know that Miss Phalen made the suggestion." (Laughter.)

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"Mr. Twamley: Is there anything being done toward publishing new freight rate books?

"Mr. Erdell: Not so far as I know. I think Mr. Hulsart might give us some information concerning that matter.

"Mr. Hulsart: I have discussed that with some of the traffic men. It was their view that if they were published at the present time, they would only have to be republished shortly on account of the probability of many changes to be made by the railroads in their new schedules. Some of the railroads have not yet published their specific rates, so it is the view of the transportation men that we might continue to use the old freight rate books in connection with the table of corrections that was furnished to each company and that new freight rates should be published early next year after all of the railroads have filed their specific rates."

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[fol. 1195] GOVT. EX. No. 178

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 12 Noon, Thursday, November 18, 1920.

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"Mr. Hulsart: Just a word to bring my report of last month up to date. I reported last month that there would probably be 312 contracts investigated in October. There were actually 318 making [fol. 1196] a total for the year to October 31st, of 1,922. So far in November there have been investigated 137 contracts, making a total to date of 2,059 contracts investigated, which have shown over estimates of approximately 2,400,000 barrels. There have been 264 requests received so far this month for investigation. We have on hand at present 288 requests to be investigated, so the work of investigation is keeping up. The requests for investigation on file represent about one month's work, or a little less. I expect that the number of requests will now fall off very rapidly, so we will lay off two auditors this month, having taken on two temporary auditors two months ago."

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"The statistical work has proceeded as usual. The work covers the receipt and filing of data from member companies; the posting and compilation of this data and the preparation of the forms on which statistics are forwarded to member companies. You will all appreciate that this involves considerable office work. Miss Phalen now has six girls, which is one short, of whom three work the larger part of their time on the preparation of reports of contract investigation; the other three entirely on statistics.'

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"I have been going through the minutes of the last five (5) years [fol. 1197] and indexing them. We will finish this index and issue it. It may be of some use to the members. The question has come up also as to binding the minutes. If the member companies wish their minutes bound, we can arrange in this office to have it done. I should like to have our own copies bound; at least a personal copy bound. In that bound form, it has been suggested that we might include a brief summary of the history leading up to the formation of this association. I talked to Mr. Cox and he sees no objection to it. I find that the minutes of the Organization Meeting start right out without leading up to the organization of this association."

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"Miss Phalen: Gentlemen, apropos of our discussion last month regarding additions to our picture gallery, I wrote to Mr. Gaines, and have his letter in reply:

"Read the following letter:

"'November 4, 1920.

"'Miss M. B. Phalen, Secretary Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

"'My Dear Miss Phalen: When I get time and can find a photographer that will take a chance, I will be very glad, indeed,

[fol. 1198] to furnish a photograph for the 'Rogues' Gallery,' and you may tell the members that I appreciate very deeply the honor that has been conferred.

"'With kindest regards to every one, I beg to remain,

"'Yours sincerely, (Signed) H. S. Gaines.'"

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"Mr. Hulsart: In regard to the Freight Rate books, I believe that the roads have not furnished all their schedules and it seems to me it would be wise to wait until all these schedules are in before printing the Freight Rate Books. I would like to have the views of the members in regard to that.

"In this connection, Mr. President, we have received data for the New England Freight Rate Book, which has been computed by three of the companies, but it is based largely on the old rates, plus 40 per cent. increase, which is the same the members are now using. They have the old Freight Rate Books and apply the corrections."

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"Mr. Hulsart: There is an announcement I would like to make, Mr. President, of the interview I had with the representative of the Lockwood, commonly known as the Untermyer Committee. The first interview of ten days ago was with Mr. McDermott, representing that committee, who wished to know what our Constitution and By-laws were, and what our activities were. I gave him copies of our Constitution and By-laws, all of our forms, and went over in considerable detail everything we are doing, and all the statistics, contract investigations, and all of our activities. He took all this matter with him to study over and I didn't hear anything further from him until yesterday, at which time he stopped in and wanted a further explanation of two or three things. There was nothing that he said indicated whether their interest in the Association will continue or not. He seemed personally to be quite satisfied with the explanation of our activities."

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[fol. 1199] GOVT. EX. No. 179

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 11:30 A. M., Tuesday, December 14, 1920.

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"Mr. Hulsart: May I speak about the New England freight rates? It was decided at the last meeting not to print them at this time.

Since then, the gentlemen compiling the freight rates have been working in this offic, and have completed the freight rates for the new England States. One of the member companies this morning, and others at other times, have expressed a desire to get these freight rates. Of the data just completed for the New England States, about 40 per cent of the points are based on specific schedules filed by [fol. 1200] the railroads, and about 60 per cent of the rates are based on the old rates, plus the 40 per cent increase, so that if these books were printed in the near future, about 60 per cent of the points would have to be corrected in the course of the next three or four months. I bring it up again, even though it was decided at the last meeting, because it has been mentioned by some of the member companies.

"The President: I do not see how the Association can do anything on freight rates at the present time.

"Mr. Lober: It will only waste money to do it.

"Mr. Hulsart: It is an expensive thing to print this book.

"Mr. Lober: You will either do it again, or have a mass of corrections in the books, something like the Virginia book before. It was an awful mess.

"Mr. Goode: We all want those books as soon as we can get them.

"Mr. Lober: Isn't there a possibility that there will be a new change in the New England rates? They may get some new revenue which will change the situation again. The situation is there, as I understand it, they are claiming they are not able to get through on what they have.

"Mr. Erdell: Why not bring it up from meeting to meeting as they come along?

"Mr. Lober: Let us lay it on the table and then talk about it whenever we want in the future.

"Mr. Hulsart: In this connection, the member company who [fol. 1201] brought this up today, stated that the old rates corrected by the table which was sent out from this office gives incorrect rates in some instances. If the member companies will send a memorandum of such instances that they find, we will cover it by a mimeograph notice to all companies.

"Mr. Goode: There seems to be some talk about the old rate of 75 cents.

"Mr. Hulsart: A memorandum of any such instance would be immediately followed by notice to all companies calling it to their attention.

"Mr. Twamley: I would like to ask Mr. Hulsart why he assumes that 60 per cent of these rates will have to be corrected, being the ones of which you have not yet received the schedule compiled by the railroads. Why do you assume that these rates will have to be corrected?

"Mr. Hulsart: The rates for about 40 per cent of the points are based on specific schedules filed by the roads, made out on a hundred-pound basis; while the rates for about 60 per cent of the points are based on either the old schedules plus the 40 per cent increase,

or specific schedules that have been filed based on a per-ton basis. In either of these two cases, when either the specific schedules are filed, or the per-ton basis changed to hundred-pound basis, it will involve changes in rates affecting those points.

"Mr. Goode: I move that the question of freight rates be laid on the table until our next meeting.

"Mr. Erdell: I second the motion.

"Motion passed."

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[fol. 1202] GOVT. EX. No. 180

Meeting of the Credit Men of the Cement Manufacturers' Protective Association Held at the Biltmore Hotel, New York City, on December 14, 1920

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"Mr. Tiree: I find it in our case, a great many of our dealers have complained of excessive stocks of feed, bought at high prices, and the prices have now fallen; it has slumped almost as much as cotton, wool and other things.

"Mr. Lober: Grains have gone down at a great rate.

"Mr. Tiree: I think there is just as much danger among country dealers as we find among certain other industries.

"Mr. Hilles: It comes back to Jiggins' letter, there lies the key to the whole situation, and if we would only act upon that letter, that suggestion of his, of never shipping a car of cement to a dealer, being able to say no when we have the information in our hands [fol. 1203] that that dealer owes another cement company right alongside, for cement bought over thirty days ago. I have just been checking up, while we have not had any trouble in the past, I found five this morning; I am writing five letters to you gentlemen here asking for your experience. If he owes me, and he owes you, and he owes that fellow, this man is automatically, with the writing of that letter, marked 'no credit' on that day. The minute that letter goes out, it determines 'no credit.' The salesman is advised by dictating that letter. The two processes naturally follow. My list is none too good. I have about sixty or seventy with four months' old stuff, and most of mine is with country dealers. But nevertheless during the three or four months when we were shipping that cement, these fellows did not owe anybody else any money. When this spring season opens, I want to be very careful as to whom I ship cement. I want to try to get myself to say absolutely no, no matter how badly he wants me to ship cement. If a fellow will write me I will tell him everything, what my experience is.

"Mr. Lober: I have had some little experience where names have come up to my attention, whom I knew either from reports of the sales department or from the list of cards that I have on file in the

office, that other companies were interested in. Whenever I have written to the credit manager of the concern which I knew was interested, I have received the most prompt and courteous attention [fol. 1204] to my inquiry. That is the one thing I want to say for this organization. I have had every co-operation when I have asked for information when I wanted it or needed it. I hope that when anybody writes to me they will get the same thing.

"Mr. Hulsart: May I comment briefly on Mr. Jiggins' letter, especially that portion in which he refers to a dealer transferring his affections from one company to another, and the desirability of knowing with what cement companies that dealer has previously done business. I simply want to invite your attention to a matter which you may all have thoroughly in mind, and that is, the credit system and files as used by the Mid-west Statistical Bureau would be able to furnish any inquirer at once with a list of every cement company that that dealer had dealt with for a number of years past. Our credit bureau and files is unable to furnish that information. The only way that we could make our files of equal value to those of the Midwest Statistical Bureau, would be to receive from the members for a few years back, perhaps a very few years, simply a list of all dealers which have been customers of theirs. That would be confidential information in the Association office, excepting if you inquire of John Jones, dealer, as to what cement companies he had dealt with, we would be able to furnish by telephone or return mail a list of those cement companies which John Jones had purchased cement from for such a period of years as you consider advisable to furnish information for to start our files. There are other ramifica- [fol. 1205] tions and extensions that could be made of our credit system to make it still more valuable. But that one particular feature is suggested to you by Mr. Jiggins' letter, and in talking to Mr. Kaiser, manager of the Midwest Statistical Bureau——

"Mr. Lober: I had hoped that Mr. Kaiser would come in; he was around.

"Mr. Hulsart: He told me that their credit files is no doubt the most valuable feature of their association. It is made constant use of. So much so, that they keep a couple of clerks doing nothing else than handling the mail involved. On the other hand, during this year, 1920, we have not had one single inquiry to the Protective Association, not one for such information as we have on file.

"Mr. Lober: We have in our files—they are only the names of the customers of the various companies whose accounts have become sixty days old or over, or have given notes or trade acceptances, or whose accounts have been placed with an attorney.

"Mr. Christ: You mean in the Association files?

"Mr. Hulsart: Yes, we have that.

"Mr. Lober: They have separate cards that have all those names. That information we could give.

"Mr. Hulsart: We could furnish that at any time.

"Mr. Lober: That does not take in the man who has never gone beyond sixty days in paying his accounts, and never will be there.

[fol. 1206] "Mr. Hulsart: We have a card for every dealer who has ever been delinquent and we have a record on that card of every delinquency. We can furnish that upon inquiry. If the companies consider it wise to furnish us a list of those dealers——

"Mr. Lober: You want customers, too.

"Mr. Hulsart: Dealers, contractors, and customers, that you did business with in 1919 and 1920. We could get that on the same cards, then if you want such information, we could tell you that John Jones during 1919 and 1920 purchased cement from the following companies, and was delinquent on certain occasions to certain amounts."

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"Mr. Lober: What I would like to suggest. I do not know whether this meeting can take any action. It is simply an informal meeting of the credit managers, and I suppose any action would have to come up at a regular meeting of the association and to be put in a formal motion for approval.

"Mr. Hulsart: It would come in the form of a report of your department, and to report to the association.

"Mr. Lober: When will be the next meeting?

"Mr. Hulsart: The third Thursday in January. Your report could be submitted.

"Mr. Lober: What I think I would probably do would be to write you in the form of a letter, calling attention to this particular item and asking that it be submitted to you for action. The only report [fol. 1207] I would have to make would be simply this. It will be there on record that statement of what we discuss here, and there was that one particular item which was requested to be put up to the Association for disposition. If any others come up before we get through, they can be added.

"Gentlemen, if it is your pleasure that the credit committee include in its report a recommendation that Major Hulsart's suggestion be adopted, I suppose, possibly, we should have a motion to the effect that the chairman of the credit committee be instructed to transmit that to the Association in the form of a recommendation for their action at the next meeting.

"Mr. Shepherd: I would like to make such a motion.

"Mr. Polhemus: I second the motion.

"Motion carried."

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"Mr. Lober: I think if I had an account that had not reached sixty days, and I had to shut off shipments, I would feel that I ought to make some report.

"Mr. Polhemus: I left it to the bookkeeper and he did not report to me until the report had gone in.

"Mr. Hulsart: Couldn't we enter in parenthesis, some explanation over the man's name?

"Mr. Tiree: We could do it. But wouldn't it be just as effective if

we showed it a sixty day account? That is the thing we want to know.

[fol. 1208] "Mr. Hulsart: In other words, it is practically a sixty day account.

"Mr. Tiree: Yes. It is not so much the sixty days, as we want to find those delinquents. If we have reason to know that such and such a party is going to be delinquent for the sixty days, and we shut off shipments to him, it seems to me entirely proper for us to put that on, and include it under the sixty days.

"Mr. Hulsart: I simply referred to the mechanics of getting up the report, in case you want to get it in we can do so.

"Mr. Lober: You would have to send out a circular to all of the credit managers describing that case.

"Mr. Christ: And over against that you have accounts of three or four months and you don't hold up shipments. Why not make some parenthetical explanation in a condition of that kind.

"Mr. Hulsart: That is entirely up to you, gentlemen.

"Mr. Shepherd: I don't think, if I had a case like that, I would make any notation on the report. I would simply report it as a sixty day account, because this report must be out of our hands by the fifth of the month. It is practically a sixty day case by that time.

"Mr. Christ: My point was, with this additional condition, to discontinue shipments.

"Mr. Lober: I question whether it would be a wise thing to do, to state we have discontinued shipments because of the possible construction that might be put on it outside.

[fol. 1209] "Mr. Hulsart: Mr. Cox might have something to say about that.

"Mr. Lober: I don't want anybody to get the impression that we are publishing a black-list. We are not. We want to have all the information we can get, and yet we must always keep in mind the plan and the scope of the Association as expressed in the draft of the purposes which were printed at the beginning of the first minutes and the constitution and by-laws, that every company member is absolutely free to conduct his business as he pleases. That there is no understanding or anything else that this list is handed out and means that you are going to stop shipments to these people. It is up to what you want to do with it, when you get the list. It is up to you. But where a case of that kind occurs, there ought to be some way of our knowing that that credit is under suspicion by the member company, and then it is up to us to judge what we want to do if that person applies to us for credit."

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"Mr. Lober: The only point that we have is the point that Mr. Polhemus brought up.

"Mr. Shepherd: That is an exceptional case, of course.

"Mr. Lober: I don't know whether we might not be making some request of our members to make a special report. I don't know whether Mr. Cox would approve of it. Mr. Hulsart, will you submit that report to Mr. Cox?

"Mr. Hulsart: Yes, I would be very glad. We may show such a thing on our report.

"Mr. Lober: Yes, without getting any idea that we are getting up a black-list or anything of that sort. We don't want that. We are not trying to do that. We don't want to do it and don't want to give any impression that we are doing it. Submit that to Mr. Cox, and ask him what he thinks. I think that will be the best thing to do with it."

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[fol. 1210] GOVT. EX. No. 181

Annual Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 12 o'clock noon, Thursday, January 20, 1921.

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"Mr. Burch: I have a correction to make in the text. I will just read a letter: 'I have read the report of the minutes of the meeting of the Association held December 14th, and on page 11 I notice the statement by me as incorrectly reported. As it is given it reads: 'Personally I believe that the functions of this Association include the reporting of cement contracts taken from trade warehouses.' What I said was that: 'Personally I do not believe that the functions [fol. 1211] of this Association include the reporting of cement contracts taken for warehouse trade'.

"The President: The correction will be made.

"Are there any other corrections? If not, the minutes will be adopted and printed accordingly.

"Are there any candidates for new membership?

"Mr. Hulsart: No applications.

"The President: In the absence of Mr. Lober I will ask Mr. Hulsart to read the report of the Credit Committee, which was forwarded to him by Mr. Lober.

"Mr. Hulsart then read the report of January 4th from Mr. Lober, as follows:

"'At the meeting of a number of the credit managers held in New York, on Tuesday, December 14th, several matters affecting credit conditions in the cement industry were discussed, and the Chairman was instructed to submit the following to the Association at its next meeting for such action as they might think proper to take.

"'1. It was suggested that it would be desirable to have on file in the Association office a complete list of the customers of all member companies for at least the year 1919 and 1920—this list to be kept

up to date by furnishing the Association at stated intervals, say monthly, the names of new customers secured—the object being to make it possible for member companies by application to the Association office, by mail, telephone or telegraph, to secure prompt and full information as to from what other member companies any ap-[fol. 1212] plicants for credit had been purchased in the past.

"'Under our present system we have only information on these lines in regard to purchasers of cement whose accounts have not been paid within sixty days, or who have given notes or trade acceptances in settlement, or whose accounts have been placed in attorneys' hands for collection.

"'It was felt that this additional information would be worth the extra trouble it would take to secure it, as it would furnish an easy and quick method of obtaining detailed information about those purchasers of cement whose names have not and do not now appear on our lists. In many cases, the credit departments of member companies wish to have this information. It would thus round out and complete our present credit protective statement without going into the credit informative branch in any way.

"'The Chairman understands from Major Hulsart that this suggestion has been submitted to Mr. Cox and there is no objection to our adopting it if we so desire. The discussion with reference to this matter will be found in the minutes of meeting of December 14th, pages 27 to 36.

"'It was suggested that if this plan is adopted member companies be asked in reporting the names of all those to whom they have sold during 1919 and 1920, and in any portion of 1921 which may have elapsed up to the time the report is made, a notation of any [fol. 1213] changes in the names of individuals, firms or corporations be made where any have occurred. This to be done so far as the records of member companies will permit. By this is meant that if, for instance, one individual has sold out to another, or his business has been incorporated under a new name, in reporting the new name a notation should be made that it was formerly ——.

"'2. One credit manager present brought up a case of one of his customers to whom shipments had been discontinued for reasons which he considered good and sufficient, but whose account had not quite reached sixty days at the time the monthly list was sent in. Therefore, under our practice of reporting unpaid accounts this account was not reported. His attention was called to the matter after the report had been sent in by the man in his office who made out the report.

"'He stated that he felt the other members were entitled to know that his company had discontinued shipments, but that he was at a loss for a way to report the name, as it did not come under any of the headings provided, and he believed that there should be some method of including such cases as this in the report as a proper measure of precaution to our members, and the Chairman was instructed to include a statement of the circumstances in his next report to the Association, with the request that they be considered

and a plan for taking care of any future instances be arrived at. Also, that the matter be submitted to Mr. Cox for his review and [fol. 1214] report, which the Chairman assumes Major Hulsart will be able to present at the same time as this report.' "

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"(Signed) W. D. Lober, Chairman, Committee on Credits."

"Mr. Hulsart: This was submitted to Mr. Cox by letter, and I will now read Mr. Cox's answer to that, dated January 12th:

" 'Referring to the letter from Mr. Lober, Chairman of the Committee on Credits, which I am returning herewith enclosed, I beg to advise that action on the suggestions therein contained be deferred for, say, a month or so, not because there is anything objectionable in the suggestions, but simply because there are numerous people trying to get a picture of the Association just now, and during that process any movement, however harmless in itself, is apt to obscure more or less the outline. The most important thing at present is to get the workings of the Association clearly understood by those who are looking into them. Any additional activity, however trifling, at this time, might interfere with that more or less, and it seems to me desirable not to interfere with it at all.

" 'It is pretty difficult to justify this advice by imagining any concrete contortion of these particular suggestions, which in themselves contemplate simply protective credit information. It seems almost impossible to imagine anyone contorting either suggestion [fol. 1215] into anything criticizable. But it is possible to imagine that one seeking to define the activities of the Association might be disturbed, or perhaps made less sure concerning his conclusions by any modification or addition whatsoever.

" 'In brief, simply on the theory that it is not desirable to move when one is having one's picture taken, I suggest deferring action on these suggestions.

" 'Yours very truly, Archibald Cox.'

"The President: You have heard Mr. Lober's report and Mr. Cox's recommendations. What is your pleasure?

"Mr. Twamley: I move that the matter be laid on the table.

"Motion seconded.

"The President: You have all heard the motion. All in favor will say, Aye.

"Motion carried."

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"The President: At the last meeting the question was brought up by one of the member companies in regard to reporting contracts with dealers for warehouse business, and the matter was taken up with Mr. Cox, whose reply Mr. Hulsart will read.

"Mr. Hulsart: I wrote to Mr. Cox asking for his opinion on whether the reporting of contracts for warehouse trade was within

[fol. 1216] our scope. Mr. Cox's reply, dated January 11th, is as follows:

"Mr. Hulsart then read the letter of Mr. Cox, as follows:

" 'Referring to your favor of the 6th instant, I beg to say that the contracts to be reported are limited to those which are both (1) closed transactions, in the sense that the contract has been made, and (2) specific job contracts, meaning thereby contracts to supply the cement for particular work.

" 'That was the understanding at the time the Association was formed, and it has, I understand, been its practice since. The passages from the constitution and by-laws quoted in the minutes contemplate only such contracts. Contracts with dealers for warehouse trade did not, I understand, exist to any considerable extent at the time the Association was formed, but are a recent development. For the Association to deal with them would require a modification, or at least a new construction, of the constitution and by-laws. It does not seem to me that a change at this time is desirable.

" 'Strictly, the desirability of a change to include in the reports contracts other than specific job contracts is not now presented for consideration, because, parliamentarily, action looking to amendment of the by-laws would be necessary to raise the question. But there can be no great harm in pointing out that it would represent an overstepping, or at least a considerable stretching, of the limita-[fol. 1217] tions of the Association's activities. The reporting part of the Association's work was strictly confined within narrow limits, upon the theory that reporting of the kind practiced by many so-called 'open price' associations might be objectionable. Except in one inconsequential detail, to which I shall refer, the Association has nothing in common with Associations of that kind.

" 'The cement industry at the time the Association was formed presented one peculiar feature, namely, it was customary for the manufacturer to enter into contracts to deliver the cement required for specific work long before the cement would be required. By reason of the nature of the product, its bulk, lack of storage facilities, carrying charges, etc., that meant contracts to deliver cement which would be manufactured, not at the time of the contract, but sometime in the future near the time of delivery, when the cost of manufacture might be materially different. Moreover, such contracts, while in form mutual obligations, were in practical operation nothing but options, because a manufacturer contemplating suit on such a contract is confronted by the probability that the dealer would be financially unable to meet a judgment and certainly transfer his business to a competing manufacturer. To a serious extent, such contracts operated simply as means whereby dealers speculated in cement at the cost of the manufacturer, and, to an even greater extent, left the manufacturer uncertain as to what he might be called on to deliver.

[fol. 1218] " 'These specific job contracts of a cement manufacturer were commonly scattered through different parts of the country, and the contracts were not of record, so that it was practically impossible

for any single manufacturer to ascertain to what extent his contracts of this kind were reliable and would result in calls for the cement.

" 'These peculiarities led to this part of the work of the Association. Specific job contracts are reported in order that the manufacturer can ascertain whether he will be called upon to deliver the cement for a specific job or has merely a duplication of a contract for that cement which has been contracted for by another. That is, of course, entirely different in purpose and result from the kind of reporting which is done in so-called "open-price" associations. The reporting here is limited to specific job contracts which have been closed. It does not touch other sales of cement or current business. An inspection of the files which you recently made showed that information concerning one manufacturer's specific job contract did not reach other manufacturers on an average earlier than about eight days after the transaction was closed. In view of the thorough way in which the cement manufacturers' salesmen and dealers cover the country and their competitive zeal, it is, of course, ridiculous to think of this as having any effect whatever on competition, or any such effect as some of the practices of "open-price" associations may (or may not) have. The reporting here has a real purpose and effect, namely, to let the manufacturer know which of his own contracts [fol. 1219] are reliable and thus enable him to protect himself against being cheated by dealers speculating at his expense, failing to sell the cement he makes and damage in other directions. The investigations of these specific job contracts which the Association makes are, of course, simply an additional instrumentality to the same end.

" 'I mentioned one inconsequential detail wherein the work of the Association has something in common with "open-price" associations. That is in the fact that in reporting closed specific job contracts we include the price with the other details. This is referred to in the outline of the plan for the Association as follows: "In the following plan, it is not proposed to provide the fullest relief against such misrepresentations, because reports of outstanding or active offers or quotations may be objectionable, but it is proposed to give the manufacturer an opportunity of checking the representations of dealers and salesmen by including with the information as to specific contracts the price at which these past transactions have been closed, so that false statements may become less frequent." That is, I think, the only point at which the work of the Association is based upon the considerations which are usually urged as "open-price" associations, and those considerations seem plainly applied within such a limited field as not to afford room for the application of other considerations which perhaps make some practices of "open-price" associations objectionable.

[fol. 1220] " 'When I suggest that these limitations of the Association's reporting be strictly observed at present, I have in mind, among other things, the fact that the Supreme Court of the United States will presumably hand down an opinion expounding the law as to "open-price" activities before very long, in the case argued before it some weeks ago. For that and other reasons it seems to me desirable

to do nothing about extending the reporting to contracts other than specific job contracts at present.

" 'Yours very truly, Archibald Cox.' "

[fol. 1221] "The President: I think that we should be governed by Mr. Cox's letter and only report on specific jobs.

"Mr. Hulsart: Mr. President, I have been requested by a member company to mention briefly a matter concerning the misuse of Association reports. The circumstances are these: The sales office of one of the cement companies in communicating with a dealer soliciting his trade referred in that letter to one of the Association reports, mentioning that he had seen in that report that this dealer was then placing contracts with another company. I have seen this correspondence, so it is not hearsay, and I am simply recounting the circumstances at the request of the member company for your information.

"The President: I think that is something that is really very serious and should be taken up by men higher up in the company, as it really works against what this Association's intention is.

"Mr. Naylor: All of these statistics are supposed to be confidential, are they not?

"The President: I do not think that they are necessarily confidential.

[fol. 1222] "Mr. Naylor: I mean that they are confidential as among the manufacturers; not to be given out to customers."

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"Mr. Ackerman: Miss Phalen and Gentlemen: The honorable office of Treasurer seems to be about the only one that should not fail—I do not mean to say that all the other officers are not honorable, but the one of Treasurer is a very high class one and enjoys a unique position in the fact that it pays a salary and there is not very much for the Treasurer to do. As you all know, the accounts are kept by Mr. Woodruff, who is a certified public accountant, and I might add, to save confusion, that he gets the emoluments. The work must have been done well or we would not have been renominated. It could not have been otherwise, because we have always received the kindest consideration from the personnel of this office, and it is my hope, or our hope, that notwithstanding investigations and rumors of investigations, that at the next annual meeting we may be all up here and wish each other a very happy and prosperous New Year. Thank you."

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[fol. 1223] GOVT. EX. No. 182

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 12 M., Thursday, February 17, 1921.

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[fol. 1224] "Mr. Hulsart: The requests for investigation of contracts naturally are rather few at the present time, and are pretty well up to date.

"The preparation of the new freight rate books is well in hand. We have in this office the proof of the New Jersey Book, and will have within a few days the proof of the New England Book. The New York Book is in the hands of the printer, and should be issued in the course of ten days or two weeks. Data is being prepared for the freight rate books in the other states.

"As directed by the last meeting of the Association, a copy of the decision of the Supreme Court of Pennsylvania, giving material companies the right to sue surety companies on the bond for road work, was issued from this office.

"Here is a matter which covers nothing new. It is a chart to show current business and for the purpose merely of keeping the annual report up to date. (Mr. Hulsart distributed the copies to the members.)"

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[fol. 1225] "For purposes of comparison with any previous year or any previous month, reference may be made to charts I and III of the annual report.

"The current months, that is, the months for 1921, are shown in the heavy plotting. This, of course, is not of so much interest, with only one month of 1921 plotted. If it is of any interest at all, it should be of more interest as we get along in the year, when there will be several months of 1921 plotted in comparison with this average for six years.

"This can be issued for less than three dollars a month, and if the Association considers it worth while in continuation of the annual report, and in picturing our current tables, it could be very easily gotten out in this office."

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"Mr. Hulsart: Is it the consensus of the meeting that this chart should be issued?

"Mr. Goode: I move that the Vice-President be ordered to get these out in accordance with this plan.

"Mr. Twamley: I second the motion.

"Motion carried."

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"Mr. Hilles: I am reminded by the printed statement of the decision of the Supreme Court of the State of Pennsylvania, that in New York State there is a movement on foot by producers of build-
[fol. 1226] ing material, who ship into New York State, to have passed a bond law at this session of the legislature which would require all contractors on public work under the State Highway Commission, the Barge Canal Commission, and the Department of Public Works (which includes the State Architect's office), to force the contractor to give a definite, specific bond from 50 up to 100 per cent of the amount of the contract, providing that he must pay for the material furnished, and that the seller shall have the right to sue under the bond without notice to the State or permission by the State.

"This is not strictly an association matter under our constitution and by-laws, but it might be of great interest to a number of the members present. I would be very glad after the meeting is over to explain just exactly what the situation is, and what would be required of any members of this association who might care to assist, and what would be the probable cost of watching the legislation at Albany.

"Mr. Dutton: Mr. Hilles, what is your present understanding in New Jersey in regard to the law?

"Mr. Hilles: In New Jersey every contractor on public work must file a bond for 100 per cent of the amount of the contract, giving the right to sue on the bond without permission from the State.

"Mr. Dutton: That is similar to the Pennsylvania bond."

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[fol. 1227] GOVT. EX. No. 184

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 502, Berkeley Building, 19 West 44th Street, New York City, at 12 M., Thursday, April 21, 1921.

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[fol. 1228] "Mr. Hulsart: The work on the Freight Rate Books is progressing. The New England, New York and New Jersey books have all been issued. The Pennsylvania book is now being prepared for the printer and should go in the mail within three weeks or a month. The data is being compiled for the three remaining books, the Virginia book, the West Virginia and the book for Maryland, Delaware and the District of Columbia. This data will be checked and put in form for the printer as fast as it is received in this office.

"Relative to unshipped balance reports from the member companies, which now include all active contracts, whether shipments

have been made during the month or not, this office appreciates the co-operation of the members in this matter. The inclusion of all active contracts in the monthly unshipped balance report has enabled us to detect and correct errors and omissions and eliminate inactive contracts from our records. These had accumulated for the past few years to the number of several hundred, amounting to nearly a million barrels. We believe that all of the dead wood has been eliminated from the printed contract report of April 1st. This will go into the mails within a week or ten days. The delay has been necessary to completely check and revise the book to eliminate this accumulated dead wood and we hope that this issue will be 100 per cent correct. Our other statistics and summary tables based on our contract records will now be more accurate and complete. With this more complete monthly report of unshipped balances, we can now issue monthly, instead of quarterly, the report of total commitments of each company by States."

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[fols. 1229–1246] GOVT. EX. NO. 185

Regular Monthly Meeting of the Cement Manufacturers' Protective Association

Meeting held at the Home Office of the Association, Room 1703, Berkeley Building, 19 West 44th Street, New York City, at 12.15 P. M., Thursday, July 21, 1921.

* * * * * * *

"Mr. Hulsart: The Contract Committee recommends that in the case of one company shipping for another that both companies report the amount of the shipments and the name of the other company involved in the transaction, so that we have a record in this office of the company shipping the same and the company for whom it is shipped."

* * * * * * *

[fol. 1246½] GOVT. EX. NO. 186

Oct. 18, 1919.

Giant Portland Cement Co., 610 Pennsylvania Bldg., Philadelphia.

Attention Mr. Griffith

GENTLEMEN: Referring to your kind favor of Aug. 20th covering contract #P-904, Felix G. Pittet, contractor:

Mr. Overman unfortunately called on Mr. Pittet yesterday to check up this contract. Mr. Pittet is highly insulted and wishes an apology from you or he will cancel the contract.

I think before you make any check-ups you had better take the matter up with us first and we will put you right. Mr. Pittet referred the young man to the writer and he said I had nothing to do with the matter. He also wished to know where each and every bag of cement was used, which Mr. Pittet claims was none of his business.

The National SD Co. has six plants in this city and they are continually making improvements, additions, etc., and we as well contend that it is no one's business how the cement is distributed amoung these plants.

The writer would therefore suggest that Mr. Griffith immediately write Mr. Pittet a letter of apology, explaining the situation otherwise we will lose his business. He is very much insulted, as above stated.

[fol. 1247] Kindly send us a copy of the letter you write to him. His address is Citizens' Trust Bldg., this city.

In the meantime kindly enter our order for a car of cement to be shipped any time during next week.

Consign same to our siding #1, Riverside station, N. Y. S. & W. R. R. Paterson, N. J., same as usual, and oblige

Very truly yours, —— ——, President. EMR. MW.

[fol. 1247½] GOVT. EX. No. 187

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

October 20, 1919.

Mr. E. M. Rodrock, President E. M. Rodrock Company, Paterson, N. J.

MY DEAR ROD: I cannot tell you how surprised I am to receive your letter of the 18th, but assure you I appreciate very much indeed receiving same, and I can assure you that we have not in any way ever asked any one to check up Mr. Pittet or any of our other friends who have placed contracts with us. I understand that Mr. Overman is with the Cement Manufacturers Protective Association, and as all contracts are reported to them, they are checked up by the Association and not at the request of any Cement Company. I am therefore writing Mr. Pittet, as per enclosed, which I trust meets with your approval, as there is nothing I would dislike more than to have any ill feeling between Mr. Pittet, you or this Company, but I assure you that we are perfectly innocent in this matter. Therefore if this letter meets with your approval, kindly forward same to Mr. Pittet.

[fol. 1248] Want to thank you very much indeed for the order

for a car to be shipped to your Siding #1, as we need all the orders we can get at the present time.

With kindest regards,

Yours very truly, R. E. Griffith, Vice-President. N. Enc.

Oct. 21, 1919.

Giant Portland Cement Co., 610 Pennsylvania Bldg., Pennsylvania.

Attention of Mr. Griffith

DEAR MR. GRIFFITH: Your letter of the 20th duely received and I trust the explanation to Mr. Pittet will be satisfactory.

We talked with him over the phone this morning and I told him that we had a letter from you explaining the situation.

He is still considerably put out by the methods Mr. Overman used with him, not being diplomatic, but will report to you later how the matter works out.

Thanking you for your prompt attention to same, we remain

Very truly yours, —— ——, President, per —— ——.

EMR. MW.

[fol. 1249] GOVT. EX. No. 189

Cement Manufacturers' Protective Association

19 West 44th Street, New York

File Giant P-904.
#2444.

Date: October 20, 1919.

DEAR SIR: The work covered by the following contract has been investigated and the facts as reported by the auditor are given below for your information:

"Giant P-904.

Purchaser.—E. M. Rodrock Co., Paterson, N. J. National Silk Dyeing Company's Plant, Paterson, N. J. Contractor—F. G. Pettitt. 3,000 bbls., nothing shipped. Date of contract—August 25, 1919.

Mr. Pettitt does all construction work to be done at any of the five plants of the National Silk Dyeing Company.

Interview with Mr. Pettitt, who stated that he has contracted with the E. M. Rodrock Company for 3,000 bbls. covering the general requirements of all his jobs and not necessarily the work done at the National Silk Dyeing Company's plant, although included in the same. He further said that his work at the National Silk Dyeing Company's plants consists mainly of putting in new floors, foundations for machines; in general all work is practically recon-

[fol. 1249½] struction work. Mr. Pettitt estimates that this year he will use over 5,000 bbls. of cement at the plant of the National Silk Dyeing Company and that all cement contracted for herein covers the general requirements at the plants of National Silk Dyeing Company as well as any other work that may arise. He definitely stated that this contract covers general requirements, as he has no specific work on hand at any time but does work at different plants in Paterson, N. J. as such work arises. Date of audit—October 17, 1919."

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— —, ——, this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, Per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufacturer having the contract for comparison with information in the possession of the manufacturer.)

[fol. 1250] Govt. Ex. No. 190

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

October 20, 1919.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Protective Assn., #19 West 44th Street, New York City, N. Y.

Dear Sir: I am just in receipt of letter from E. M. Rodrock Company of Patterson, N. J., as per enclosed copy, and I would ask you to kindly look into this matter and advise me, as of course I do not want to lose the contract, but before doing anything in the matter I have put it squarely up to you.

With kind regards, and awaiting your reply,

Yours very truly, R. E. Griffith, Vice-President. N. Enc.

[fol. 1250½] Govt. Ex. No. 191

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

October 25th, 1919.

Mr. Hayden Gaines, Vice Pres. Cement Mfg. Protective Assoc., 19 W. 44th St., New York City.

My Dear Mr. Gaines: I enclose you herewith copy of letter from Mr. Rodrock, under date of October 24th. I think, in view of the acute condition this is in it would be better to drop the matter for a short time until I can see Mr. Rodrock, and I feel the best thing to do is to cancel the contract rather than stir this matter up owing to Mr. Pettit's stand in same, which might bring ill feeling between he and Mr. Rodrock. What are your thoughts in the matter?

Yours very truly, R. E. Griffith, Vice-President. REG/F.

[fol. 1251] Govt. Ex. No. 192

October Twenty-seventh, Nineteen Nineteen.

Mr. R. E. Griffith, Vice President Giant Portland Cement Co., 603-610 Pennsylvania Building, Philadelphia, Pa.

My Dear Mr. Griffith: Have your letter of the 25th, relative to the Rodrock matter, and under the circumstances no doubt it would be best for you to handle this matter yourself.

I believe that if Mr. Rodrock and Mr. Pettit were familiar with the many difficulties that the cement industry has been subject to in the past and advised why it had been found necessary to investigate contracts, their sympathy could be enlisted with our work.

Yours very truly, —— ——, Vice-President. HSG-G.

[fol. 1251½] Govt. Ex. No. 193

August 10, 1920.

Mr. E. P. Comer, Boston, Mass.

Re Miscellaneous

Dear Sir: Where you are accepting business at the $3.50 mill net for prompt shipment would suggest that you refrain as much as possible from taking any business from these customers at the $2.50 mill base, as it is only going to lead to an argument later on when they come back and tell us we are shipping their high price orders and leaving their other orders go. Furthermore with the con-

ditions as they are to-day we are not after any business at all that nets us $2.50 at the mill.

Most of the cement manufacturers are practically out of cement and we want to conserve every barrel we have to get the highest price possible for it when the time comes. Regardless of what your customers may advise you, or what you may hear from other sources, the above information is a fact that cannot be contradicted. Therefore, I do not think it is a good policy on our part in order to secure business at $3.50 at the mill to offer them cement at $2.50. What we have taken at this price all right, but the stock of cement on hand among the manufacturers is going so low that we must curtail all sales that we possibly can that net us less than $3.50 at the mill.

Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice President. WGD/H.

[fol. 1252] Govt. Ex. No. 194

Bath Portland Cement Co.

Phila., Pa., August 12, 1920.

Re Price Instructions

Dear Sir: We are now approaching the middle of August with conditions showing very little improvement. For that reason we have decided to curtail our orders as much as possible, otherwise we will be unable to catch up with our shipments.

Taking effect immediately, we are adjusting our prices to the basis of $3.50 per barrel net our mill. We will continue the charge of 25¢ each for cloth sacks or $1.00 per barrel, and paper sacks at the rate of 30¢ per barrel, making our prices at the mill $4.50, including cloth sacks and $3.80 per barrel including paper sacks.

We think it advisable to interest the trade as much as possible to take shipments in bulk, in which case the price will be $3.45 per barrel, f. o. b. cars our mill. This is $1.05 per barrel, as you will note, less than the price in cloth, which is the same differential we have always been allowing for bulk shipments.

We will use no other mill base than the Lehigh Valley, and on account of the impending advance in freight rates ordered by the Interstate Commerce Commission, we will, until further notice, quote only mill prices, as advised above. In quoting your customer, therefore, quote the mill price, making it clear to him that the ce-
[fol. 1252½] ment will be invoiced at the mill price, although you can advise him that our present freight rate from Bath, Pa. to point of shipment, including war tax, is so much per barrel, as now shown in your freight rate book, but, of course, this rate is subject to change after the new tariffs are out.

We are notifying all our customers, with whom we have orders taken at the market price, of the advance. These orders are being

adjusted to the basis above mentioned, and we are explaining to our customers the reason for invoicing at the mill price. It is very likely that some of our customers will cancel their orders which they now have on file with us due to this increase in price; however, we think it advisable to have some of the business cancelled rather than continue carrying same without being able to give the customer anything definite as regards price or shipment.

We hope the above arrangement will enable us in a short time, when taking new orders from a customer, to be able to give the customer a definite price and better service as regards shipment. It is not advisable to solicit any business even at the new price until we have things swinging so that we can promise something definite as regards shipments on new orders.

The above prices, as stated, are prices for you to use when quoting a dealer. When quoting a consumer, use a differential of 20¢ per barrel, as advised you previously.

Regardless as to how or what the other manufacturers are quoting, we will adhere to the above plan until further notice.

Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice President. WGD/H.

[fol. 1253] Govt. Ex. No. 195

September 30, 1920.

Mr. E. P. Comer, Boston, Mass.

Re Price Instructions

Dear Sir: For the present we think it advisable to make a slight reduction in our price, and would therefore suggest, until further notice, that you make your prices based on $4.00 per barrel at the mill, including cloth sacks, or $3.30 in paper. Use this price when quoting dealers, or a price of $4.20 when quoting consumers in case the business should be placed through a dealer. However, if an opportunity should arise where you are in a position to sell cement direct to a contractor and it will not be necessary for us to allow any dealer's differential on same, you may quote such contractor on the $4.00 mill basis. In other words, we might as well give the contractor the advantage of the $4.00 price if it does not interfere with any of our dealers.

Do not take any orders for over five cars at any one time, unless first getting in touch with us. Also have it thoroughly understood that any orders taken are not subject to cancellation, as same must be shipped on the date specified on their order.

[fol. 1253½] Would further suggest that you do not quote any customer this price who may still have any orders on file with us at the higher price. In this respect, however, would state that practically the only New England customer who has any business with us at the high price at the present time is Prentiss, Brooks & Co. Their order

will be completed on October 4th. All other orders in New England have either been held up, which practically means cancelled, or completed. Therefore, you may go after them all with the exception of Prentiss, Brooks & Co.; we will advise you when their order is completed.

Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice-President. WGDH.

[fol. 1254] GOVT. EX. No. 196

October 2, 1920.

Mr. C. S. Nellis, Syracuse, N. Y.

DEAR SIR: Conditions have improved to such an extent that we are now willing to accept some business on the basis of $3.50 per barrel, including cloth sacks, f. o. b. cars our mill, or $2.80 per barrel in paper. Therefore, if any of your dealers are in need of cement at the present time, you can quote them the above prices. To consumers, quote a twenty cents per barrel differential.

Should any proposition come up relative to contracts running for the balance of this year and into next year, would suggest that you get in touch with us before quoting. However, any business for delivery during the present year you may accept as above.

We do not think it advisable to have on file at any one time orders for more than five cars with any one customer.

Very truly yours, Bath Portland Cement Co.. —— ——,
Second Vice President. WGD/H.

[fol. 1254½] GOVT. EX. No. 197

October 2, 1920.

Mr. E. P. Comer, Boston, Mass.

Re Price Instructions

DEAR SIR: Confirming conversation with you this day, conditions have improved to such an extent that we are now willing to take business from our dealers on the basis of $3.50 per barrel, including cloth sacks, or $2.80 in paper. Use a twenty cents differential when quoting consumers.

We do not think it advisable to have on file at any one time orders for more than five cars with any one customer.

You may accept any business which calls for shipment during the present year at the above prices; however, kindly get in touch with us before quoting on any contract requirements which will run into 1921.

Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice-President. WGD/H.

[fol. 1255] GOVT. EX. No. 198

Bath Portland Cement Co.

Phila., Pa., December 4, 1920.

Baxter, Hyndman, Miller, Richards, Comer, Kenlon, Nellis, Sheble, Franks.

Re Price Instructions

"Copy Sent to All Salesmen"

DEAR SIR: Effective December 3rd we have made a slight reduction in our prices, and will quote until further notice prices based on $2.30 per barrel net our mill. When quoting prices competitive with other cement shipping districts use the basis of $2.40 Hudson or $2.05 Universal.

All the above prices are net mill prices to use when quoting dealers, to which you will have to add the packages and freight to destination, quoting in all cases delivered prices. In general we will use a 10¢ per barrel differential when quoting consumers, although in certain instances it will be advisable to use a larger differential, just depending upon what differential the dealers in different localities are securing. We are not changing our discount rate, the same will be maintained for the present at 10¢ per barrel for cash within ten days from date of shipment.

[fol. 1255½] When quoting prices watch carefully the competition based on Universal, as you will find many cases where the Universal prices govern.

It is not our present policy to take many contracts, although when any contract business is offered you kindly submit it to this office.

We will accept any orders for current shipment based on the above prices until furter notice, provided in meeting competition the cement does not net us below $2.00 at the mill.

We would ask that you keep us thoroughly posted relative to any information you receive on the road as regards what our competitors are doing.

If there is anything in the above instructions that is not absolutely clear to you, kindly advise us.

Very truly yours, Bath Portland Cement Co. W. G. Dutton, Second Vice-President. WGD/H.

[fol. 1256] GOVT. EX. NO. 199

Knickerbocker Portland Cement Company, Manufacturers

Branch Sales Office, 45 Milk Street, Boston, Mass.

December 31, 1919.

Manchester & Hudson Co., 55 Point Street, Providence, R. I.

GENTLEMEN: We are pleased to quote you on "Knickerbocker" Portland Cement on the following described work, deliveries to extend to December 31st, 1920, as follows:

Five Hundred (500) barrels covering construction of new Building for Arbeka Webbing Company, Pawtucket, R. I.
Five Hundred (500) barrels covering Fred T. Ley Company in construction of Mill Building, Pawtucket, R. I.
$2.94 per barrel, Cloth Sacks, Car Lots, F. O. B. Cars Pawtucket, R. I.

This quotation is subject to acceptance within five (5) days after formal award of the contract but is void if not accepted with- fifteen [fols. 1256½-1258½] (15) days from date. It is also subject to the terms and conditions as noted on both sides hereof, with the exception that Cloth Sacks will be repurchased at 15¢ each instead of 10¢.

Very truly yours, Knickerbocker Portland Cement Co., Inc.
J. W. Stinson, Local Manager. JWS/G.

[fol. 1259] GOVT. EX. NO. 200

July 5, 1918.

Mr. B. F. Affleck, President Portland Cement Association, Chicago, Ill.

DEAR MR. AFFLECK: Permit me to bring to your attention, as President of the Association, a matter which has for a long time been giving considerable concern to the smaller Member Companies, including ourselves, and which we think should be remedied by the Association.

I refer to the policy of some of the larger Companies in regard to the issuing of calendars and other expensive illustrated matter purporting to promote the sale of Portland Cement. I more particularly refer, however, to the matter of calendars. Some of the larger Companies are ordering these in immense quantities thereby securing a minimum price which could not be obtained by a smaller Company, necessarily ordering a more limited quantity.

Furthermore, these large Companies have such complete advertising departments and organizations for preparation of the material which goes on these catalogues that no small concern could hope to emulate them. It would cost too much money and time to prepare, or

have prepared, the illustrations necessary for such a calendar. For [fol. 1259½] example: One of the large companies has issued a circular stating "These pictures were designed by high-class artists. Further, the illustrations are so varied in character that they appeal not only to rural trade, but to people living in suburbs, towns and cities."

These larger Companies in some cases, while ostensibly agreeing to sell a large number of calendars to their dealers at the cost price, and in some cases actually thus selling them, as a matter of fact in many instances to our knowledge do not make a bona fide offer to the dealer who really does not pay anything for them.

In connection with these calendars, the dealer's business is exploited to suit each separate case, and as our salesmen write us from the road "They are valuable business getters", and they are all the more dangerous in the hands of such competitors as those who are putting them out. There is nothing that the smaller companies can do to meet this competition in kind. Therefore, what must they do to offset it? The danger is obvious.

Now, the whole spirit of the Association is, it seems to me, cooperation and endeavor to overcome inequalities and friction in competition, or, in other words, to bring about as near as possible uniform trade practices. Therefore, do you not think it would be desirable, and one of the functions of the Association, that your Editorial Department or some other Department should make up a variety of forms, illustrations and valuable advertising matter, and that the same be put in the form of calendars and other forms of circularization which they could have made in huge quantities at the [fol. 1260 & 1261] lowest possible price and then sold to the Member Companies at about cost, and thus afford the opportunity to every one, big and little, to select such type as he might desire from the great variety which your Association could prepare, and then would not this take the place of the special advertising and especially the calendar advertising which the large companies are using with such irritating effect upon the balance of the industry, and would not this to a large extent take the place of some other forms of advertising which the Association is using, and would it not more nearly hit the right spots by thus disseminating through the Member Companies and their customers and dealers a large number of valuable suggestions which would go to the people who actually use the material, or who are likely to use it?

I should be very much pleased to have your views on this subject after due consideration, and perhaps after you have had opportunity to lay it before the Executive Committee.

Very truly yours, —— ——, President.

[fol. 1261½] Govt. Ex. No. 204

Cement Manufacturers Protective Association

916 Widener Building, Philadelphia, Penna.

Feb. 21, 1918.

DEAR SIR: At the last meeting of the Cement Manufacturers Protective Association, held February 20th, we were asked to request the member companies to send us a statement of the total bags shipped for the years 1916 and 1917, that we might compile a report showing the percentage of bags returned, comparative with the total amount shipped—this to include cloth sacks only.

If you will fill in the attached slip and return, it will be greatly appreciated.

Yours very truly, Cement Manufacturers Protective Ass'n, by

Chas. W. Bacon, Secretary.

[fol. 1262] Govt. Ex. No. 205

Cement Manufacturers Protective Association

916 Widener Building, Philadelphia, Penna.

February 26, 1918.

DEAR SIR: We would again like to call the manufacturers' attention to the small yellow card prepared for the purpose of notifying the Association of cancellations, increases, decreases, completions and expirations of contracts appearing from time to time on our monthly report.

The manufacturers have neglected to notify us of all the aforementioned changes on these yellow cards, often waiting until their monthly balance sheets are prepared to notify us of cancellations and expirations etc.

This is confusing to those who try to make our recapitulation sheet showing commitments of the different manufacturers balance with the summary for the month, because cancelations which are noted only on the manufacturers' monthly balance sheets do not appear in the summary of contracts cancelled.

These yellow cards of cancellations, increases, decreases, expirations, etc., should be in the hands of the Association by the last day of each month, that they may be noted in the printed contract report to be issued as of the first of the month.

[fol. 1262½] We would appreciate it very much if each manufacturer would give his special attention to this request, which will enable the Association to close their contract report promptly on the first of each month and will not necessitate the eliminating of contracts after that date for any cause.

Yours very truly, Cement Manufacturers Protective Assn.

C. W. Bacon, Secretary. CWB. GY.

[fol. 1263] GOVT. EX. No. 206

Cement Manufacturers' Protective Association

19 West 44th Street, New York

November 13th, 1918.

To Members:

Beg to report below result of questionnaire sent to members requesting information as to whether returned bags are cleaned before being counted or vice versa:

Cleaned First and Then Counted

Alpha Portland Cement Co.
Atlas Portland Cement Co.
Bath Portland Cement Co.
Coplay Cement Mfg. Co.
Dexter Portland Cement Co.
Giant Portland Cement Co.
Glens Falls Portland Cement Co.
Hercules Cement Corporation
Knickerbocker Portland Cement Co.
*Lawrence Cement Co.
(All large shipments consisting of 2,500 or more are cleaned separately and rejected after cleaning)
[fol. 1263½] Nazareth Cement Co.
*Penn-Allen Cement Co.
Pennsylvania Cement Co.
Phœnix Portland Cement Co.
Security Cement & Lime Co.

Counted First and Then Cleaned

Allentown Portland Cement Co.
Edison Portland Cement Co.
*Lawrence Cement Co.
(Where several small shipments are placed into the wheel together sacks are sorted and note taken as to the number of worthless and foreign sacks in each shipment before passing through the machine)
Lehigh Portland Cement Co.
*Penn-Allen Cement Co.
Vulcanite Portland Cement Co.

(After the bags have passed through the machines and are taken to the bag house for refilling with cement we always find additional sacks which we have to reject. The bulk of these, however, are rejected in the bag house on account of bursting when on the packing machines. This loss has to be stood by us.)

Yours very truly, H. S. Gaines, Vice-President.

*Sorted before cleaning and again after cleaning.

[fol. 1264] GOVT. EX. No. 207

Cement Manufacturers' Protective Association

19 West 44th Street, New York

To Members:

Because of errors in compiling the figures of some of the Member Companies in our "Summary of Past Due Accounts" as of January 1st, 1919, we are issuing corrected reports of this and the "Comparative Statement of Summaries" and will as that you kindly disregard the original ones.

It will be noticed that we have introduced in our corrected report of "Comparative Statement of Summaries" the per cent of the whole amount due, a new feature proposed and adopted at the last meeting of the Members of the Association.

Yours very truly, M. B. Phalen, Secretary

January 29th, 1919.

[fol. 1264½] GOVT. EX. No. 208

Cement Manufacturers' Protective Association

19 West 44th Street, New York

To Credit Managers:

At the meeting held January 23d, it was voted to include in our monthly credit reports the amounts of all accounts in Attorney's hands. Kindly include same in your future monthly reports to the Association.

Please remember that it is important that you advise the Association promptly when such accounts are paid or disposed of in any other manner, so we can send out special notices of such action to the members.

Yours very truly, H. S. Gaines, Vice-President.

[fol. 1265] GOVT. EX. No. 209

Cement Manufacturers' Protective Association

19 West 44th Street, New York

February 6th, 1919.

To Sales Managers:

At the meeting of January 23d I was instructed to advise the members that the following subject would come up for discussion at the next meeting.

"The advisability of reporting to the Association the amount of the unshipped balance due on all contracts when contracts are cancelled with the Association by member companies upon expiration, completion or cancellation."

Yours very truly, H. S. Gaines, Vice-President.

[fol. 1265½] GOVT. EX. No. 210

Cement Manufacturers' Protective Association

19 West 44th Street, New York

March 10th, 1919.

To Members:

At the last meeting of the Association it was voted that the following questionnaire *he* sent to all members:

Do you or do you not include foreign sacks in your bag returns as made to the Association?

Yours very truly, H. S. Gaines, Vice-President.

[fol. 1266] GOVT. EX. No. 211

Cement Manufacturers' Protective Association

19 West 44th Street, New York

March 17th, 1919.

To Members:

Following is the result of questionnaire:

"Do you or do you not include foreign sacks in your bag returns to the Association?"

Allentown, No; Alpha, No; Atlas, No; Bath, No; Coplay (see Letter Below); Dexter, No; Edison, No; Giant, No; Glens Falls, No; Hercules, No; Knickerbocker, No; Lawrence, No; Lehigh, No; Nazareth, No; Penn-Allen, No; Pennsylvania, No; Phœnix, No; Security, No; Vulcanite, No.

Letter from Coplay Cement Manufacturing Co.

"In reply to your letter March 10th with reference to question regarding foreign sacks, would advise that our reports heretofore have included foreign sacks returned by our customers, in case where the quantity was very slight, such as occurs ordinarily in returns from our customers. We have some cases however, where the shipments check proportionately high in foreign bags, and any such bags, we

disregard this portion of the shipment entirely. It therefore appears that a very small percentage of the quantities heretofore reported to the Association carried a very small percentage of foreign bags, but to that extent we have included the foreign bags."

Yours very truly, H. S. Gaines, Vice-President.

[fol. 1266½] GOVT. EX. No. 212

Cement Manufacturers' Protective Association

19 West 44th Street, New York

May 10th, 1919.

To Credit Managers:

The Credit Committee will appreciate it if the Member Companies will now send to the under-signed a complete set of the credit forms, cards, folders, etc. now in use by each Member Company, so that, if possible, standard forms can be worked out to the advantage of members of the Association.

Yours very truly, H. S. Gaines, Vice-President.

[fol. 1267] GOVT. EX. No. 213

Cement Manufacturers Protective Association

19 West 44th Street, New York

May nineteenth, Nineteen Nineteen.

To Credit Managers:

Referring to circular of May 10th, in which it was requested that Member Companies send to this office a complete set of credit forms, cards, folders, etc. now in use by each Member Company, so that, if possible, standard forms can be worked out: We have only received replies from the following Companies:

Phœnix Portland Cement Company.
Giant Portland Cement Company.
Helderberg Cement Company.
Vulcanite Portland Cement Company.
Lehigh Portland Cement Company.

Inasmuch as the Credit Committee desires to hold a meeting next week, they will appreciate it if the other Companies will send in these forms at an early date.

Yours very truly, H. S. Gaines, Vice President.

[fol. 1267½] GOVT. EX. No. 214

Cement Manufacturers Protective Association

19 West 44th Street, New York

July 11th, 1919.

To Members:

The following letter has been received from the Dexter Portland Cement Co.:

"On looking at the June Statistics we find that our figures are wrong and on looking over our report sent you found that the figures given you for 1918 did not include shipments for other member Companies. The report should have been sent you as follows:

First six months 1918,	341,296 +			
" " " 1919,	411235 + +			
June 1918,	82,163 + + +			
" 1919,	103,311 + + + +			
+	55,147	shipped	for	member Company.
+ +	140,252	"	"	" "
+ + +	26,279	"	"	" "
+ + + +	25,023	"	"	" "

This, of course mak-s the percentages wrong as six months and June should both show 25% instead of 50% and 84% respectively."

Yours very truly, Cement Manufacturers Protective Ass'n.
M. B. Phalen, Secretary.

[fol. 1268] GOVT. EX. No. 215

Cement Manufacturers Protective Association

19 West 44th Street, New York

July twenty-second, Nineteen Nineteen.

To Sales Managers:

At the regular monthly meeting of the Association held here on Thursday, July 17th, 1919, the following resolution was passed:

"That in making contract reports we give the dealer's home town as well as the delivery point."

Yours very truly, H. S. Gaines, Vice-President.

Vol. II

TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, ET AL., APPELLANTS,

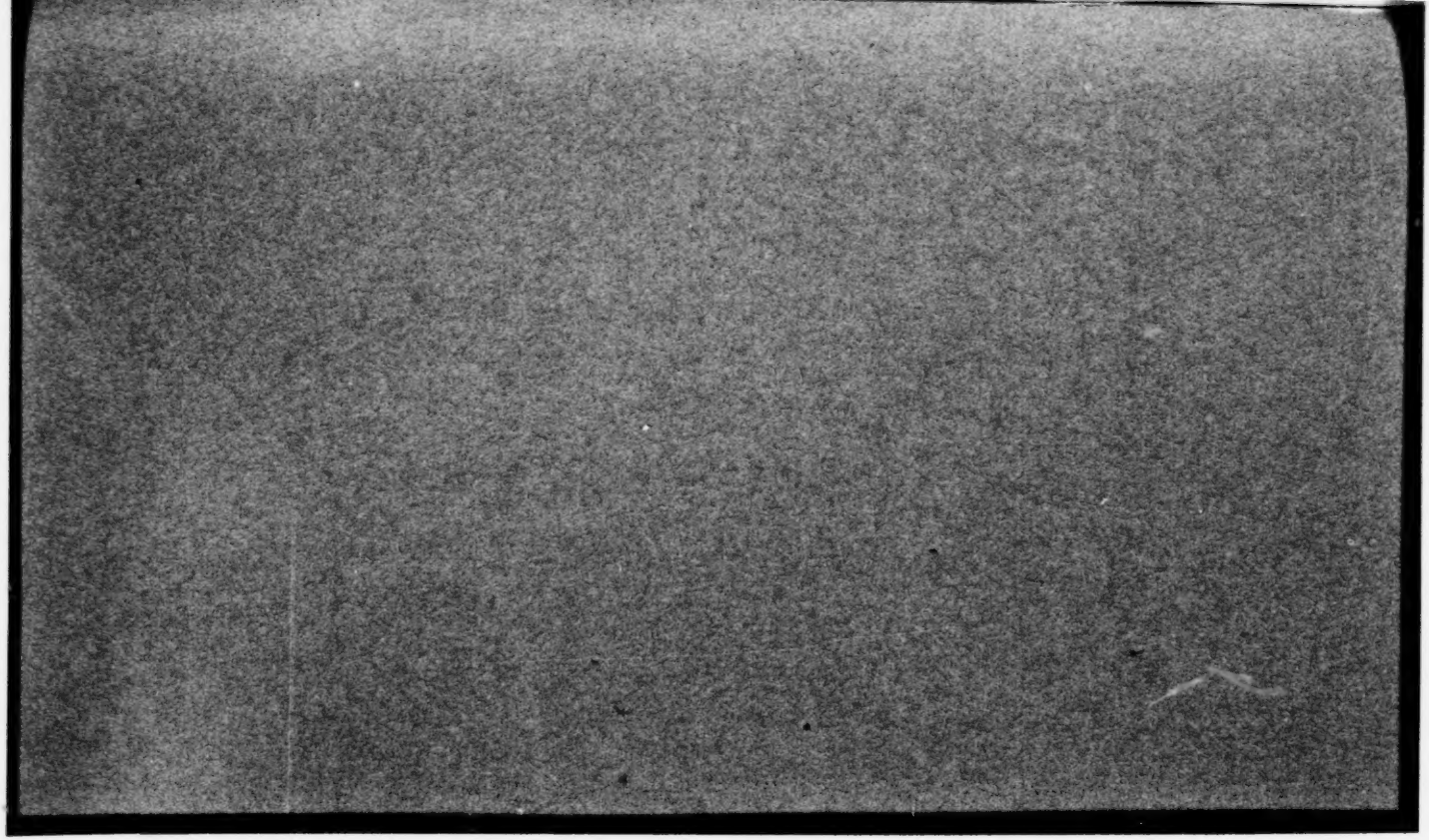
vs.

THE UNITED STATES OF AMERICA

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

FILED JULY 24, 1924

(30,513)



(30,516,

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, ET AL., APPELLANTS,

vs.

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APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

VOLUME II.

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., AUGUST 12, 1924

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Govt. Exhibit No. 609—Quotation form of Vulcanite Portland Cement Co.	1770½	928
Govt. Exhibit No. 610—Quotation form of Alpha Portland Cement Co.	1772½	930
Govt. Exhibit No. 611—Quotation form of The Atlas Portland Cement Co.	1774	932
Govt. Exhibit No. 612—Quotation form of Allentown Portland Cement Co.	1777	934
Govt. Exhibit No. 613—Quotation form of Bath Portland Cement Co.	1779	936
Govt. Exhibit No. 614—Quotation form of Coplay Cement Mfg. Co.	1781	938
Govt. Exhibit No. 615—Quotation form of Dexter Portland Cement Co.	1783	940
Govt. Exhibit No. 616—Quotation form of Edison Portland Cement Co.	1785	942
Govt. Exhibit No. 617—Letter from S. N. Peters to E. M. Rodrock, December 2, 1920.	1787	944
Govt. Exhibit No. 618—Quotation form of Glens Falls Portland Cement Co.	1789	945
Govt. Exhibit No. 619—Quotation form of Hercules Cement Corporation.	1793	947
Govt. Exhibit No. 620—Letter from W. M. Floring to Windsor Cement Co., August 12, 1919.	1794½	948
Govt. Exhibit No. 621—Letter from F. H. Smith to J. P. Hall, March 27, 1917.	1796	950
Govt. Exhibit No. 622—Quotation form of Lehigh Portland Cement Co.	1797	950
Govt. Exhibit No. 623—Quotation form of Nazareth Cement Co.	1799	952

	Original	Print
Govt. Exhibit No. 624—Quotation form of Penn-Allen Cement Co.	1801½	954
Govt. Exhibit No. 625—Quotation form of Phœnix Portland Cement Co.	1803½	955
Govt. Exhibit No. 626—Quotation form of Security Cement and Lime Co.	1805½	957
Govt. Exhibit No. 627—Letter from Albert Moyer to E. M. Rodrock Co., November 5, 1920.	1808½	960
Govt. Exhibit No. 628—Tabulation of quotation forms.	1811	961
Govt. Exhibit No. 629—Quotation form of Alpha Portland Cement Co.	1812½	962
Govt. Exhibit No. 631—Cement Manufacturers Protective Association production statistics for month of February, 1916.	1815	963
Govt. Exhibit No. 632—Cement Manufacturers Protective Association production statistics for month of March, 1916.	1815½	963
Govt. Exhibit No. 633—Cement Manufacturers Protective Association production statistics for month of April, 1916.	1816	963
Govt. Exhibits Nos. 666 to 674—Production, monthly and annual, for all companies, 1913 to 1921.	1817	963
Govt. Exhibit No. 675A—Dates when changes were made effective by each company in the base price used by it in figuring most of its quotations, Lehigh Valley	1820½	963
Govt. Exhibit No. 676—Dates when changes were made effective by each company in the base price used by it in figuring most of its quotations, Hudson River	1823	963
Govt. Exhibit No. 677—Annual productive capacity of mills, January 1, 1917.	1825	963
Govt. Exhibit No. 678—Tabulation of average cost of bags sold by defendant companies, 1916-1921.	1826½	964
Govt. Exhibit No. 679—Tabulation of amounts charged for each bag by defendant companies, January 1, 1919, to April 1, 1921.	1827	965
Govt. Exhibit No. 680—Letter from C. N. Apgar to J. J. Collister, April 21, 1919.	1829	966
Govt. Exhibit No. 681—Letter from secretary to W. E. St. Clair, April 25, 1919.	1830	966
Govt. Exhibit No. 682—Letter from H. S. Gaines to F. M. Coogan, September 4, 1918.	1830½	967
Govt. Exhibit No. 683—Letter from F. M. Coogan to H. S. Gaines, September 5, 1918.	1831	967
Govt. Exhibit No. 684—Letter from W. F. Clark to H. S. Gaines, September 5, 1918.	1831½	968
Govt. Exhibit No. 685—Letter from Security Cement & Lime Co. to W. F. Clark.	1822	968
Govt. Exhibit No. 686—Letter from W. F. Clark to P. C. Somervell, June 2, 1915.	1832½	969

	Original	Print
Govt. Exhibit No. 687—Letter to W. E. Miner, March 1, 1916	1833	969
Govt. Exhibit No. 688—Letter from W. Young to Mr. Kimball, March 16, 1916	1834	970
Govt. Exhibit No. 689—Letter from F. M. Coogan to C. W. Bacon, May 18, 1917	1835	971
Govt. Exhibit No. 690—Circular letter from C. W. Bacon to members	1836	972
Govt. Exhibit No. 691—Letter from F. M. Coogan to J. J. Collister, August 23, 1920	1837	972
Govt. Exhibits Nos. 692 and 693—Circular letters to members, August 25 and August 27, 1920	1838	973
Govt. Exhibit No. 694—Letter from sales department to Mr. Stinson, August 27, 1920	1839½	975
Govt. Exhibit No. 695—Letter from J. W. Stinson to W. M. Floring, August 26, 1920	1840	975
Govt. Exhibit No. 696—Letter from Bath Portland Cement Co. to E. C. Schaffer, March 18, 1921	1840½	976
Govt. Exhibit No. 697—Letter from C. N. Apgar to Security Cement and Lime Co., February 25, 1916	1841½	977
Govt. Exhibit No. 698—Letter from C. N. Apgar to Cement Manufacturers Protective Association, December 20, 1920	1842	977
Govt. Exhibit No. 699—Letter from J. W. Stinson to Knickerbocker Portland Cement Company, Inc., December 10, 1920	1842½	978
Govt. Exhibit No. 700—Letter from sales department to Mr. Stinson, December 13, 1920	1843½	978
Govt. Exhibit No. 701—Letter from F. M. Coogan to C. W. Bacon, June 16, 1917	1844	979
Govt. Exhibits Nos. 702 and 703—Correspondence between J. P. Beck and C. W. Bacon	1845	979
Govt. Exhibit No. 704—Letter from D. H. MacFarland to Mr. Gowen, November 6, 1916	1846	980
Govt. Exhibit No. 705—Circular letter to members, December 5, 1916	1846½	980
Govt. Exhibit No. 706—Circular letter to members from W. D. Lober, January 22, 1916	1847	981
Govt. Exhibits Nos. 707 to 710—Correspondence between A. D. Naylor and H. S. Gaines	1848	981
Govt. Exhibit No. 711—Letter from R. W. Hilles to Cement Manufacturers Protective Association, March 17, 1919	1850	983
Govt. Exhibit No. 712—Letter from C. W. Bacon to L. A. Cover, March 30, 1916	1850½	983
Govt. Exhibit No. 713—Letter from sales manager to W. L. Sperry, April 20, 1916	1851	984
Govt. Exhibit No. 714—Letter from W. L. Sperry to J. K. Barbour	1851½	984

	Original	Print
Govt. Exhibit No. 715—Letter from Security Cement & Lime Co. to W. L. Sperry, April 22, 1916	1852½	985
Govt. Exhibit No. 716—Letter from Cement Manufacturers Protective Association to A. V. Le Masters, July 19, 1917	1853	985
Govt. Exhibit No. 717—Letter from J. J. Porter to Cement Manufacturers Protectice Association, August 20, 1918	1853½	985
Govt. Exhibit No. 718—Letter from L. A. C. to B. T. Scott, April 1, 1915	1854½	986
Govt. Exhibit No. 719—Letter from E. R. Stapleton to L. A. Cover, April 7, 1915	1855	986
Govt. Exhibits Nos. 720 and 721—Letters from R. E. Griffith to C. W. Bacon, April 14 and April 21, 1916	1855½	986
Govt. Exhibits Nos. 722 to 725—Correspondence between C. W. Bacon and B. L. Swett	1856½	987
Govt. Exhibit No. 726—Letter from J. L. States to C. W. Bacon, May 9, 1916	1858½	988
Govt. Exhibit No. 727—Letter from C. W. Bacon to R. E. Griffith, May 10, 1916	1859	989
Govt. Exhibits Nos. 728 and 729—Correspondence between E. P. Alker and B. L. Swett	1860	990
Govt. Exhibits Nos. 730 and 731—Correspondence between C. W. Bacon and S. J. Fehnel	1861	990
Govt. Exhibit No. 732—Letter from W. D. Lober to D. H. MacFarland, May 7, 1917	1862½	991
Govt. Exhibit No. 733—Memorandum from J. F. T. to D. H. MacFarland	1863½	992
Govt. Exhibit No. 734—Letter from Kern Dodge, May 3, 1917	1864	992
Govt. Exhibit No. 735—Letter from C. W. Bacon to J. F. Twamley, May 10, 1917	1864½	992
Govt. Exhibit No. 736—Letter from C. W. Bacon to D. H. MacFarland, May 10, 1917	1865½	993
Govt. Exhibit No. 737—Letter from B. L. Swett to H. S. Gaines, November 16, 1917	1866	993
Govt. Exhibit No. 738—Letter from E. R. Stapleton to Robert Griffith, February 4, 1919	1866½	994
Govt. Exhibit No. 739—Letter from R. E. Griffith to E. R. Stapleton, February 5, 1919	1870	994
Govt. Exhibit No. 740—Letter from Raymond to R. E. Griffith, May 20, 1919	1871	995
Govt. Exhibit No. 741—Letter from R. E. Griffith to F. M. Coogan, June 11, 1919	1871½	995
Govt. Exhibit No. 742—Letter from J. B. Lober to G. S. Brown, January 19, 1921	1872	996
Govt. Exhibit No. 743—Letter from F. E. Paulson to Security Cement & Lime Co., April 10, 1915	1873	996
Govt. Exhibit No. 744—Letters from J. K. Barbour to F. M. Coogan, May 21 and June 16, 1915	1873½	997

	Original	Print
Govt. Exhibits Nos. 746 and 747—Correspondence between H. S. Gaines and B. L. Swett	1874½	998
Govt. Exhibit No. 748—Letter from J. R. Morron to Mr. Gowen, July 12, 1915	1875½	998
Govt. Exhibits Nos. 749 to 751—Correspondence between W. N. Beach and F. M. Coogan	1876½	999
Govt. Exhibit No. 752—Circular from Lehigh Portland Cement Co., December 6, 1916	1878½	1000
Govt. Exhibit No. 753—Circular to members from Alpha Portland Cement Co	1879	1000
Govt. Exhibit No. 754—Letter from The Atlas Portland Cement Co. to J. P. Hall, Inc., December 7, 1916	1880	1001
Govt. Exhibits Nos. 755 and 756—Correspondence between W. S. Mallory and C. W. Bacon	1880½	1002
Govt. Exhibit No. 757—Letter from W. D. Clark to Cement Manufacturers Protective Association, August 6, 1917	1882	1003
Govt. Exhibit No. 758—Letter from C. H. Cox to Cement Manufacturers Protective Association, October 5, 1918	1882½	1003
Govt. Exhibits Nos. 759 and 760—Letters from G. F. Bayle, Jr., to Cement Manufacturers Protective Association, July 16, 1919, and October 14, 1919	1883	1004
Govt. Exhibit No. 761—Letter from Joseph Brobston to Miss M. B. Phalen, September 8, 1919	1884	1004
Govt. Exhibit No. 762—Letter from R. W. Hilles to B. L. Swett, December 30, 1919	1885	1005
Govt. Exhibits Nos. 763 to 768—Correspondence between H. B. Warner and Morris Kind	1885½	1006
Govt. Exhibit No. 769—Letter from Archibald Cox to W. D. Lober, October 27, 1917	1888½	1008
Govt. Exhibit No. 770—Letter from W. D. Lober to C. W. Bacon, October 31, 1917	1889	1008
Govt. Exhibit No. 771—Letter from Archibald Cox to W. D. Lober, October 27, 1917	1889½	1008
Govt. Exhibit No. 772—Letter from G. F. Bayle to W. D. Lober, November 1, 1917	1890½	1009
Govt. Exhibit No. 773—Letter from W. N. Beach to W. D. Lober, November 1, 1917	1891	1010
Govt. Exhibit No. 774—Letter from W. E. Erdell to W. D. Lober, November 1, 1917	1891½	1010
Govt. Exhibit No. 775—Letter from F. M. Coogan to W. D. Lober, November 1, 1917	1892	1010
Govt. Exhibit No. 776—Letter from E. B. Goode, Jr., to W. D. Lober, November 1, 1917	1892½	1011
Govt. Exhibit No. 777—Letter from J. A. Horner to W. D. Lober, November 1, 1917	1893	1011
Govt. Exhibit No. 778—Letter from J. F. Twamley to W. D. Lober, November 1, 1917	1893½	1012

	Original	Print
Govt. Exhibit No. 779—Letter from H. H. Ward to W. D. Lober, November 1, 1917	1894	1012
Govt. Exhibit No. 780—Letter from H. M. Scott to W. D. Lober, November 1, 1917	1894½	1012
Govt. Exhibit No. 781—Letter from F. H. Smith to W. D. Lober, November 1, 1917	1896½	1013
Govt. Exhibit No. 782—Letter from W. S. Mallory to W. D. Lober, November 2, 1917	1897½	1013
Govt. Exhibit No. 783—Letter from W. G. Dutton to W. D. Lober, November 2, 1917	1898	1014
Govt. Exhibit No. 784—Letter from R. L. Cope to W. D. Lober, November 2, 1917	1899	1014
Govt. Exhibit No. 785—Letter from R. E. Griffith to W. D. Lober, November 2, 1917	1899½	1015
Govt. Exhibit No. 786—Letter from R. W. Hilles to W. D. Lober, November 3, 1917	1900	1015
Govt. Exhibit No. 787—Letter from B. L. Swett to W. D. Lober, November 5, 1917	1900½	1015
Govt. Exhibit No. 788—Letter from H. S. Gaines to Irving Oberman, October 18, 1917	1901	1016
Govt. Exhibit No. 789—Letter from H. S. Gaines to Harry I. Norton, November 5, 1917	1901½	1016
Govt. Exhibit No. 790—Letter from W. G. Dutton to W. D. Lober, November 27, 1917	1902½	1017
Govt. Exhibit No. 791—Letter from president Cement Manufacturers Protective Association to W. G. Dutton, December 3, 1917	1904	1018
Govt. Exhibit No. 792—Letter from W. D. Lober to C. W. Bacon, December 3, 1917	1904½	1018
Govt. Exhibit No. 793—Letter from president Cement Manufacturers Protective Association to J. R. Morron, February 14, 1918	1905	1019
Govt. Exhibits Nos. 794 and 795—Correspondence between W. N. Beach and W. G. Dutton	1906½	1020
Govt. Exhibit No. 796—Letter from A. B. Daniels to W. G. Dutton, February 20, 1918	1908	1021
Govt. Exhibit No. 797—Letter from W. G. Dutton to A. B. Daniels, February 23, 1918	1909	1021
Govt. Exhibits Nos. 798 and 799—Correspondence between W. G. Dutton and L. C. Morton	1910	1022
Govt. Exhibit No. 800—Letter from H. S. Gaines to T. E. Wright, March 21, 1919	1911	1022
Govt. Exhibit No. 801—Estimate of defendants' properties in 1919	1912½	1023
Govt. Exhibit No. 802—Letter from W. M. Floring to Manchester & Hudson Co., April 1, 1919	1913	1023
Govt. Exhibit No. 803—Letter from W. M. Floring to Windsor Cement Co., April 1, 1919	1915½	1023
Govt. Exhibit No. 804—Comparison of wholesale prices at present with 1920 and prewar	1918½	1024

	Original	Print
Govt. Exhibit No. 805—Wholesale price comparisons..	1919	1024
Govt. Exhibit No. 806—Chart showing recession in prices as of December, 1921, of commodities on Defendants' Exhibit 134	1921½	1024
Govt. Exhibit No. 807—Chart showing wholesale price comparisons	1922	1024
Govt. Exhibit No. 808—Letter from L. R. B. to F. A. Boeyge et al., January 26, 1920	1922½	1024
Govt. Exhibit No. 809—Letter from L. R. B. to D. H. MacFarland, June 4, 1920	1923	1024
Govt. Exhibit No. 810—Circular letter to members, June 24, 1920	1924	1024
Govt. Exhibit No. 811—Number of officers and salaries, 1916-1921, Allentown	1924½	1025
Govt. Exhibit No. 812—Number of officers and salaries, 1916-1921, Alpha	1924½	1025
Govt. Exhibit No. 813—Number of officers and salaries, 1916-1921, Atlas	1925	1025
Govt. Exhibit No. 814—Number of officers and salaries, 1916-1921, Bath	1925	1026
Govt. Exhibit No. 815—Number of officers and salaries, 1916-1921, Coplay	1925½	1026
Govt. Exhibit No. 816—Number of officers and salaries, 1916-1921, Dexter	1925½	1026
Govt. Exhibit No. 817—Number of officers and salaries, 1916-1921, Edison	1926	1026
Govt. Exhibit No. 818—Number of officers and salaries, 1916-1921, Giant	1926	1027
Govt. Exhibit No. 819—Number of officers and salaries, 1916-1921, Glens Falls	1926½	1027
Govt. Exhibit No. 820—Number of officers and salaries, 1916-1921, Hercules	1926½	1027
Govt. Exhibit No. 821—Number of officers and salaries, 1916-1921, Knickerbocker	1927	1027
Govt. Exhibit No. 822—Number of officers and salaries, 1916-1921, Lawrence	1927	1028
Govt. Exhibit No. 823—Number of officers and salaries, 1916-1921 Lehigh	1927½	1028
Govt. Exhibit No. 824—Number of officers and salaries, 1916-1921, Nazareth	1927½	1028
Govt. Exhibit No. 825—Number of officers and salaries, 1916-1921, Penn-Allen	1928	1028
Govt. Exhibit No. 826—Number of officers and salaries, 1916-1921, Pennsylvania	1928	1029
Govt. Exhibit No. 827—List of officers and salaries, 1916-1921, Phœnix	1928½	1029
Govt. Exhibit No. 828—List of officers and salaries, 1916-1921, Security	1928½	1029
Govt. Exhibit No. 829—List of officers and salaries, 1916-1921, Vulcanite	1929	1029

	Original	Print
Def'ts' Exhibit D-1—Bureau of Standards circular No. 33, United States Government specifications for Portland cement	1932	1030
Def'ts' Exhibit No. D-2—Correspondence	1958	1030
Def'ts' Exhibit No. D-3—Correspondence between Cement Manufacturers Protective Association and Lehigh Portland Cement Co	1962	1034
Def'ts' Exhibit No. D-4—Instructions to auditors	1965	1037
Def'ts' Exhibit D-5—Correspondence	1967	1039
Def'ts' Exhibit No. D-6—Correspondence	1971½	1043
Def'ts' Exhibit No. D-7—Letter from B. L. Swett to Cement Manufacturers Protective Association, January 16, 1920	1975	1046
Def'ts' Exhibit No. D-9—Annual report of Cement Manufacturers Protective Association, 1920	1977	1048
Def'ts' Exhibit No. D-24—Letter from D. H. MacFarland to C. A. Kimball, October 20, 1916	1999	1054
Def'ts' Exhibit No. D-25—Letter from J. R. Morron to D. H. MacFarland, October 20, 1916	2000	1055
Def'ts' Exhibit No. D-26—Letter from C. A. Kimball to D. H. MacFarland, October 20, 1916	2001	1056
Def'ts' Exhibit No. D-27—Letter from J. R. Morron to L. G. McConnell, January 15, 1917	2002	1056
Def'ts' Exhibits Nos. D-28 to D-34—Letters from J. R. Morron to Mr. Holman	2002½	1056
Def'ts' Exhibits Nos. D-35 to D-50—Correspondence between E. B. Goode and A. P. Lockwood	2008½	1059
Def'ts' Exhibits Nos. D-51 to D-55—Correspondence between W. G. Dutton and Mr. Franks	2015½	1064
Def'ts' Exhibit No. D-56—Letter from W. L. H. to J. H. Kelter Co., June 3, 1919	2019	1066
Def'ts' Exhibit No. D-57—Letter from W. M. Floring to Albany Builders Supply Co., Inc., January 28, 1921	2020	1067
Def'ts' Exhibit No. D-58—Letter from Knickerbocker Portland Cement Co. to A. Lyth and Sons Co., May 3, 1921	2021½	1067
Def'ts' Exhibit No. D-59—Letter from Giant Portland Cement Co. to A. Lyth & Sons Co., May 10, 1920	2022	1068
Def'ts' Exhibits Nos. D-60 and D-61—Circulars from Alpha Portland Cement Co., April 11, 1919	2022½	1068
Def'ts' Exhibit No. D-62—Circular from Alpha Portland Cement Co., September 3, 1918	2024½	1070
Def'ts' Exhibit No. D-63—Letter from H. H. Ward to Albany Builders Supply Co., December 10, 1914	2028½	1074
Def'ts' Exhibit No. D-64—Letter from W. M. Floring to Albany Builders and Supply Co., April 13, 1920	2030	1074
Def'ts' Exhibit No. D-65—Letter from L. G. McConnell to D. H. MacFarland, January 16, 1917	2032	1074
Def'ts' Exhibit No. D-66—Letter from L. G. McConnell to C. A. Kimball, January 23, 1917	2033	1075

	Original	Print
Def'ts' Exhibit No. D-67—Letter from W. G. Thompson to Mr. Heft, March 21, 1918	2033½	1076
Def'ts' Exhibit No. D-68—Letter from H. C. S. to Mr. Kimball, March 21, 1918	2034	1076
Def'ts' Exhibit No. D-69—Letter from E. J. to Mr. Kimball, March 21, 1918	2034½	1076
Def'ts' Exhibits Nos. D-70, D-71, and D-72—Price quotations	2034½	1077
Def'ts' Exhibit No. D-73—Letter from Alpha Portland Cement Co. to R. G. Brewer, March 21, 1918	2035½	1077
Def'ts' Exhibits Nos. D-74, D-75, and D-76—Price quotations	2037½	1078
Def'ts' Exhibit No. D-77—Letter from Vulcanite Portland Cement Co. to R. G. Brewer, March 21, 1918	2038½	1078
Def'ts' Exhibit No. D-78—Letter from Alpha Portland Cement Co. to J. J. Leonard, March 21, 1918	2040	1079
Def'ts' Exhibit No. D-79—Letter from O. B. Williams to J. J. Leonard, March 21, 1918	2041½	1079
Def'ts' Exhibit No. D-80—Letter from D. H. MacFarland to J. R. Morron, March 21, 1918	2042½	1080
Def'ts' Exhibit No. D-81—Telegram from J. R. Morron to D. H. MacFarland, March 21, 1918	2043	1080
Def'ts' Exhibit No. D-82—Letter from D. H. MacFarland to J. R. Morron, March 21, 1918	2043½	1080
Def'ts' Exhibit No. D-83—Telegraph from J. R. Morron to B. H. MacFarland, March 22, 1918	2044	1081
Def'ts' Exhibit No. D-84—Letter from D. H. MacFarland to J. R. Morron, March 23, 1918	2044½	1081
Def'ts' Exhibits Nos. D-85 and D-86—Telegrams from J. R. Morron to D. H. MacFarland, March 24, 1918	2045	1081
Def'ts' Exhibit No. D-87—Letter from C. A. Kimball to McKenna, March 22, 1918	2046	1082
Def'ts' Exhibit No. D-88—Letter from C. A. Kimball to Boston office, March 22, 1918	2046½	1082
Def'ts' Exhibit No. D-129—Chart showing percentage change in volume of shipments for cement and other construction materials	2048	1082
Def'ts' Exhibit No. D-130—Circular letter to members from H. G. Jacobsen, May 25, 1920	2049	1083
Def'ts' Exhibit No. D-130A—Circular letter to members from A. N. Johnson, May 26, 1920	2049½	1083
Def'ts' Exhibit No. D-131—Circular letter to members from A. N. Johnson, June 22, 1920	2050½	1084
Def'ts' Exhibit No. D-132—Brief of The Portland Cement Co. to Interstate Commerce Commission re modification of service order No. 7	2051½	1085
Def'ts' Exhibit No. D-133—Circular letter to members from G. A. Ricker, August 21, 1920	2054½	1087
Def'ts' Exhibit No. D-134—Chart showing maximum wholesale prices of commodities	2056	1088

	Original	Print
Def'ts' Exhibit No. D-136—Telegram from W. A. Holman to J. R. Morron, April 24, 1922	2057	1088
Def'ts' Exhibit No. D-137—Announcement, Edison Portland Cement Co	2057½	1089
Def'ts' Exhibit No. D-147—Letter from State highway engineer to Vulcanite Portland Cement Co., March 20, 1919	2058	1089
Def'ts' Exhibit No. D-148—Correspondence	2058½	1090
Def'ts' Exhibit No. D-149—Tabulation of replies to inquiry contained in Govt. Exhibit No. 326	2066½	1096
Def'ts' Exhibit No. D-150—Letter from J. A. Norton to Atlas Portland Cement Co., January 20, 1920	2067½	1098
Def'ts' Exhibit No. D-151—Letter from The Atlas Portland Cement Co., January 21, 1920	2068	1098
Def'ts' Exhibit No. D-152—Letter from Coplay Cement Mfg. Co. to George A. Fuller Co., April 5, 1921	2068½	1098
Def'ts' Exhibit No. D-153—Letter from A. I. Campbell to Lawrence Cement Company, November 1, 1920	2069½	1099
Def'ts' Exhibits No. D-154 and D-155—Letters from Coplay Cement Co. to Thompson Starrett Co.	2070½	1100

[fol. 1268½] Govt. Ex. No. 216

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

September 8, 1919.

Cement Manufacturers Protective Ass'n, 19 West 44th St., New York City.

Gentlemen: In reporting our figures for the month of August, we neglected to note in connection with shipments for that month, that 3,292 barrels were shipped for the account of the Allentown Portland Cement Company and 1,742 barrels for the Hercules Cement Corporation. We advise you of this in the event of your desiring to make any correction in the figures.

Yours very truly, Giant Portland Cement Company. J. F. Lennig, Secretary.

Endorsed: Received Sep. 9, 1919. Cem't Mfg. Prot. Ass'n.

[fol. 1269] Govt. Ex. No. 217

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

September 12th, 1919.

Mr. George F. Bayle, Glens Falls Portland Cement Co., Glens Falls, New York.

My Dear Mr. Bayle: I am writing you personally following talk you had with Mr. Conn yesterday in the matter of selling us cement for say October and November delivery, in which you stated you felt you could ship us any part of 30,000 bbls. from say October 1st until November 15th, and I am writing you as stated personally in view of the fact that I am just leaving for a little holiday and want to have things in good shape before I go, and would ask if you will kindly drop us a line stating, that provided you can secure cars for shipment, if you can let us have any part of this cement that we may need and at what price, in our bags. Frankly in turn-
[fol. 1269¼] ing orders over to you all we would ask would be that we can make sales expense of 15¢ per bbl. out of any orders we turn over, and we would like to hear from you as soon as possible so that we can divert a car of new bags to your mill for shipment.

With kind regards, and awaiting your reply, we remain.

Yours very truly, R. E. Griffith, Vice-President. REG/F.

Endorsed: Glens Falls Portland Cement Co. Sep. 15, 1919, Glens Falls, N. Y.

[fol. 1270] GOVT. EX. No. 218

Sept. 15, 1919.

Mr. R. E. Griffith, Vice-Pres. Giant Portland Cement Co., Pennsylvania Bldg., Philadelphia, Pa.

MY DEAR MR. GRIFFITH: This is to acknowledge your favor of the 12th inst.

I do not know that Mr. Conn understood me thoroughly in my talk with him in New York on Thursday. For your information; I stated to him that we had already partially committed ourselves to another Cement Company before we had received any communications from you.

I also told him that whether or not we could ship you any cement would depend entirely on the future car supply, as you of course understand that we must take care of our own customers first.

If a little later on we find that we are in position to accept any business from you, we shall be glad to advise you accordingly, as we certainly would be very glad indeed to dispose of some of the large surplus which we have on hand.

Under the circumstances, I do not think that it would be a good plan for you to ship us any of the bags at the present time, as we will give you ample notice if we find that we can help you out.

As to the price, I have no doubt that we can get together on a price which will be mutually satisfactory.

Yours very truly, —— ——, President. GFB:MLC.

[fol. 1270½] GOVT. EX. No. 219

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

September 24, 1919.

Mr. George F. Bayle, President Glens Falls Portland Cement Co., Glens Falls, N. Y.

DEAR MR. BAYLE: I was sorry not to see you at the meeting in Cleveland, as expected. Your letter of September 19th is perfectly clear and entirely satisfactory to us. Should you have quite a large stock of cement and are willing to sell a small amount to us for delivery in our bags as orders are placed with you, at $1.50 per barrel bulk at your mill, providing you obtain sufficient cars (a) to take care of your own orders and (b) prior orders from another cement company,—we will take the matter up with you at a later date

(when we require shipments from other mills) to ascertain conditions with you at that time.

Yours very truly, —— ——, President.

Endorsed: Glens Falls Portland Cement Co. Sep. 25, 1919, Glens Falls, N. Y.

[fol. 1271] GOVT. Ex. No. 220

Western Union Telegram

Glens Falls, N. Y., Oct. 17, 1919.

Cement Mfgrs. Protective Ass'n, 19 West 44th St., New York City:

Change our October report 7,158 barrels shipped for account Giant Company.

Glens Falls Portland Cement Co.

Confirmation.
Edorsed: Received Oct. 18, 1919. Cem't Mfg. Prot. Ass'n.

[fol. 1271½] GOVT. Ex. No. 221

Archibald Cox, Counselor at Law, 233 Broadway

New York, October 21, 1919.

H. S. Gaines, Esq., Vice President Cement Manufacturers Protective Association.

DEAR MR. GAINES: I find the statistical report for September, 1919 suggests a question of some importance to which I beg to direct attention as follows:

The report indicates that quite a lot of cement is being shipped by some companies for other companies, and perhaps that this is being done to an extent which calls for explanation and may lead to misconception.

Like many other activities among competitors, the legality of this depends finally on the conclusion which some one else, namely, a judicial tribunal or office, may reach concerning its purpose and result. It is obviously entirely proper for a company whose manufacturing and selling operations have not exactly matched each other to purchase from, or sell to, another company whose operations are out of balance in the opposite direction. On the other hand it would be improper for competitors to go through the same specific acts as a means of dividing up the business in cement.

Just at present, these statistics, among other things, are material [fol. 1272] from which an effort will be made to shape a conclusion that competition is being suppressed in the cement industry. Ac-

cordingly, it seems to me advisable in this particular matter to be guided by the rule of avoiding anything which can be contorted into suggesting any suppression of competition. At present, it is not, I think, enough that there is in fact nothing of that kind. It is advisable to go further and avoid things that may be misconceived.

The application of that rule produces two requirements:

(1) There should be no transaction of this kind without evidence of its legitimate cause, purpose and result being preserved so as to be available, and

(2) The total number of such transaction should not be such as to produce a possible impression of established practise or general understanding.

In other words, in view of the likelihood of efforts to contort things just at present, it is desirable for the manufacturers to seek to avoid, rather than increase, these transactions, and when they are necessary, as they always have been to some extent, carefully preserve complete evidence as to precisely what each transaction was.

Yours vehy truly, (Signed) Archibald Cox.

[fol. 1272½] GOVT. EX. No. 222

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

October 24, 1919.

Mr. Geo. F. Bayle, President Glens Falls Portland Cement Co., Glens Falls, N. Y.

DEAR SIR: Referring to conversation on phone to-day in the matter of shipments, while I appreciate the fact that you have been trying to help us in every way by shipping cars, yet if you could bill these out on our bills of lading as sent you, it would be appreciated.

Also kindly do not notify any of our customers by postal that shipments are being made from your mill, as this only leads to complication. We are in receipt of several letters from our customers in reference to this, in which one of them frankly states they note that car is being shipped by the Glens Falls Portland Cement Co. [fol. 1273] and refuses to accept same in view of the fact that you have a dealer in the town and they do not want to handle Glens Falls. I know you will understand our reason for writing you as above.

Thanking you for past favors, we remain

Yours very truly, R. E. Griffith, Vice-President. N.

Endorsed: Glens Falls Portland Cement Co., Oct. 27, 1919, Glens Falls, N. Y.

[fol. 1273½] Govt. Ex. No. 223

Oct. 27, 1919.

Mr. R. E. Griffith, Vice-Pres. Giant Portland Cement Co., Philadelphia, Pa.

Dear Sir: We have your favor of the 24th inst., and in answer to same would advise that commencing with Saturday, October 25th, we are billing all shipments for your account on your own bills of lading.

We could not do this at an earlier date, as the bills did not reach us until late Friday.

We will also comply with your request not to send postal notices of shipments to your customers in the future.

Trusting that these arrangements will cover your requirements, we are,

Yours truly, Glens Falls Portland Cement Co. —— ——,
2nd Vice-President. GFB.Jr/MLC.

[fol. 1274] Govt. Ex. No. 224

Cement Manufacturers Protective Association

219-220 Commercial Trust Building, Philadelphia, Penna.

Charles W. Bacon, Secretary

February 18th, 1916.

Mr. Charles W. Bacon, Secretary Cement Mfrs. Protective Association, Philadelphia, Pa.

Dear Sir: I enclose you herewith letter received from Mr. F. W. Kelley of the Helderberg Cement Company, and copy of my reply. I wish you would have these letters for the meeting on the 28th.

Yours truly, R. E. Griffith, President. S. S. Enc.

[fol. 1274½] Govt. Ex. No. 225

Copy to Mr. Chas. W. Bacon.

February 18th, 1916.

Mr. F. W. Kelley, President Helderberg Cement Company, Albany, New York.

My Dear Fred: Your little note of the 17th inst. duly received, and I cannot tell you how glad I am to note that you have been able

to get away for a little rest and that you enyoyed your stay in the South. This certainly was a good time to have been away, but I am very sorry that we have had such rotten weather for your return, and trust that you will take care of yourself, as I feel frankly, after one has been in the South and become acclimated to the warm weather and then comes North, it is so cold that it is apt to react.

In the matter of coming on to see the working of the Association for the meeting, I cannot tell you how I would appreciate it if you could come on, and you can come absolutely uncommitted as far as membership is concerned. In other words, in your coming on, I will explain to all the members of the Association that you are present at my invitation to look into the activities of the Association and will decide at some future time as to the advisability of your Company joining.

[fol. 1275] Further, I beg to state that this has been done by three other Companies, and since their attending these meetings, they have felt it to their interest for their Companies to join, and therefore hope you can arrange to come on for the 28th, or if you prefer, run over before that time and I will be very glad indeed to have you stay with me over Sunday and then attend the meeting on Monday, the 28th.

With kind regards, and awaiting your reply as to whether you will attend the meeting as my personal guest, I remain,

Sincerely yours, —— ——, President. S.

[fol. 1275½] Govt. Ex. No. 226

Dexter Portland Cement Company

Nazareth, Pa., 3-25-16.

Mr. Robert E. Griffith, President Cement Manufacturers Protective Ass., 219 Commercial Trust Building, Philadelphia, Pa.

My Dear Bob: I acknowledge receipt of yours of the 24th inst. My only idea in writing you was that it was not fair for the Nazareth Company to have reports of our contracts and credit reports if they did not reciprocate and it seems to me that they have now been given enough chance to see what the benefits of belonging to the Association will be and we, therefore, until they actively take part, think they should not receive any further reports.

I am glad to note that you expect the Alsen's to come in. I think [fol. 1276] it is worth while to continue working on the Helderberg as we can get Glens Falls the minute the Helderberg comes in. We will always keep on working with Horner and trust that he will eventually come in line.

Very truly yours, Joseph Brobston, Vice-Pres.

[fol. 1276½] GOVT. EX. No. 227

Lawrence Portland Cement Company, Manufacturers of Dragon Portland Cement

1 Broadway, New York City

March 1, 1916.

Mr. Robert E. Griffith, President Cement Manufacturers Protective Association, 219 Commercial Trust Building, Philadelphia, Pa.

[fol. 1277] DEAR MR. GRIFFITH: Enclosed is a letter from the Tidewater Portland Cement Company which speaks for itself.

I am enclosing a check to the order of the Biltmore for $78.20. Unless the Association has items making up this amount, I think we should have for our records a detailed bill covering the items making up the bill. If you view this matter in the same light as I do will you kindly instruct Mr. Bacon to write the Biltmore for additional information.

Yours very truly, Marion S. Ackerman, Vice-President.
MSA:EH.

Enc.

How can we get after Mr. Harding? M. S. A.

[fol. 1277½] GOVT. EX. No. 228

May 22, 1917.

Mr. W. D. Lober, President Cement Manufacturers Protective Ass'n, Philadelphia, Pa.

DEAR SIR: I have on file letters confirming verbal action taken at the organization meeting of the Cement Manufacturers Protective Association held at the Engineers' Club, Thursday, January 6th, 1916. These letters were addressed to Mr. Joseph Brobston, who was Secretary pro tem, and are from the following companies—Allentown, Alpha, Atlas, Bath, Coplay, Edison, Giant, Lawrence, Lehigh, Nazareth, Penn-Allen, Pennsylvania, Phœnix and Vulcanite. There was no letter from Dexter, but, inasmuch as Mr. Brobston was Secretary of the Association, I suppose that was evidence of their intention of joining.

On page 28 of the minutes of the organization meeting, Mr. Coogan states—"The Glens Falls Portland Cement Company have expressed a desire to become members and are heartily in accord with the spirit of the Association, but on account of the other Hudson Mills not being members, they do not care to file contracts until such time as the other companies in that district do likewise.

At the meeting in Philadelphia, February, 1916, the Cayuga and Knickerbocker Companies were formally elected to membership.

[fol. 1278] In April 1916 the Clinchfield and Virginia Companies were formally elected to membership. Security expressed their desire of being members at the organization meeting held at the Biltmore, New York City, January 4th, 1916. As to the Millen Company—they have reported, I believe, since the Association started. We have no record of their ever formally accepting membership, but by their reporting at the beginning, think it would qualify them as chartered members.

The aforegoing list of companies, therefore, are what you might term full-fledged members.

At the Credit Managers' meeting, February 28th, 1916, Mr. Coogan, who presided at the meeting, stated as follows: "Mr. Corbett of the Alsen's Am. Portland Cement Works and Mr. Kelly of the Helderberg Cement Company are here today, on invitation of the President, to see what we do and how we do it. We hope some of these days we will have both of them as members of the Association." Since that time, I know of no action taken to elect these companies to membership of the Association.

This is all I have found in going through the minutes. If anything more comes up, I will let you know.

Yours very truly, —— ——, Secretary. CWB/W.

[fol. 1278½] Govt. Ex. No. 229

30 Broad Street, New York

February 1, 1918.

Dear Mr. Gaines: What has become of the letter which you and Mr. Cox were to prepare to be sent to members regarding the proper use of Association information.

I had a call yesterday from Mr. Bayle of the Glens Falls Company. I had quite a conversation with him regarding the New York State situation, having in mind your recent conversation with Mr. Corbett. Mr. Bayle tells me that there is no New York State Association of any kind, so far as he knows, and as nearly as I can gather Mr. Corbett's lengthy conversation with you was more in the nature of an excuse rather than a reason for not joining.

I find that Mr. Bayle is not as strong for our Association as he was some time ago. He says that he will stick to his agreement that he will join if Mr. Kelley will, but as he expressed it—"he is not as warm on the subject as previously." His reason for this is that he says he has noticed a very pronounced disposition on the part of salesmen of Cement Companies to use the information which they receive regarding other people's contracts to "crab" with the party [fol. 1279] placing the contract with the Company with which it was placed rather than with their *their* own, and to make things generally unpleasant because the order finally went to someone else. This you will recognize is the same complaint that others have made

and I think is general and must be stopped. Hence my inquiry regarding the letter.

At the earliest convenient opportunity I think it would be well for you to again approach Mr. Kelley on the subject.

Yours very truly, W. A. Holman, Chairman. WAH/MK.

Mr. H. S. Gaines, Vice Pres. Cement Manufacturers Protective Association, 916 Widener Building, Philadelphia, Pa.

[fol. 1279½] Govt. Ex. No. 230

May 4th, 1916.

Mr. Robert E. Griffith, President Cement Protective Association, Commercial Trust Building, Philadelphia.

Dear Mr. Griffith: At the last meeting of the Association, I was called upon to make a decision as to whether our company would resign from the Association or participate in all the functions thereof, including the filing of our contracts.

I have felt in sympathy with the object and efforts of the Association from the very beginning. I think it has accomplished wonders and is likely to accomplish much more as time goes on. For this reason, I had decided to publish our contracts and not resign. I do not believe in being a half way member of anything.

Owing to recent occurrences in our territory, I am obliged to decide that it is best for our company to resign from the Association in order to have a free hand to protect itself from murderous attac*hs*. Therefore, I think it will not be proper for use to file our contracts for the 1st of May as I promised and you can advise Mr. Bacon, the Secretary, not to wait for our reports.

[fol. 1280] I expect to be present at the next meeting of the Association and tender our formal resignation, and at the same time put myself in position to explain to anyone wanting to know more in detail, our reasons for this decision.

Permit me to express the very high appreciation I have for what you have done to make the Association a success. I assure you I drop out with great regret.

Very truly, —— ——, President. LAC-r.

[fol. 1280½] GOVT. EX. No. 231

Cement Manufacturers Protective Association

219-220 Commercial Trust Building, Philadelphia, Penna.

Charles W. Bacon, Secretary

May 6th, 1916.

Mr. Loring A. Cover, President Security Cement and Lime Company, Equitable Bldg., Baltimore, Md.

MY DEAR MR. COVER: Your letter of May 4th is received, and I really cannot find the words to express my regret for the action you contemplate taking at the next meeting of the Association. In view of the fact that I am endeavoring weekly to have the three manufacturers who are out, become members of the Association—and can honestly report progress toward this end—and believe that by the June meeting two of the three will have joined, and also as I feel that the work we are doing is of such vital importance to the industry, I sincerely hope you will reconsider your decision in this matter.

I am therefore, going to ask you if you will not retain your membership in the Association and give us your co-operation, the same as you have in the past—without reporting contracts—as I feel that [fol. 1281] if your resignation was presented at this time I do not feel that there would be any chance of the Tidewater coming in, so I want you to consider it in the light that I am writing, and ask you not to resign.

I had a very nice talk with Mr. Stapleton, and he feels that the Tidewater should become members and he has asked me to have a talk with Mr. Scott in conjunction with him, and I hope the interview will be successful with him, upon my return from Chicago, therefore trust to hear from you that you will retain your membership.

Sincerely yours, R. E. Griffith, President.

[fol. 1281½] GOVT. EX. No. 232

February Twenty-eighth, Nineteen Nineteen.

Mr. W. A. Holman, Asst. to President the Atlas Portland Cement Co., 30 Broad Street, New York.

DEAR MR. HOLMAN: In answer to your letter of February 26th: I have seen a copy of the minutes of the annual meeting of the Mid-West Bureau and agree with you that they are now taking some long steps in the right direction.

It seems that the psychology of Association work is hard for the commercial mind to grasp quickly, and it is going to take time, but

it is very gratifying to me to see all of the cement manufacturers trying so hard to conduct their Association affairs in a manner that is entirely proper from every standpoint. It is all a matter of education and the "lights on the horizon" seem very bright to me.

Yours very truly, —— ——, Vice-President. HSG-G.

[fol. 1282] Govt. Ex. No. 233

January Twenty-seventh, Nineteen Twenty.

Personal

Mr. E. R. Stapleton, c/o Tidewater Portland Cement Co., Baltimore, Md.

My Dear Mr. Stapleton: Beg to acknowledge receipt of your letter of the 24th, enclosing check for $2.86 on the matter of the Griffith luncheon.

It was more than a pleasure to me and to the others to have you with us at this luncheon, and I sincerely believe that if we could see you regularly once a month, you would find that a closer acquaintance with your competitors would iron out a great many misunderstandings, and I have always felt that the only reason you were not a member of the Association was that you did not fully appreciate the fact that we are purely and simply a bureau for the dissemination of historical facts and nothing more.

With kindest personal regards, I beg to remain,

Yours very truly, —— ——. HSG-G.

[fol. 1282½] Govt. Ex. No. 234

Cayuga Cement Corporation

New York Office, 30 East 42nd St.
Address reply to 30 E. 42nd St.

May 14th, 1918.

Mr. Geo. F. Bayle, Pres. Glens Falls Portland Cement Co., Glens Falls, N. Y.

Dear Mr. Bayle: In going over the Cayuga Cement Corporation's affairs I notice they have not been active in the Cement Manufacturers' Protective Association, and filed their contracts.

It seems to me that this is a very important matter and that all of the New York State mills should join in with the rest of the companies, so that we can all be working on the same basis. So far as we are concerned, we are prepared to get into the fold, provided the Glens Falls and the Helderberg Companies join with us.

[fol. 1283] I cannot say I am very proud of the contracts that I find, but still it is something that can be remedied, and I assure you it will be.

Trusting to hear from you on this matter, and that you may feel that we can all go in together, believe me

Sincerely yours, W. N. Beach. WNB/R.

[fol. 1283½] Govt. Ex. No. 235

The Edison Portland Cement Company

Stewartsville, N. J.

December 31, 1915.

Mr. A. C. Steece, Treas. Ironton Portland Cement Co., Ironton, Ohio.

Dear Sir: I beg herewith to hand you a copy of a letter relating to cash discount practices, which I submitted to the Executive Committee at its meeting at the Hotel Biltmore last week, and at which time I was requested to forward a copy of it to all the members of our Association, and I trust you will find the information of interest.

Yours very truly, W. S. Mallory, President. WSM-RBS.

Enclosure

[fol. 1284] The Edison Portland Cement Company
Stewartsville, N. J.

Dear Sirs: About two months ago I sent you a letter asking for information relative to your cash discount practice, and I beg herewith to give you the results of the investigation.

My letter was mailed to the representative companies in one hundred and twenty different lines, whom I thought would sell a considerable proportion of their products jobbers or dealers. A large proportion replied promptly, a very few declined to give information, and some did not reply, which made it necessary to write to other companies in their particular line, and as a result, I have had replies from the one hundred and twenty various lines, which are enumerated herewith:

[fol. 1284½]

Alkali	Baking Powder	Clocks
Automobiles	Brooms	Corks
Art Metal Goods	Buttons	Crucibles
Agricultural Tools	Bath Room Supplies	Cordage
Asbestos	Brushes	Crockery
Ammunition	Breakfast Foods	Canvas Goods
	Baskets	Cameras
Batteries	Ball Bearings	Canned Soups
Bolts		Cartridges

Carbon
Coffee Substitutes
Canned Goods

[fol. 1285]

Desks

Electric Light Fixtures
Envelopes

Furniture
Felt
Fly Paper
Furnaces
Fountain Pens
Flash Lights
Filing Cabinets
Fire Bricks
Forgings
Fire Extinguishers
Gypsum
Graphite
Guns

Hooks & Eyes
Harness
House Boilers
Hammocks
Hardware

Ink

Leather Belting
Lead
Lead Pencils
Linen
Linoleum

Linen Collars

Musical Instruments (Brass)
Mattresses
Men's Clothing
Mechanical Tools
Music Boxes

Oil

Plows
Pencil Clips
Polish
Piano Players
Publishers
Paper Board
Plumbing
Plate Glass
Pulp
Paper
Paint
Pianos
Petroleum Products
Porcelains
Printing Machines
Paper Boxes
Pharmaceutical Specialties

Rattan
Rubber Goods
Roofing
Refrigerators
Razors
Radiators
Rings

Scales
Spices
Surgical Instruments
Steel Furniture
Skates
Steel Pens
Speed Indicators
Silk
Steam Shovels
Soap
Steam Goods
Stoves
Shade Rollers

Toys
Toilet Paper
Tobacco
Twine
Thread
Turpentine
Tires
Tissue Paper
Tacks

Upholstery
Underwear
Umbrellas

Varnish

Writing Paper
Wire Goods
Window Glass
Wooden Ware
Wagons
Wall Paper
Watches
Washing Powder

The first question asked was: "What cash discount in ten days does your industry allow to the dealers?"

The replies gave the following facts:

5	Concerns	give	30	days	net,	and	do	not	allow	any	cash	discount.
1	"	"	30	"	"	"	allows	½ %	cash	discount	in	10 days.
6	"	"	30	"	"	"	1 %	"	"	"	10	"
1	"	"	60	"	"	"	1 %	"	"	"	10	"
1	"	"	90	"	"	"	1 %	"	"	"	30	"
2	"	"	30	"	"	"	1½ %	"	"	"	10	"
1	"	"	60	"	"	"	1½ %	"	"	"	10	"
1	"	"	30	"	"	"	2 %	"	"	"	7	"
75	"	"	30	"	"	"	2 %	"	"	"	10	"

(Of the above 75 concerns, 12 allow 2% cash discount on monthly accounts if paid on or before the 10th of the succeeding month.)

[fol. 1285½]

2	Concerns	give	60	days	net,	and	allow	2½ %	cash	discount	in	10 days.
1	"	"	60	"	"	"	"	2 %	"	"	"	15 "
1	"	"	60	"	"	"	"	2 %	"	"	"	30 "
1	"	"	90	"	"	"	"	2 %	"	"	"	30 "
1	"	"	30	"	"	"	"	2½%	"	"	"	15 "
1	"	"	30	"	"	"	"	3 %	"	"	"	10 "
1	"	"	60	"	"	"	"	3 %	"	"	"	10 "
1	"	"	60	"	"	"	"	3 %	"	"	"	10 "
1	"	"	90	"	"	"	"	3 %	"	"	"	10 "
2	"	"	90	"	"	"	"	3 %	"	"	"	30 "
1	"	"	90	"	"	"	"	3½%	"	"	"	10 "
2	"	"	30	"	"	"	"	4 %	"	"	"	10 "
1	"	"	60	"	"	"	"	4 %	"	"	"	10 "
1	"	"	60	"	"	"	"	4 %	"	"	"	20 "
1	"	"	30	"	"	"	"	5 %	"	"	"	10 "
2	"	"	60	"	"	"	"	5 %	"	"	"	10 "
2	"	"	60	"	"	"	"	5 %	"	"	"	30 "
2	"	"	90	"	"	"	"	5 %	"	"	"	30 "
1	"	"	120	"	"	"	"	5 %	"	"	"	30 "
2	"	"	30	"	"	"	"	6 %	"	"	"	10 "
3	"	"	60	"	"	"	"	6 %	"	"	"	10 "
1	"	"	120	"	"	"	"	6 %	"	"	"	10 "
1	"	"	30	"	"	"	"	7 %	"	"	"	10 "

1 Concern gives 30 days net, with following discounts in 10 days:—

2%	off	orders	amounting	to	not	less	than	$50.00 net.
3%	"	"	"	"	"	"	"	$100.00 "
5%	"	"	"	"	"	"	"	$340.00 "

(The number of discounts given exceed 120, for the reason that some concerns give different discounts for various periods.)

[fol. 1286] The second question was: Has there been any changes in the last five years in the amount of the cash discount, and if an increase, does it show a larger percentage of sales discounted; or if reduced, a smaller amount?"

114 concerns replied there had been no change; two concerns state they had increased discount, one from 1% to 2%, which gave "an increase in amount discounted"; the other increased from no discount to 2% on $50.00 invoices, 3% on $80.00 and 4% on $150.00 which resulted in a "decided increase in the amount discounted."

Four concerns reduced the amount of discounts, one from 6% to 2% with results that "about same number of customers discounted," another from 1% to no discount, another from 2% to 1%, which gave less discounts, and the fourth from 10% to 5%, which gave "about same amount discounted."

The third question was: "Do you allow a trade discount to the dealers, based on the amount of business done? If so, about how much?"

81 concerns do not allow a quantity discount and 39 give such discounts.

The amount of the total discount in dollars on the volume of sales, runs from 60% to 95% (4 concerns report 90% and over). The replies indicate that the concerns which insist on the discounts being taken within the discount period obtain the largest percentage of discounts. This is easy to understand, for the reason that the employee who handles the payments knows that if he does not make payment to a certain concern within the discount period the re-[fol. 1286½] mittance will be returned and his house will lose the discount, so he takes no chances with them and tries it on with the lenient ones and unfortunately is often successful. I believe it would take but little education and backbone to make all discounts come within the discount period.

Most of the replies are very interesting and many have asked that their comments be kept confidential, so I am only going to quote from the two extremes, the first being as follows:

We know of one manufacturer of — who does not make any allowance for cash. As a consequence, a great many firms who are financially able to pay, pigeon-hole his bills and he is continually hard pressed for funds. The writer has urged him not to try and be a pioneer in attempting to break down custom, but to raise his price accordingly and give the cash discount the trade demands."

The other is from a large concern with a national reputation obtained by high quality of product and extensive advertising—

"This Company and its predecessors, since the inauguration of this business, have used a 7% cash discount for payment in 10 days. In reality, this is a 5% trade and a 2% cash discount, dating the first of the following month. However, it has always been the means of securing prompt payment, and the accounts are practically closed out by the 15th of the following month. Our percentage of losses from bad debts is very much less than ½ of 1% of the total business." [fol. 1287] After careful consideration, the cement industry has decided to make terms of 30 days net and 5 cents per barrel discount for cash in 10 days (this is approximately 5% discount on the bulk price of cement f. o. b. mill). This was put into effect about thirty days ago. We use 5 cents instead of 5%, because all cement is sold on a delivered price and this avoids the possibility of the customer taking discount on the freight.

All cement invoices have printed or stamped on them the following:

"$— discount will be allowed if this invoice is paid on or before —— —, 191-."

(Total amount of discount in dollars and cents and blank date are to be filled in,—blank date to be ten days from date of invoice.)

Some concerns use a sticker, which is printed; "Do not ask us to allow a cash discount, unless you have earned it," and this is attached to invoice- which go to concerns who try to get the discount after the period has expired, then remittances with over-due discounts can better be returned, as customers have had two notices that payment must be made within the discount period.

I trust this information will be as interesting to you as the collection and tabulation of it has been to me.

Yours very truly, W. S. Mallory, President. WSM-RBS.

[fol. 1287½] Jan. 3, 1916.

Mr. W. S. Mallory, Pres. Edison Portland Cement Co., Stewartsville, N. J.

DEAR SIR: We have your favor of the 31st ult., enclosing copy of a letter in reference to the cash discount practices. This is very interesting information and we want to thank you for sending us this copy.

Personally the writer has been in favor of a higher rate of discount for the past two or three years, as he believes in the first place, it is not necessary to carry such a large amount on our books in outstanding accounts, and in the second place, it will tend to eliminate the undesirable dealer or contractor, as if he does not have the funds with which to take advantage of this large discount, he will be outdistanced by his competitors who possibly have.

Yours truly, —— ——. ACS.

[fol. 1288] GOVT. EX. No. 236

Copy to Mr. Chas. W. Bacon.

January 21st, 1916.

Mr. Richard Hardy, President Dixie Portland Cement Company, Chattanooga, Tenn.

MY DEAR DICK: As no doubt you have heard, we have formed the Cement Manufacturers Protective Association, and I am sending you three copies of the prospectus with the By-Laws and Constitution.

I wish you would look this over carefully and advise me what you think of it, as things are working out very nicely indeed, as far as the Lehigh District is concerned since this Association was formed, as all the Companies are now reporting all contracts closed, with delivery point, amount of cement contracted for, and deliveries applying against each, with prices and periods over which the deliveries will extend.

They are also reporting all overdue accounts and statistics covering cement manufactured, stock on hand, and shipments made.

The freight department of the Association is getting out books giving the freight rates to all the different points covered by the

Lehigh Valley district as far south as Virginia, and I hope later on, [fols. 1288½–1291] to be able to compile rates for the Southern States.

Would it not be a good idea to form an Association something on these lines, the same as they also have in the West, for the South?

On any point not clear that you would like further information, I would be glad to hear from you.

With kind regards, I am,

Sincerely yours, —— ——, President Cement Mfrs. Protective Assoc. S.

3-Enc.

[fol. 1292] Govt. Ex. No. 237

April 10, 1916.

Mr. W. P. Corbett, Sec. & G. M. S. Alsen's American Portland Cement Works, 45 Broadway, New York City, N. Y.

My Dear Corbett: Many thanks for your little note of the 7th instant, and frankly my dear fellow, it is words of this kind that makes one feel as if there is some use of the Association—in other words, with co-operation and good fellowship we should be able to get out of chaos, and I appreciate the position you are in until you hear from the other side; but I want you to feel that you are fully entitled to the information of this Association pending your receiving the looked-for instructions; and further I want you to see if you cannot strain a point and be here next Monday for the meeting, both of credits and contracts, as your personality will add a great deal to the strength of the Association, until, as stated, you receive full permission to join us.

In reference to dues, have you advised the other side of the small dues that have been set by the Association, viz.: six-tenths of a mill per barrel for shipments during the preceding year? I think this is essential and trust you will advise me.

With kindest regards,

Very truly yours, Cement Mfgrs. Protective Assn., by —— ——, President. REG-b.

[fol. 1292½] Govt. Ex. No. 238

Cement Manufacturers Protective Association

932 Commercial Trust Building, Philadelphia, Penna.

Charles W. Bacon, Secretary

May 7th, 1917.

Mr. J. K. Barbour, General Sales Manager Security Cement & Lime Co., Hagerstown, Md.

Dear Sir: It has been suggested that a comparison of the various quotation and contract and order forms used by the different members of the Protective Association would be of interest, with a view to possibly improving and standarizing the various forms of this kind in use.

I, therefore, ask that you bring with you to the next meeting of the Association, which will be on Monday, the 21st, copies of your quotation form and also your contract and order forms, provided you use different ones for these purposes.

Yours very truly, W. D. Lober, President.

[fol. 1293] Govt. Ex. No. 239

November Twenty-ninth, Nineteen Eighteen.

Mr. Archibald Cox, 233 Broadway, New York City.

Dear Mr. Cox: Enclosed herewith is copy of my suggestion of what to send the members relative to extending, in a limited way, the scope of the Association. As is customary, I submitted this to Mr. Holman—the chairman of the Committee—and he has replied relative to the suggestion, as per the attached memorandum.

In conference with Mr. Holman and Mr. Swett this morning on this subject, it was suggested that possibly the most enlightening and practicable way to get this before the members would be to ask your assistance in framing a letter which would be of value to the members in formulating their suggestions along lines that would be in harmony with your ideas as to what ought to be the scope of the subjects which could properly be discussed under our present Constitution and By-Laws.

If you could do this, in my opinion, it would prevent members from sending in suggestions which might have to be adversely passed upon, and possibly save us from *discourse*, which, as you know, we [fol. 1293½] are very anxious to avoid.

Will appreciate it if you will return Mr. Holman's memorandum with your reply.

Yours very truly, —— ——, Vice-President. HSG-G.

Enc.

[fol. 1294] GOVT. EX. No. 240

Alpha Portland Cement Company

General Offices: Easton, Pa.

March 26, 1919.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Protective Association, #19 West 44th St., New York City.

MY DEAR MR. GAINES: At the various meetings of the members of the Cement Manufacturers Protective Association, and particularly meetings of the Credit Men, considerable stress was laid on the importance and desirability of close co-operation between the member companies. I have in mind an instance which emphasizes the lack of this co-operation and thought I would bring it to your attention so that you could use it as a means of bringing about more effectively what the Association has set out to accomplish.

[fol. 1294½] On the 14th of this month I wrote to the Edison Portland Cement Company at #8 West 40th Street, New York City asking them to kindly give me in confidence the benefit of certain experience which they had with a customer that they formerly sold. Up to the present time I have not received any response. It may be that they did answer my communication and the letter became lost in the mails but, of course, that can be determined upon investigation.

I do not like to put myself in the position of asking any member Company the second time for the same information as naturally I infer, when an answer is not made to a request of mine, that the Company with which the matter has been taken up does not care to respond but, in your position, I thought that you might be able to diplomatically find out why, in this case, the letter was not answered and also whether or not it is the purpose and intent of the Edison Company not to exchange information; if so, I think the other members should know it and be governed accordingly in their relations with the Edison Company.

You understand, of course, that we have other sources which are available to obtain information on any prospective customer or on anybody that we are interested in but, at the same time, the principle involved in this case is what concerns me and I think it would be well to look into it.

Very truly yours, Jno. J. Matthes, Sec'y-Treas. JJM. H.

[fol. 1295] Govt. Ex. No. 241

April First, Nineteen Nineteen.

Personal

Mr. J. J. Matthes, Secretary-Treasurer Alpha Portland Cement Co., Easton, Pa.

My Dear Mr. Matthes: Responding to your letter of March 26th, I had a long talk with Mr. J. C. La Rue, Secretary of the Edison Portland Cement Company yesterday in regard to the matter you mention.

Mr. La Rue tells me that he can find no record of having received your letter making an inquiry as to any of his customers. He expressed himself as more than willing to cooperate along these lines and that if you will send him an inquiry under personal cover, he will give it prompt attention.

He called my attention to several instances where he has recently cooperated with other manufacturers by giving them information as to accounts which he is selling, and especially to a letter of commendation from Mr. W. D. Lober, who complimented him highly upon his willingness to cooperate and thanking him for the complete detail of information given him along these lines.

[fol. 1295½] I feel certain that this letter must have been lost or diverted in some way, as Mr. La Rue convinced me of his willingness to do whatever he can to promote the interests of the industry, and he suggested that in cases of this kind where you did not receive a prompt reply, if you followed up to him with a second letter, he would appreciate very much your doing so.

As you doubtless know, the Edison Company has recently re-organized their entire office arrangements and now have everything at their office at 8 West 40th Street, but they are still in somewhat of a jumble over there and have not gotten fully straightened out.

Mr. La Rue will be looking to hear from you on this, and if you will drop him a line I am sure that it will receive his best attention.

With kindnest personal regards, I am,

Yours very truly, —— ——, Vice-President. HSG-G.

(Here follow Government's Exhibits Nos. 242, 243, 244, and 245, marked side folio pages 1296-1357, inclusive.)

PORTLAND CEMENT ASSOCIATION

111 WEST WASHINGTON STREET
CHICAGO

Govt. Ex. No. 242

PLANT CAPACITY AS REPORTED TO THE ASSOCIATION AND USED IN THE MONTHLY STATISTICS

These figures are intended to represent as nearly as possible the maximum physical capacity of the plants throughout a twelve-month period allowing for ordinary and usual interruptions in operation and assuming a continuous and sufficient demand.

Figures show number of barrels in even thousands, 000 omitted.

NAME OF COMPANY	Clinker Capacity (Barrels) Yearly	Clinker Capacity (Barrels) Monthly Average	Cement Capacity (Barrels) Yearly	Cement Capacity (Barrels) Monthly Average
Dist. No. 1 (New Jersey, Eastern Pennsylvania)				
Allentown	900	75	900	75
Alpha	5,100	425	5,200	433
Atlas	10,000	833	10,000	833
Bath	1,200	100	1,300	108
Coplay	1,800	150	1,800	150
Dexter	1,108	92	1,100	92
Edison	2,250	188	2,250	188
Giant	2,160	180	2,160	180
Hercules	2,000	167	2,000	167
Lawrence	1,716	143	1,767	147
Lehigh	5,400	450	5,400	450
Nazareth	1,250	104	1,250	104
Pennsylvania	1,500	125	1,500	125
Penn-Allen	750	63	750	63
Phoenix	800	67	800	67
Vulcanite	1,900	158	1,900	158
†Whitehall	2,000	167	2,000	167
Total	41,926	3,487	42,077	3,507
Dist. No. 2 (New York State)				
†*Acme	720	60	720	60
Alpha	1,180	98	1,300	108
Alpha (Millen)	330	28	300	25
Alsen	1,000	83	1,000	83
Atlas	2,000	167	2,000	167
Glens Falls	660	57	700	58
Heidelberg	600	50	600	50
Knickerbocker	1,400	117	1,400	117
Pennsylvania (Cayuga)	600	50	600	50
Total	8,450	705	8,620	718
Dist. No. 3 (Michigan, Northeastern Indiana)				
Aetna	550	46	530	44
Bath	550	46	516	43
Huron & Wyandotte	2,520	210	2,600	217
Michigan	450	38	450	38
†New Egyptian	340	28	340	28
Newaygo	500	42	500	42
Portland	450	38	450	38
Presque Isle	900	75	1,080	90
*Sandusky	600	50	600	50
Wabash	600	50	600	50
Wolverine	600	50	600	50
Total	8,000	675	8,266	694
Dist. No. 4 (Illinois, Remainder of Indiana)				
Indiana	500	42	500	42
La Salle	1,320	110	1,320	110
Lehigh (Oglesby)	1,500	125	2,500	208
Lehigh (Mitchell)	2,275	190	2,275	190
Marquette	2,400	200	3,000	250
Sandusky	1,320	110	1,320	110
Universal	8,940	745	10,536	878
Total	18,256	1,522	21,451	1,788
Dist. No. 5 (Western Pennsylvania, Ohio)				
Castalia	496	41	496	41
Crescent	1,148	96	1,220	102
Diamond	500	42	500	42
Penn	600	50	600	50
Lehigh	1,820	152	1,820	152
Sandusky	720	60	720	60
Universal	3,600	300	4,800	400
Wellston	500	42	500	42
Total	9,372	783	10,656	889
Dist. No. 6 (Maryland, Kentucky, Virginia, West Virginia)				
Alpha	900	75	1,000	83
Kosmos	750	63	800	67
Lehigh	1,060	88	1,050	88
Louisville	1,200	100	1,500	150
Security	1,000	83	1,000	83
Tidewater	1,500	125	1,500	125
Total	6,400	534	6,850	546
Dist. No. 7 (Alabama, Tennessee, Georgia)				
Atlas	1,200	100	1,200	100
Clinchfield	1,200	100	1,500	125
Dixie	1,500	125	1,500	125
Gulf States	300	25	300	25
Southern States	500	42	600	50
Total	4,700	392	5,100	425
Dist. No. 8 (Iowa, Minnesota, Missouri)				
Atlas	4,000	333	4,000	333
Cape Girardeau	600	50	600	50
Continental	960	80	960	80
†Gilmore	300	25	400	33
Hawkeye	1,200	100	1,200	100
Lehigh	1,750	146	1,750	146
Missouri (Kansas City)	800	67	800	67
Missouri (St. Louis)	1,296	108	1,296	108
Northwestern States	1,664	139	1,864	156
Universal	1,400	117	1,650	138
Total	12,970	1,165	14,300	1,192
Dist. No. 9 (Kansas Nebraska, Northern Oklahoma)				
Ash Grove	1,000	83	1,000	83
Banner	400	34	400	34
Dewey	900	75	900	75
†Fredonia	450	38	450	38
Great Western	420	35	420	30
Lehigh	1,500	125	1,500	125
Monarch	720	60	720	60
Nebraska	800	67	800	67
†Western States	950	79	950	79
Total	7,140	596	7,150	597
Dist. No. 10 (Texas, Southern Oklahoma)				
†Chaparral	500	42	500	42
Oklahoma	1,200	108	1,200	108
San Antonio	250	20	300	25
South western	720	63	720	63
Texas	1,313	126	1,500	130
Trinity	900	75	900	75
Total	5,313	443	5,320	443
Dist. No. 11 (Colorado, Utah)				
Colorado	1,000	83	1,000	83
Ogden	300	25	300	25
Union	600	50	600	50
United States	700	58	750	63
Utah	215	18	225	19
Total	2,815	234	2,875	240
Dist. No. 12 (California)				
†California	1,000	83	1,000	83
Cowell	1,440	120	1,440	120
Golden State	200	17	200	17
†Old Mission	670	56	670	56
Pacific	1,400	117	1,500	125
Riverside	1,800	150	1,900	158
Santa Cruz	2,250	188	2,250	188
Southwestern	320	27	600	50
*Standard Corp.	720	60	700	58
Total	9,800	818	10,260	855
Dist. No. 13 (Washington, Oregon, Montana)				
†Beaver	300	25	300	25
International	500	42	500	42
Lehigh	560	47	560	47
Olympic	700	58	800	67
Oregon	325	27	325	27
Superior	1,000	83	1,000	83
Three Forks—(Hanover)	300	25	300	25
Three Forks (Trident)	500	50	600	60
Total	4,285	357	4,385	366
Total all Districts	140,361	11,711	147,010	12,260

†Non-member. *Plant not in operation. ‡After August 1 increase Clinker capacity to 700,000 bbls.

WM. M. KINNEY,
Statistician.

Form S-20. Revised July 1, 1930.

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[fols. 1797-1816] Govt. Ex. No. 243

TRADE PRACTICES
IN THE
CEMENT INDUSTRY

A compilation of the essential features of reports of the Trade Practices Committee, September, 1915, May, 1916, September, 1917, and May, 1918, intended to eliminate unfair methods of competition and improper and illegal discrimination, and to maintain the quality of, and standardize the specifications for, Portland cement

Published by

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CHICAGO

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OFFICES AT

ATLANTA	DETROIT	MILWAUKEE	PITTSBURGH
CHICAGO	HELENA	MINNEAPOLIS	SALT LAKE CITY
DALLAS	KANSAS CITY	NEW YORK	SEATTLE
DENVER	INDIANAPOLIS	PARKERSBURG	WASHINGTON

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INTRODUCTION

At a meeting of the Portland Cement Association, held at Atlantic City in September, 1915, a committee of the Association made a report on trade conditions affecting the cement industry. At meetings of the Association at Chicago in May, 1916, September, 1917, and May, 1918, committees made further reports on the same general subject. All these committees studied very carefully the trade practices which prevailed more or less generally in the business. Their reports embody their conclusions and recommendations and were adopted by the Association. This pamphlet is a compilation of the essential features of the reports.

In the opinion of the committees the practices which they recommend are based upon sound business principles. Their recommendations are offered as ideal for the industry, and ought to be followed so generally as to become customs of the business. It was believed that the practices recommended would tend to eliminate unfair methods of competition and improper discriminations in price, and would at the same time maintain the quality of the product and stimulate the interest of the dealer to extend the sale and use of cement for all suitable purposes, and generally prove advantageous to all concerned.

What follows in this pamphlet makes very evident the evils of the past and the reasons supporting each recommendation of the committees. Doubtless every manufacturer will desire to avail himself of the suggestions. Of course, no member of the Association is in any way obligated by the reports, or because of the adoption of the reports by the Association, to follow the recommendations. It is not at all a matter of mutual agreement, but solely a question as to whether the recommendations appeal to each member of the Association severally as the best thing for him and all concerned.

Every member is urged to give very careful consideration to this pamphlet, because the subject is of the greatest importance, and because the recommendations of the committees embody the best judgment of those who have had wide experience and have very carefully inquired as to what business customs will best put the industry on a high plane and give the greatest benefit to the producer, the dealer and the consumer.

1. DEFINITION OF DEALER

A dealer is a person, firm or corporation *regularly engaged in selling Portland cement and other merchandise*, especially building materials, purchased by him for resale; who is also properly equipped with storage facilities; supplied with teams or trucks; and is recognized in his home town as a building material dealer.

2. CONSUMERS

There are only two classes of buyers of cement—dealers and consumers. *The consumer price should be paid by all consumers* including manufacturers of concrete blocks, cast stone, concrete drain and roofing tile, concrete sinks and laundry tubs, concrete shingles and all other concrete products.

3. DEALER DIFFERENTIAL

In order to secure the active and energetic assistance of the dealer in pushing the use of cement in competition with other materials, it is necessary that the business be so handled that the dealer will get a margin of profit which is satisfactory to him and that will compensate him for his work. Unless this is done he will lose interest in cement and discourage its use in favor of other materials.

Recognizing these facts most cement manufacturers have for some time made a differential in price between dealers and consumers, first of five cents per barrel and later of ten cents per barrel, although in some sections of the country some manufacturers are still using the five cent differential.

It is clearly to the cement manufacturers' interest to use their very best efforts to induce dealers to handle their cement business in such a way as to net them a fair margin of profit. One of the surest ways to accomplish this is to help dealers to inform themselves on the cost of doing business, a result of which will be *to discourage them from selling cement for carload delivery on a smaller margin than ten cents per barrel.*

4. FIVE CENTS PER BARREL DISCOUNT

In the latter part of 1915 the cash discount for payment within ten days from date of invoice was increased by practically all cement companies from two cents to five cents per barrel. This discount is closely related to the dealer differential, and for the reasons stated under preceding heading *it is desirable that the five-cent discount be continued.*

It is important in carrying out the provisions for the five-cent discount that no cement be quoted on or sold or payment accepted therefor except including packages; that each invoice be dated the date shipment

is made as shown on bill of lading for the shipment covered by it, *and that discount be not allowed in any circumstances unless remittances are mailed, as shown by postmark, not later than ten days from date of invoice.*

It has been suggested that on the face of all invoices the following be stamped or printed:

$ discount will be allowed if this invoice is paid on or before 191 .

(Total amount of discount in dollars and cents and blank date to be filled in—blank date to be ten days from date of invoice.)

5. COMMISSIONS

The practice of paying to dealers a commission on sales made direct to consumers has been followed by some manufacturers on the theory that, as a dealer handles a certain brand in his locality, he is entitled to compensation on sales made to others because his representation has popularized that particular brand.

The correctness of this theory can be successfully attacked from several angles, the principal of which is that the dealer is entitled to compensation only for actual service rendered in each instance. His profits as a merchant are earned only for such service as he actually performs on each barrel sold, as, for example, on cement handled through his warehouse or through his accounts when he assumes the credit risk and thus performs a service.

The ten-cent differential should make it possible for the dealer to sell at a profit all the cement he sells in his town, but if a consumer refuses to buy through a dealer and prefers to purchase direct from a manufacturer, the dealer renders no actual service and clearly is not entitled to compensation when he performs no actual service.

For these reasons and also because the payment of commissions is of questionable legality under the Clayton Act except when the dealer actually performs a service, *commissions should never be paid to dealers under any circumstances.*

Legal opinion has been secured on this point, and in order to make the matter clear questions are stated below, and following them the answers thereto:

"A" is a certain cement company's dealer in a town.

"B" is another dealer in the same town.

"C" is a contractor or other user of cement located or doing work in the same town.

Question 1: May the cement company sell to "A" and "B" (dealers) at one price and to "C" (contractor) at a higher price? If so, when is it proper and when is it not proper for the cement company to allow to "A" or "B" or both a commission on sale made to "C"?

Answer: You may sell to a contractor who is a consumer at a higher price than to a dealer. A difference in price to wholesalers, jobbers, and consumers tends to equalize the disadvantages which the same price would create, and therefore tends to stimulate competition. A commission should not be allowed to "A" or "B", the dealers, for a sale made by you to "C" except in those rare instances where you may be able definitely to assure yourself that "A" or "B" has rendered you a service or has been the procuring agent in bringing the business to you. If it can consistently be done, we recommend that no commission be paid except upon an agreement so to do in advance for a specific service rendered, as the payment of commission so-called, unless there is a very substantial ground for the allowance, will be considered as evidence against you that you had an exclusive contract with the dealer as to territory, and that the so-called commission is in fact but an allowance to him for business which you sold within the territory which belongs to him. Although you do not under any circumstances agree that a dealer shall have an exclusive territory, nevertheless we must bear in mind that the ultimate determination of a court and jury as to whether such an agreement was in fact made by you will not alone be determined by what you say is the agreement, but your conduct will have greater weight than your mere words, as the substance and result, rather than the form, will be made conclusive.

Question 2: May the cement company decline to quote "C" and refer him to "A", at the same time advising "A" that "C" is in the market for cement?

Answer: You have the right to decline to quote "C" and refer him to "A", at the same time advising "A", the dealer, that "C", the consumer, is in the market for cement. You have the right to refuse to sell to a consumer, as you have the right to choose to sell only to dealers. There is no objection, upon your refusing to sell to a consumer, to advise him that dealer "A" sells a certain brand at————, and that you assume the dealer has a sufficient stock to handle "C's" requirements, and there is no objection to your advising dealer "A" that "C" is apparently in the market for a certain brand, as he has written to you for prices, in reply to which you have informed him that dealer "A" sells that brand in that locality.

Question 3: On receipt of an inquiry from "C" may the cement company, after consulting with "A", quote "C" on behalf of "A"?

Answer: You should not quote "C" on behalf of dealer "A". This is clear and strong evidence of an unlawful mutual agreement for exclusive territory for "A".

This answer was discussed further with counsel with the result that the opinion was revised to the extent that the cement company may, on receipt of inquiry from a contractor, consult with the dealer and after

getting a price from the dealer advise the contractor that it (the cement company) has been authorized by the dealer to quote the contractor. It is preferable not to use the wording: "We quote you on behalf of the ABC Building Material Company as follows", but rather to use the wording, "We are authorized by the ABC Building Material Co. to quote you as follows."

It was pointed out to counsel that in many cases it is very desirable to quote a contractor after consulting with the dealer, especial emphasis being made of the point that in such cases the contractor generally is a customer of the cement company with headquarters in a town different from the town in which he wishes to use the cement and for that reason is acquainted with the cement company and is not acquainted with the dealer, so that it would be inconvenient for the cement company to find it necessary to tell the contractor that it could not quote him and ask him to get in touch with the dealer. Counsel advised that there is no objection to the cement company securing authority from the dealer to quote the contractor in such a case, but that it is not desirable to follow this course when the contractor and dealer are located in the same town, but preferably where they are in the same town to refer the contractor to the dealer without quoting. Counsel further advised, however, that even in the latter case if in some exceptional instances it is found especially desirable to deal with the contractor after consulting with the dealer it is allowable to do so.

Question 4: May the cement company sell to "A" in his town and refuse to quote "B" when he asks for a price and if the cement company desires refer him to "A"?

Answer: You may sell to "A", a dealer, and refuse to quote "B", a dealer in the same town, and if you so desire you may refer him to "A". You should at all times be extremely careful not to convey at any time, either by conduct or spoken or written words, the impression that the dealer has an exclusive territory or a right in any way to consider himself as the only man in town to whom you would sell cement. You do not agree to give exclusive territory, and you should be very careful that no inference arises that you have so agreed. We suggest the following form of reply:

"We have your letter of ———— date asking for quotations on ———— cement. In reply have to advise that we do not care at this time to quote, but you are probably aware that ———— is sold in ———— by ————, a dealer who should have in stock enough to supply your requirements, and we suggest that you communicate with him."

In the event you receive a subsequent letter inquiring why you do not wish to quote, the letter generally should be ignored, but if special instances present themselves where you deem it desirable to make a further reply explaining your reason, we suggest the following:

"Your letter of ———— date with inclosures was received today. The commercial experience of this company has convinced us that in many cases our best policy is to market ———— Portland cement through one dealer in a community. This enables that dealer to push the sale of our product with an energy which we might not otherwise secure. We do not require any dealer to agree in any way that he will not deal in the product of our competitors, but we do demand, and all that we demand is, that dealers who receive the benefit of our policy of marketing our cement through them shall show the energy which we expect in pushing our product and shall not discriminate against it. We are advised by counsel that this sales plan does not violate the Clayton Act or any other statute, and is not contrary to any public policy expressed in the laws of this country. (Strike out the preceding sentence except when inquiry refers to claimed violation of law.)

"We at no time have had any exclusive agencies or contracts with our customers restricting our right to sell where, when or to whom we might desire. We have always held ourselves free, and we have the right to select the customers with whom we desire to do business, and will continue this policy of freely selecting our customers as we may deem best for furthering the sale of our products. And so, while we may have sold ———— Company in the past, we may tomorrow offer to sell to you or any other dealer in your town, as may to us seem best for our commercial interests and the selling of as much of our product as is possible, for it is needless to suggest that that policy commends itself to us which will result in our selling as much of our product as we can.

"I thank you for calling my attention to the case in question, and I am quite sure that in view of the foregoing explanation you will appreciate our reason for preferring at this time to not sell ———— cement to you in ————."

Question 5: May the cement company sell to "B" at a higher price than is charged "A"? If so, when is it proper and when is it not proper to allow commission to "A" on sale made to "B"?

Answer: You should not sell to "B" at a higher price than you sell to "A", except where the difference in price is based on the grade, quality or quantity of the commodity sold, or the difference in the cost of selling or transportation, or made in good faith to meet competition. You should not allow a commission to "A" on a sale made by you to "B", except for services actually rendered in consummating the sale made to "B". In this connection note our recommendations in answer to Question 1.

Question 6: May the cement company sell to "A" and "B" at the same price and allow to "A" a commission on sale made to "B"?

Answer: You should sell to "A" and "B" at the same price except where conditions noted in answer to Question 5 are present, and you

should not allow a commission to "A" on a sale made to "B" except where conditions exist as found in answer to Questions 5 and 1.

6. QUOTATIONS TO DEALERS FOR DELIVERY AT TOWNS OTHER THAN THEIR HOME TOWN

In many cases quotations have been made to dealers in towns other than their home towns, where they are not regularly engaged in business as building material dealers. By reason of this condition and having no investment in such towns, such dealers frequently sell cement for delivery f. o. b. cars at such towns at a margin of profit smaller than the margin recognized and observed by building material dealers regularly engaged in business in those towns. This deprives the latter dealer of business to which he is justly entitled and causes demoralization and dissatisfaction. *Therefore, a dealer should be quoted the consumer price on cement for shipment to any town other than his home town,* except that it is proper to quote the dealer price to such a dealer on cement for delivery in towns adjacent to his home town in which there are no dealers.

7. CONTRACT FORM FOR DEALERS' USE

Great demoralization results from the ability of dealers to place orders with manufacturers for large amounts for deferred delivery upon the representation that the cement is for specific work which the dealer has sold, all or part of which has in reality not been sold by dealer for such work. In such a case the cement is later sold by dealer from time to time when the market has advanced at a price lower than warranted by the manufacturers' current prices to such dealer and lower than other dealers in the same town can sell at, based on manufacturers' prices to them for current requirements. This results in demoralization to the detriment of all manufacturers concerned in the market affected—the manufacturer who has such an unspecific contract delivering cement at prices below prevailing market prices, and the manufacturers who are trying to sell through other dealers being unable to secure business because of the disadvantage under which such dealers are placed in competition with the dealer who is being supplied by the other manufacturer at price below prevailing market.

Urging dealers to place orders for extended delivery for specific work, and permitting such dealers, at their option, to take more or less cement on such orders than actual quantity used in the work, *has been one of the most objectionable devices and practices known, and has done more than any other one thing to bring about demoralization.* This practice is closely akin to "guaranteeing prices against decline", and no good or wise merchant ever resorts to such practices. If a contract is made it should be a fair one and its terms observed by both parties.

No specific work contract should be made that is not bona fide, and such a contract should cover the quantity of cement used in the particular job described—no more, no less; and any change in the market during the period of the contract should not affect the price named in the contract. All specific work contracts with dealers should be in written contract form, and dealers should be required to report monthly their deliveries thereon. These suggestions, if consistently followed, will prevent padding of contracts and the loss and demoralization resulting therefrom.

If all manufacturers insist that every specific work contract with a dealer have attached thereto an executed copy of contract between the dealer and his customer for that particular work, it will largely eliminate the abuses recited.

For these reasons the attached form of dealer contract should be adopted and its use by dealers insisted upon and executed copy of the dealer contract be attached to the manufacturer's specific work contract with that dealer in every case. The manufacturer, of course, when he has any reasonable doubt of the existence of the specific work mentioned, should make a thorough investigation to disclose the fact or establish with certainty that the quantity in the dealer contract is correct. (See Form No. 5.)

8. REPORTS BY DEALERS OF DELIVERIES ON SPECIFIC WORK CONTRACT

To secure full benefit from dealer contracts described in the preceding section, *dealers should be required to make monthly reports of deliveries on specific work contracts in order that the misuse of cement by dealers may be eliminated and the demoralization which usually results may be prevented.* A form for this purpose is appended.

Comparison should be made regularly each month between the amount reported by dealer as delivered on contract and the amount actually shipped to dealer on contract. When the amount actually shipped is greater than that reported, and if the market price at time of shipment is higher than the contract price, the dealer should be invoiced on the 15th of each month at the difference in price for all excess deliveries in preceding month. (See Form No. 6.)

9. BLANKET CONTRACTS

A blanket contract is a contract covering unknown and uncertain requirements of dealers or contractors or consumers, for delivery beyond 15 days, representing a future possibility and not an actuality.

The making of blanket contracts with dealers or contractors either for flat amounts or for requirements during a stated period of time is unnecessary and unbusinesslike. Such contracts are an obligation of an

indefinite and uncertain character on the cement company, and result in demoralization and abuse. When made with a dealer, if the market advances above contract price, they result in demoralization. In case the market declines below contract price, the dealer refuses to take the cement for the reason that he cannot resell it in competition with dealers buying at market price then prevailing.

When made with a contractor, if the market advances the contractor has an advantage over his competitors in bidding on work to which he is not rightfully entitled. In case the market declines the reverse is true. He is at a disadvantage in figuring his bid in competition with other contractors whose bids are based on the prevailing market price. Usually he figures his bid on the prevailing market price and refuses to take deliveries on the contract for such work as he secures.

The practice of making blanket contracts cannot be too strongly condemned.

10. SALESMEN'S ORDER BLANKS

All sales made by salesmen should be covered by the signed order of the customer, a copy being retained by customer. This will prevent disputes and prevent the customer from claiming later that the salesman agreed to prices, terms, conditions, etc., not in accordance with custom. The attached form, which provides that the order is not binding on the cement company until accepted by its home office, should be adopted and its use insisted upon. (See Form No. 7.)

11. QUOTATIONS FOR IMMEDIATE ACCEPTANCE, FIFTEEN DAY SHIPMENT, ONE CAR ONLY

All quotations represent potential but indefinite and uncertain obligations of the cement company, and it is obviously desirable and proper to limit these obligations as much as practicable. Under the plan of sending broadcast, at every price change, thousands of unasked quotations, the potential obligations of each company, provided they are for acceptance within five, ten or thirty days or until canceled, or for thirty-day shipment or for amounts greater than one car each, reach very high figures.

In the event of general advances in price, which, under strong buying demand, car shortage or similar conditions, may occur at frequent intervals, these potential obligations to sell become real obligations to deliver unduly heavy tonnages at prices lower than the price warranted by commercial conditions. Thus the cement company is effectively prevented from taking advantage of the advanced price, and is compelled to accept business at prices lower than the changed conditions justify.

It is obvious, therefore, that in order to keep the situation more nearly in the control of the cement company, *all trade quotations should*

be for immediate acceptance, 15 day shipment, and for not more than one carload each. (See Form No. 1.)

12. EXTENSION OF DELIVERY DATES

The practice, after customers have placed orders for delivery within 15 days, of later permitting cancellation of these orders or extensions in shipping date originally agreed upon is in reality giving an option to the buyer which causes disturbance to cement company's operating and shipping plans which is an uncertain and indefinite obligation on the cement company.

It is obvious, therefore, that *strict insistence by manufacturers should be made on the following condition of sale:*

"Orders entered for shipment on a specific date will at our option be shipped on that date unless sooner ordered out by purchaser."

13. DEALERS SPECIFYING BRANDS IN MAKING PROPOSALS

It has been found that dealers, in bidding on inquiries for cement, particularly inquiries from municipalities, often do not state brand upon which they are bidding and later, in case they are awarded the business, not being obliged to supply any particular brand, try to auction the business off to manufacturers other than the one on whose price they based their proposal when bidding.

This practice obviously is undesirable from a manufacturer's standpoint and manufacturers are urged when quoting to dealers price to use in bidding on such inquiries, *to require dealers to state in their bid the name of the brand on which they are bidding.*

14. DEFINITION OF SPECIFIC WORK

Specific work is a definable piece of construction work requiring a carload or more of cement for delivery over a specified period of time beyond 15 days.

15. QUOTATIONS FOR SPECIFIC WORK

It is obvious, from the manufacturer's standpoint, that the period for acceptance of a quotation should be as short as possible without inflicting a hardship or undue inconvenience on purchasers of cement. The longer the acceptance period the greater are the manufacturer's potential obligations and such obligations, particularly in an active market, may be undesirable. Certainly it is to the manufacturer's interest to control as nearly as possible at all times the volume of business he may be called upon to take in a given period at a stated price.

The cost of cement entering into a given piece of work should correspond as nearly as possible to the price prevailing at time bids for the work are submitted. In bringing about this condition, however,

quotations should not be held open for an unnecessarily long period for the reason stated. This means, then, that quotations should be made only a reasonable time before and held open only a reasonable time after bids are submitted.

Quotations on specific work are made to two general classes of prospective purchasers:

1. Those who are in position to buy immediately.
   a. Dealer buying for resale to a contractor who has contract for specific work, or for resale to an owner.
   b. Contractor who has contract for specific work.
   c. Owner (including railroads, industrial plants, etc.).
2. Those who are not in position to buy immediately.
   a. Dealer buying for resale to contractor figuring contract for specific work.
   b. Contractor figuring contract for specific work.

Quotations to prospective purchasers of Class 1 may be dismissed in a few words. When a concern or individual needs cement, as soon as the need is known there is no reason why purchase should be delayed. Since a contractor to whom a contract has been awarded occupies the same position as a dealer buying for warehouse stock or an owner in that he can buy immediately, quotations for specific work made to those included in Class 1 should be for acceptance within not more than five days.

Quotations to prospective purchasers of Class 2, namely, those who are not in position to buy at time quotation is made (this class is made up largely of contractors figuring specific work) present a different condition. Such quotations are usually on cement for use in specific work contract for which has not been awarded and should be for acceptance within not more than 15 days.

It is important that quotations on specific work be made only when a full and accurate description of the work is furnished by the concern or individual asking for quotation.

Quotations should be for acceptance *within not more than five days when prospective purchaser is in position to buy immediately.*

Quotations should be for acceptance *within not more than 15 days when prospective purchaser is not in position to buy immediately.* (See Form No. 3.)

16. SPECIFIC WORK SALES CONTRACT

A specific work sales contract is a contract covering the cement required for specific work (see definition of Specific Work on page 12).

It is clear that *a specific work sales contract should be executed only when the person or concern desiring to buy has been awarded contract for such work, or in case the owner is the buyer such specific work sales*

contract should be executed only when it has been definitely decided that the work in question is to be done immediately or within a reasonably short time.

In case a dealer is the buyer, buying for resale to a contractor or an owner, such specific work sales contract should be executed *only when dealer has theretofore sold the cement to* his customer. It is desirable that copy of contract between dealer and his customer be attached to such specific work sales contract. (See Section 7—Contract Form for Dealers' Use—page 9.)

Specific work sales contract should accurately describe the work as to location, character, name of owner, contractor or other party doing the work.

It is important in specific work sales contracts (as it is in quotations and other documents used in the industry), that they be definite and exact as to their provisions. (See Form No. 4.)

17. QUANTITY AND DELIVERY PERIOD OF SALES TO CEMENT PRODUCTS PLANTS, INDUSTRIAL PLANTS, RAILROADS, ELECTRIC LINES, STATE, COUNTY AND MUNICIPAL GOVERNMENTS

Railroads, industrial plants and manufacturers of cement products, including concrete blocks, cast stone, concrete drain and roofing tile, concrete sinks and laundry tubs, concrete shingles, etc., have been in the habit of buying their requirements for season delivery or their requirements with a maximum and minimum limit for season delivery, or flat amounts for season delivery, or flat amounts with leeway for season delivery.

As to concrete products plants, the claim has been made that the nature of their business is such that they distribute price lists covering their products and manufacture them for stock and later sale, and in view of this that they should be sold their requirements for the season.

This condition is largely theoretical. In reality, if such concerns are sold for delivery within 10 days or for deferred delivery when the sale is for specific work only, they will be able to change their prices from time to time to accord with changes in the cement market without any considerable inconvenience and with no injury. To sell such concerns season requirements, or large quantities for deferred delivery, is likely to result in such concerns, in the event of a price advance, retailing the cement at prices with which legitimate dealers paying the market price are unable to compete, thus putting such dealers out of the market and destroying such channels of trade.

In view of these conditions *concrete products plants, including manufacturers of the items listed above, should not be sold blanket requirements for season delivery or large amounts for deferred delivery,* but sales to this class of customers should be on either of the following bases:

1. For delivery within 15 days from date of order, or
2. Requirements of specific work which is known to exist, with a maximum amount limitation.

In the case of *Industrial Plants, Manufacturing Establishments, etc., there is no real necessity for such concerns to buy their requirements for the season*, and they should be sold only on the following bases:

1. Delivery within 15 days from date of order, or
2. Requirements of specific work which is known to exist, with a maximum amount limitation.

In the case of *Railroads, Electric Lines, State, County and Municipal Governments and Regularly Constituted Boards and Commissions thereof, there is also no real necessity for such concerns to buy their requirements for the season*, and such buyers should be sold only on the following bases:

1. Delivery within 15 days from date of order:
2. Requirements of specific work which is known to exist, with a maximum amount limitation.

It is recommended that *sales to classes of purchasers referred to in this section should be made direct preferably:* that where such sales are made through dealers, except in the case of Railroads (where it is preferable that all sales be made direct), it is important that Cement Companies check up such cases carefully to prevent possibility of cement ordered by dealers on such contracts being sold through dealers and used for other purposes, contrary to contracts.

18. GIVING ADVANCE NOTICE OF PRICE CHANGES

The practice of giving notice of a price advance is unbusinesslike and cannot be too strongly condemned. The theory of advance in price is that conditions do not justify the sale of cement at the former price. The practice of giving notice of an advance in price is opposed to this theory in that the practice results in large quantities of cement being bought at prices lower than conditions justify. The argument has been advanced in favor of the practice that dealers should be protected at the time of a change in price to the extent of being enabled to fill their warehouses before the advance takes effect. This argument lacks strength in that it would tend to cause dealers to defer their purchases even when they need cement for the reason that they would know they would receive notice of an advance and in the meantime be enabled to take advantage of a decline in price, should one occur. Clearly this would have the effect of influencing the dealer not to keep his stocks at a level to meet demand and in addition would foster speculation, a practice which it is generally agreed in the cement industry is not a desirable one.

In the few cases where the practice of giving a five-day notice of price advance has been indulged in the extent of it was supposed to be confined to a single carload and to dealers only, but, in fact, it was usually not so restricted in either respect. Quantities of business placed at the old price usually were unlimited and during the five-day interval quotations were made indiscriminately, some of them covering specific work for as much as 30-day acceptance.

A further objection to the practice as it has worked out under trial is that a contractor who has a contract covering a given piece of work has no incentive to buy until he actually must have cement. This is true for the reason stated in reference to dealers—that is, that contractor knows he will receive notice of an advance in price and by waiting for such a notice, knows that he will be enabled to take advantage of a decline in price should one occur.

Therefore, when quotations are issued covering a change in price *the change should be made effective on the date quotations are written, and in no case should the practice of what has become known in the industry as "price tipping" be indulged in.*

19. GUARANTEEING SALES AGAINST DECLINE IN PRICE

The practice of a cement company in guaranteeing customers against decline in price is inherently unfair and unbusinesslike. Besides the paying or allowing of rebates or special concessions in any form, directly or indirectly, to any person, firm, corporation, dealer, lineyard company, or its agents or employees, is unfair competition and illegal discrimination.

Quotations and sales should be made in accordance with the methods described in this pamphlet and *in no case should the cement company guarantee its customer against a decline in price.*

20. SPECIFICATIONS *

The specifications under which practically all cement is marketed in this country are, of course, recognized as standard and it is clearly to the interest of all cement companies to discourage freak and unreasonable specifications.

No cement should be sold or quoted on subject to specifications other than those of the American Society for Testing Materials, adopted September 1, 1916.

The company wishing to make sale should, of course, use its influence to have the specifications made regular, and in addition, when prospective purchaser insists on other than standard specifications, a report of

* EDITOR'S NOTE—Reference in this section to Government specifications may be disregarded for the time being at least, the Government Departmental Committee on specifications for cement having recently passed a resolution that the requirement for fineness be changed to take effect six months after the close of the war with Germany, instead of July 1, 1918.

the occurrence should be made to the Committee on Technical Problems of the Association with the request that it try to prevail upon the prospective purchaser to adopt standard specifications, one of the chief objects of that Committee being to maintain the quality of, and standardize the specifications for, Portland cement.

The reason for omitting reference to Government Specifications is that these specifications, although they are now exactly the same as the specifications of the American Society, contain the provision that the fineness requirements will be automatically changed July 1, 1918, which, in the opinion of many authorities, is unnecessary.

Of course, in furnishing cement for Government work it may be necessary for the company making the sale to incorporate Government specifications in the conditions of sale, but in case deliveries are to run beyond July 1, 1918, the sale should provide clearly that the cement delivered under it is to conform to Government Specifications as now written and not to Government Specifications as they will be after July 1, 1918, in case the changed provision as to fineness goes into effect.

21. CHARGE FOR BIN TEST

When cement is set aside in sealed bins and tested for the exclusive use of a single customer or group of customers, mill operation and shipping procedure are limited and restricted, with consequent inconvenience, lessened efficiency and increased costs, by reason of great investment required in storage facilities and to carry additional stock of cement.

The cost of this additional service varies as among companies and differs according to time of year, condition of stocks and length of time the cement is held. While the exact cost is difficult to determine it varies from three cents to ten cents per barrel and it is clear that *this cost, in no instance lower than three cents per barrel, should be borne by the purchaser of cement.*

It has been found that in some cases customers at time of purchase demand bin test facilities; and in others without making such a demand at time of purchase, later under their interpretation of standard specifications demand that bin test facilities be supplied.

When it is demanded at time sale is made that cement be set aside in sealed bins and tested, contract should provide for an additional charge for the facilities supplied.

When it is not demanded at time sale is made that cement be set aside in sealed bins and tested, contract should provide that in case such a demand is made later Cement Company shall not be obliged to comply with the demand but may do so at its option, in which event an additional charge will be made for the facilities supplied.

The additional charge referred to in this section is for service and

storage facilities only and is not to be confused with the charge for actual testing referred to in Section 22.

22. COMMERCIAL LABORATORY TESTING CHARGE

As all quotations and sales are subject to Standard Specifications, the cement company guarantees the cement to conform thereto. If the purchaser, or some other interested party, desires to assure himself that such condition is fulfilled by the cement company, and employs a commercial laboratory or tester to make tests to determine the fact, the cost of such service should not be borne by the cement company.

It is generally realized that *under no circumstances should cement manufacturers bear commercial laboratory charges for testing* cement or pay these charges for the buyer's account.

23. SACKS

It should be thoroughly understood, and the position firmly maintained that:

All packages are provided solely for the cement user and are sold to and paid for by him on the same terms as the cement. They are delivered to transportation company in a serviceable condition, filled with cement, and any loss due to damage en route should be assumed by the transportation company.

Any loss due to damage while in possession of the dealer should be assumed by him.

Any loss due to damage while in possession of user should be assumed by him.

Cloth sacks will be repurchased by the cement company from original purchaser only when in serviceable condition, or when a reasonable amount of repairing will put them in serviceable condition for further use as cement containers.

The theory sometimes advanced that the cement container is a free package, that the cement company lends the cloth sack to the user, or by any process assumes any loss due to wear and tear, except that occurring while in the cement company's hands, is unsound and inconsistent, and the practice of maintaining this attitude is condemned.

In view of these facts *it should be made the rule that only such cloth sacks as are serviceable and can be used again be repurchased*, and that no returned cloth sacks be repurchased unless they are in serviceable condition as cement containers or can be made so by a reasonable amount of repairing.

In all cases the cement company's count and inspection should be final and the cost of returning empty cloth sacks to the cement company's mill should be borne by purchaser.* (See note at bottom of page.)

* The sack provisions in forms accompanying this report are on the basis of charges for packages, in effect prior to September 16, 1918.

24. CREDIT

The free interchange of credit information among cement companies is desirable in the interest of reducing losses, eliminating the practice of cement companies acting in the capacity of bankers, and concentrating the handling of cement in the hands of competent and responsible dealers.

Bureaus for the collection and distribution of credit information have been established in some sections of the country and it is desirable that similar bureaus be organized in other sections.

25. DEALERS' ORGANIZATIONS

It is the recommendation of the committee that Cement Manufacturers do not become members of any dealers' organization.

26. BULK CEMENT

Handling cement in bulk, where the nature of the work permits, is worthy of very careful consideration. It is convenient and economical and has proved eminently satisfactory to those who have used it.

It eliminates:

1. Investment in sacks on hand and en route to job filled with cement.
2. Investment in empty sacks on hand and en route to cement mills.
3. Freight charges on shipments of returned empty sacks.
4. Sack losses necessarily incident to the use of cement in sacks.

It also reduces the number of men required on the job. Many contractors using cement in bulk have effected a saving of from five to ten cents per barrel in addition to the saving in purchase price.

For Personnel of Committee see next page.

PERSONNEL OF COMMITTEE ON TRADE PRACTICES

R. H. Hughes, Chairman (Crescent)
H. E. Hilts, Secretary (Association)
G. F. Bayle (Glens Falls)
Wm. N. Beach (Pennsylvania)
J. W. Boardman, Jr. (Huron and Wyandotte)
F. M. Coogan (Alpha)
Loring A. Cover (Security)
F. W. Erlin (Pacific)
W. H. Ford (Canada)
George R. Gay (Santa Cruz)
R. E. Griffith (Giant)
Richard Hardy (Dixie)
Wm. M. Hatch (Peerless)
H. P. Johnson (Missouri)
D. H. MacFarland (Atlas)
C. H. McNider (N. W. States)
Clark M. Moore (Colorado)
Albert Moyer (Vulcanite)
B. H. Rader (Lehigh)
Blaine S. Smith (Universal)
F. H. Smith (Lawrence)
L. T. Sunderland (Ash Grove)
F. L. Williamson (Dewey)

Form No. 1

QUOTATION TO DEALERS FOR WAREHOUSE STOCK

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote for immediate acceptance, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this company, and to terms, conditions and limitations on the reverse side hereof, in carloads, f. o. b. station named:

	in 4 cloth sacks at	per standard bbl.
IMPERIAL Portland Cement		
	" 4 paper bags at	" " "

Unless otherwise agreed, this quotation is limited to one carload of cement and applies only on shipments billed to and unloaded at point of delivery specified.

This quotation is based upon today's market and is applicable to immediate orders only.

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for comparison.

Sacks must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices, we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

IMPERIAL portland cement to be furnished hereunder is when shipped to conform in every respect to Standard Specifications for portland cement adopted September 1, 1916, by the American Society for Testing Materials, but we cannot be responsible for improper use of cement; therefore, we will not guarantee finished work.

Purchaser waives any provisions of said specifications which may be interpreted as involving the setting aside of cement in sealed bins for test before shipment, unless such an arrangement is expressly agreed to in contract when executed, in which event an additional charge will be made, and stated in the contract, for the facilities supplied.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 2

QUOTATION TO LINEYARD

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote for immediate acceptance, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, "IMPERIAL" Portland Cement for your yards, in carloads, f. o. b. stations named, at the following prices per standard barrel, viz.:

F. O. B.	IN CLOTH SACKS	IN PAPER BAGS

Unless otherwise agreed, this quotation is limited to one carload of cement for each or any station named and applies only on shipments billed to and unloaded at point of delivery specified, respectively.

This quotation is based upon today's market and is applicable to immediate orders only.

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for comparison.

Sacks must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices, we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

IMPERIAL portland cement to be furnished hereunder is when shipped to conform in every respect to Standard Specifications for portland cement adopted September 1, 1916, by the American Society for Testing Materials, but we cannot be responsible for improper use of cement; therefore, we will not guarantee finished work.

Purchaser waives any provisions of said specifications which may be interpreted as involving the setting aside of cement in sealed bins for test before shipment, unless such an arrangement is expressly agreed to in contract when executed, in which event an additional charge will be made, and stated in the contract, for the facilities supplied.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 3
In Triplicate

SPECIAL QUOTATION FOR SPECIFIC WORK

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote you, subject to all the terms, conditions and limitations on both sides hereof, on "IMPERIAL" PORTLAND CEMENT for work herein described; and for shipment according to contract requirements, between date hereof and 19- , not to exceed, however, bbls. in any one month:

4 Cloth Sacks at per Standard Bbl.

IMPERIAL Portland Cement in

4 Paper Bags at " " "

in carloads, f. o. b. cars
This price includes the sacks in which the cement is to be shipped.

This quotation is intended to cover the entire and actual quantity (estimated at barrels) of Portland cement which buyer shall be required to, and in fact shall, furnish or use in the following described work.

DESCRIPTION OF WORK

*This quotation is subject to the execution of a written contract between you and your customer in conformity herewith on our regular form furnished for dealers' use, the original or a duplicate thereof to be filed with us.

†This quotation is for acceptance within 5 days from this date and is subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

---

* This paragraph should be used only when contract is with a dealer for resale to a consumer; it should be omitted when contract is with the consumer direct.

† Quotations should be for acceptance within 5 days when prospective purchaser is in position to buy immediately. When prospective purchaser is not in position to buy immediately, following paragraph should be substituted:

This quotation is for acceptance within 15 days from this date and is subject to the execution of our regular form Specific Work Sales Contract at the time this quotation is accepted.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for comparison.

Sacks must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

If at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices, we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

IMPERIAL portland cement to be furnished hereunder is when shipped to conform in every respect to Standard Specifications for portland cement adopted September 1, 1916, by the American Society for Testing Materials, but we cannot be responsible for improper use of cement; therefore, we will not guarantee finished work.

Purchaser waives any provisions of said specifications which may be interpreted as involving the setting aside of cement in sealed bins for test before shipment, unless such an arrangement is expressly agreed to in contract when executed, in which event an additional charge will be made, and stated in the contract, for the facilities supplied.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 4
In Triplicate

IMPERIAL PORTLAND CEMENT COMPANY
Imperial, U. S. A.

Specific Work—Sales Contract, No._____

THIS AGREEMENT, and a duplicate hereof, made this day of 191 , by and between IMPERIAL PORTLAND CEMENT COMPANY (a corporation), of Imperial, U. S. A., hereinafter called "SELLER," and of , hereinafter called "BUYER," WITNESSETH:

That in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof, which it is hereby mutually understood and expressly agreed are a part hereof, SELLER hereby sells and agrees to deliver, and the BUYER hereby purchases and agrees to receive and pay for approximately barrels of "IMPERIAL" Portland cement, at a price of $ per standard bbl. in 4 cloth sacks, in carload lots, f. o. b. cars , to be used in the following described work, and 4 paper bags, shipped between the date hereof and , 191 .

DESCRIPTION OF WORK

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland cement which BUYER shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland cement required for the said work is estimated by BUYER at
barrels, but nothing herein contained shall obligate SELLER to furnish hereunder more than the quantity of "IMPERIAL" cement actually furnished by BUYER for, and used in, said work. Said cement is to be shipped as nearly as practicable to meet the necessities of the work; it being understood, however, that under no circumstances shall SELLER be obligated to ship hereon more than barrels during any one calendar month; or during any 30 day period; it being further provided, however, that BUYER shall in any event receive and pay for in accordance with price and terms hereof, all cement shipped hereunder.

BUYER shall have no right to assign this contract. The material covered by it is sold to BUYER upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give SELLER the option to terminate this contract and to refuse to deliver any more cement under it.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by BUYER without written consent of SELLER.

ENTERED INTO and signed, subject to official written approval of an Executive Officer of SELLER at its General Office, Imperial, U. S. A., the day and year first above written.

Approved....., 191 .

IMPERIAL PORTLAND CEMENT COMPANY,
Seller.

By.....

By.....

at Imperial, U. S. A.

.....

Contract No._____

Date_____ 191—

IMPERIAL PORTLAND CEMENT CO.

IMPERIAL, U. S. A.

and

Other Terms, Conditions and Limitations Governing This Contract

BUYER, when ordering cement to be shipped hereon, shall refer to this contract by its number and date, and the BUYER shall, on or about the first day of each month, if requested by and on form furnished by SELLER, correctly inform the SELLER of the amount of "IMPERIAL" CEMENT delivered or used by him on the work described during the preceding month or months since date hereof.

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is PAID IN FULL within 10 days from date of shipment, 5 cents per barrel discount will be allowed, payments to be made in cash or equivalent at SELLER'S Office, Imperial, U. S. A. Freight charges per tariff applying, from Imperial, U. S. A., to point of delivery specified, shall be paid by BUYER for account of SELLER, and the original paid freight bills sent to SELLER promptly for proper comparison.

If at any time the financial responsibility of buyer becomes impaired or unsatisfactory to SELLER it reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If BUYER fails to comply with terms of payment, SELLER reserves the right to cancel unfilled portion of any contract or order, BUYER remaining liable for all unpaid accounts.

The price herein provided includes the packages in which the cement shall be shipped.

SELLER will pay original purchaser 10 cents each for empty cloth cement sacks purchased hereunder bearing its brand, on their receipt in serviceable condition at SELLER'S mill, if returned within 90 days after their purchase, freight prepaid, subject to SELLER'S inspection and count. SELLER will not purchase sacks bearing brands other than its own, or sacks that have been wet or otherwise made useless.

SELLER'S invoice quantities shall be the basis for settlement, and BUYER shall not hold SELLER, responsible for shortage of, or damage to, either cement or packages occurring in transit. Railroad company's bills of lading at the point of shipment shall be conclusive as to quantity and good condition of cement and packages when loaded on cars at SELLER'S mill. All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, BUYER.

The price specified on the reverse side hereof is a firm price and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

SELLER reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

BUYER shall give SELLER shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond SELLER'S control, and SELLER will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, SELLER reserves the right to pro rate its shipment of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder SELLER may have accepted and may from time to time accept, other orders and contracts so as to have a market for its entire estimated output of cement under normal conditions; therefore in the event SELLER shall at any time, because of any such contingency, be unable to deliver to all its customers the entire quantity of cement required and called for by all of its contracts then in force, the total of SELLER'S production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on SELLER'S part for the reduction so made.

The IMPERIAL portland cement to be shipped hereunder is when shipped to conform in every respect to Standard Specifications for portland cement adopted September 1, 1916, by the American Society for Testing Materials, but seller cannot be responsible for improper use of cement, therefore will not guarantee finished work.

Buyer waives any provisions of said specifications which may be interpreted as involving the setting aside of cement in sealed bins for test before shipment, unless such an arrangement is expressly agreed to in contract when executed, in which event an additional charge will be made, and stated in the contract, for the facilities supplied.

Time is the essence of this contract.

Contract Form for Dealer's Use

MEMORANDUM OF SALE made this.....day of ....., 191...., by

....., of.....

(Seller), to....., of.....

(Buyer), WITNESSETH:

FOR AND IN CONSIDERATION of the price named, and subject to the terms, conditions and limitations on this and the reverse side hereof, SELLER hereby sells and agrees to furnish and deliver, and BUYER hereby agrees to receive and pay for, "IMPERIAL" Portland cement for use in the work described, to be shipped between date hereof

and....., 191....

PRICE: $.....per standard barrel, in.....sacks, delivered.....

.....

TERMS: .....

.....

DESCRIPTION OF WORK: .....

.....

.....

QUANTITY: This contract is intended to, and does within the limitations hereof, cover the entire quantity of Portland

cement, which BUYER shall, during the time herein specified, use in the work above described, estimated at..... barrels, but SELLER is not obligated to furnish hereunder more than the actual quantity of "IMPERIAL" cement actually used during said period in said work.

DELIVERIES: The cement is to be delivered as nearly as practicable to meet the necessities of the work, BUYER to give SELLER reasonable notice of time deliveries are desired, but SELLER shall not be obligated to furnish hereon

more than.....barrels during any thirty-day period.

SACKS: The price named includes the sacks in which the cement is to be shipped. CLOTH SACKS of "IMPERIAL" Brand delivered hereunder will be repurchased, subject to SELLER'S inspection and count, at 10c each if returned promptly

in serviceable condition at.....

Sacks that have been wet or are otherwise worthless will not be repurchased.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by BUYER without written consent of SELLER. The material covered by it is sold to the buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give the SELLER the option to terminate this contract and to refuse to deliver any more cement under it.

ENTERED INTO and signed the day and year first above written.

.....

At..... Seller.

.....

Buyer.

Other Terms, Conditions and Limitations Governing This Contract

If at any time the financial responsibility of buyer becomes impaired or unsatisfactory to seller, it reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If buyer fails to comply with terms of payment, seller reserves the right to cancel unfilled portion of any contract or order, buyer remaining liable for all unpaid accounts.

Sacks must be paid for at same time as cement.

The Seller has a contract with Imperial Portland Cement Company, Imperial, U. S. A. (Shipper), for the cement to be furnished and delivered hereon, and Buyer agrees that this contract is subject to contingencies of manufacturing and shipping and other causes beyond control of Seller or Shipper, and that should any contingency at any time arise whereby Shipper's production or shipments are curtailed or delayed, the right is reserved by both Shipper and Seller to prorate the shipments and deliveries of cement to all buyers of record at such time; that in addition to this contract, Shipper and Seller may have accepted, and may from time to time accept, other orders and contracts within their ability under normal conditions to supply same, therefore in the event either Shipper or Seller at any time be unable to deliver to all customers the entire quantity of cement called for by all contracts then in force, the total of Shipper's output then available shall be applied pro rata on all orders or contracts according to their requirements respectively, and the amount deliverable on each may be reduced accordingly, and there shall be no liability on the part of Shipper or Seller for the reduction so made.

When deliveries hereunder are in carloads, f. o. b. cars railroad company's tracks, Shipper's invoice quantities shall be the basis for settlement, and Buyer shall not hold Seller responsible for shortage of or damage to, either cement or packages occurring in transit. Railroad company's bills of lading at the point of shipment shall be conclusive as to quantity and good condition of cement and packages when loaded on cars at shipper's mill. All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, Buyer.

The price specified on the reverse side hereof is a firm price, and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the **salesman or any other person to the** contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Seller reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

IMPERIAL portland cement to be furnished hereunder is when shipped to conform in every respect to Standard Specifications for portland cement adopted September 1, 1916, by the American Society for Testing Materials, but Shipper or **Seller cannot be responsible for improper use of cement, therefore will not guarantee finished work.**

Buyer waives any provisions of said specifications which may be interpreted as involving the setting aside of cement in sealed bins for test before shipment, unless such an arrangement is expressly agreed to in contract when executed, in which event an additional charge will be made, and stated in the contract, for the facilities supplied.

Time is the essence of this contract.

Form No. 6

....., 191....

Imperial Portland Cement Company,
Imperial, U. S. A.

Gentlemen:

DELIVERIES—SPECIFIC WORK—SALES CONTRACT NO.

Description of Work:

In accordance with the requirements of the above described contract, this is to inform you that the following is a correct statement of the quantities of "IMPERIAL" Portland cement we have used, or delivered for use, exclusively in the above described work during the periods stated:

During the month of....., 191.... .....barrels.

Total Quantity prior to....., 191.... .....barrels.

Respectfully,

.....

Form No. 7

Order No.---------- *Date*----------, *191*----

IMPERIAL PORTLAND CEMENT CO.

IMPERIAL, U. S. A.

PLEASE SHIP TO

At---

Located on---------- *Industry* / *Team* } *Tracks*

No. of Barrels	KIND	Price Per Bbl.		
----------	"IMPERIAL" Portland Cement (Cloth)	------	-----	F. O. B.
----------	"IMPERIAL" Portland Cement (Paper)	------	-----	
----------	"IMPERIAL" Portland Cement (Wood)	------	-----	

Time of Shipment----------

Remarks: .....

Conditions of Sale: This order is not binding upon the Imperial Portland Cement Company until accepted from its Home Office in writing by an Officer of the Company, and is subject to all the conditions of sale and shipment on reverse side hereof.

----------*Salesman*

----------*Purchaser*

CONDITIONS OF SALE AND SHIPMENT

1. TERMS: 30 days net; 5 cents per barrel discount for payment in full, including sacks, within 10 days from date of invoice. Original paid freight bills to be sent to us promptly for comparison.

2. The Imperial Portland Cement Company shall be under no obligation to make shipment hereon in the event of any payment becoming past due.

3. Orders are subject to approved credit and if at any time purchaser's credit be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due. Sacks must be paid for at same time as cement.

4. If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

5. We reserve the right to prescribe the route by which shipments shall be forwarded.

6. Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

7. Bills are payable in funds current in Imperial, U. S. A., and all exchange or collection charges must be paid by purchaser. Bills not paid when due, per invoices, will be subject to sight draft without notice.

8. Demurrage or other car service charges which railroad companies may impose, for detention of cars, shall be borne and settled for by purchaser.

9. We will pay original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

10. When making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our Plant. Railroad company's bills of lading shall be conclusive as to quantity and good condition of cement and packages when loaded on cars.

11. The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time because of any such contingency be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

12. It is mutually understood and agreed that the price at which the order on the reverse side hereof is accepted by the Imperial Portland Cement Company is a firm price and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding, it being further understood and agreed that all conditions of the sale are herein and in the acceptance hereof, wholly set out, and each and every of said conditions form a part of the order and are agreed to and accepted as such by purchaser.

13. This order contemplates delivery and use of material ordered at destination shown and in the work described, if any, and if diverted or used elsewhere purchaser hereby agrees to pay Imperial Portland Cement Company for cement so diverted, at its price current at point of ultimate destination, and in the event of such diversion without its consent the Imperial Portland Cement Company shall be under no obligation to make shipments hereon.

14. This order, if for cement to be used in specific work requiring deliveries beyond fifteen days from date, is subject to execution of our regular form Specific Work Sales Contract.

15. IMPERIAL portland cement to be furnished hereunder is when shipped to conform in every respect to Standard Specifications for portland cement adopted September 1, 1916, by the American Society for Testing Materials, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Purchaser waives any provisions of said specifications which may be interpreted as involving the setting aside of cement in sealed bins for test before shipment, unless such an arrangement is expressly agreed to in contract when executed, in which event an additional charge will be made, and stated in the contract, for the facilities supplied.

IMPERIAL PORTLAND CEMENT COMPANY.

TRADE PRACTICES
IN THE
CEMENT INDUSTRY

A compilation of the essential features of reports of the Trade Practices Committee, September, 1915, and May, 1916, intended to eliminate unfair methods of competition and improper and illegal discrimination, and to maintain the quality of, and standardize the specifications for, Portland cement

"Concrete for Permanence"

Published by

PORTLAND CEMENT ASSOCIATION

111 West Washington Street

CHICAGO

ATLANTA
DALLAS
INDIANAPOLIS
KANSAS CITY

1916

NEW YORK
PARKERSBURG
PITTSBURG
SAN FRANCISCO

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INTRODUCTION

At a meeting of the Portland Cement Association, held at Atlantic City in September, 1915, a committee of the Association made a report on trade conditions affecting the cement industry. At a meeting of the Association at Chicago in May, 1916, a committee made a further report on the same general subject. Both committees studied very carefully the trade practices which prevailed more or less generally in the business. Their reports embody their conclusions and recommendations and were adopted by the Association. This pamphlet is a compilation of the essential features of the two reports.

In the opinion of the committees the practices which they recommend are based upon sound business principles. Their recommendations are offered as ideal for the industry, and ought to be followed so generally as to become customs of the business. It was believed that the practices recommended would tend to eliminate unfair methods of competition and improper discriminations in price, and would at the same time maintain the quality of the product and stimulate the interest of the dealer to extend the sale and use of cement for all suitable purposes, and generally prove advantageous to all concerned.

What follows in this pamphlet makes very evident the evils of the past and the reasons supporting each recommendation of the committees. Doubtless every manufacturer will desire to avail himself of the suggestions. Of course, no member of the Association is in any way obligated by the reports, or because of the adoption of the reports by the Association, to follow the recommendations. It is not at all a matter of mutual agreement, but solely a question as to whether the recommendations appeal to each member of the Association severally as the best thing for him and all concerned.

Every member is urged to give very careful consideration to this pamphlet, because the subject is of the greatest importance, and because the recommendations of the committees embody the best judgment of those who have had wide experience and have very carefully inquired as to what business customs will best put the industry on a high plane and give the greatest benefit to the producer, the dealer and the consumer.

1. DEFINITION OF DEALER

A dealer is a person, firm or corporation *regularly engaged in selling Portland cement and other merchandise,* especially building materials, purchased by him for resale; who is also properly equipped with storage facilities; supplied with teams or trucks; and is recognized in his home town as a building material dealer.

2. CONSUMERS

There are only two classes of buyers of cement—dealers and consumers. *The consumer price should be paid by all consumers* including manufacturers of concrete blocks, cast stone, concrete drain and roofing tile, concrete sinks and laundry tubs, concrete shingles and all other concrete products.

3. DEALER DIFFERENTIAL

In order to secure the active and energetic assistance of the dealer in pushing the use of cement in competition with other materials, it is necessary that the business be so handled that the dealer will get a margin of profit which is satisfactory to him and that will compensate him for his work. Unless this is done he will lose interest in cement and discourage its use in favor of other materials.

Recognizing these facts most cement manufacturers have for some time made a differential in price between dealers and consumers, first of five cents per barrel and later of ten cents per barrel, although in some sections of the country some manufacturers are still using the five cent differential.

It is clearly to the cement manufacturers' interest to use their very best efforts to induce dealers to handle their cement business in such a way as to net them a fair margin of profit. One of the surest ways to accomplish this is to help dealers to inform themselves on the cost of doing business, a result of which will be *to discourage them from selling cement for carload delivery on a smaller margin than ten cents per barrel.*

4. FIVE CENTS PER BARREL DISCOUNT

In the latter part of 1915 the cash discount for payment within ten days from date of invoice was increased by practically all cement companies from two cents to five cents per barrel. This discount is closely related to the dealer differential, and for the reasons stated under preceding heading *it is desirable that the five-cent discount be continued.*

It is important in carrying out the provisions for the five-cent discount that no cement be quoted on or sold or payment accepted therefor except including packages; that each invoice be dated the date shipment is made as shown on bill of lading for the shipment covered by it, *and that discount be not allowed in any circumstances unless remittances*

are mailed, as shown by postmark, not later than ten days from date of invoice.

It has been suggested that on the face of all invoices the following be stamped or printed:

$ discount will be allowed if this invoice is paid on or before 191 .

(Total amount of discount in dollars and cents and blank date to be filled in—blank date to be ten days from date of invoice.)

5. COMMISSIONS

The practice of paying to dealers a commission on sales made direct to consumers has been followed by some manufacturers on the theory that, as a dealer handles a certain brand in his locality he is entitled to compensation on sales made to others because his representation has popularized that particular brand.

The correctness of this theory can be successfully attacked from several angles, the principal of which is that the dealer is entitled to compensation only for actual service rendered in each instance. His profits as a merchant are earned only for such service as he actually performs on each barrel sold, as, for example, on cement handled through his warehouse or through his accounts when he assumes the credit risk and thus performs a service.

The ten-cent differential should make it possible for the dealer to sell at a profit all the cement he sells in his town, but if a consumer refuses to buy through a dealer and prefers to purchase direct from a manufacturer, the dealer renders no actual service and clearly is not entitled to compensation when he performs no actual service.

For these reasons and also because the payment of commissions is of questionable legality under the Clayton Act except when the dealer actually perform a service, *commissions should never be paid to dealers under any circumstances.*

Legal opinion has been secured on this point, and in order to make the matter clear questions are stated below, and following them the answers thereto:

"A" is a certain cement company's dealer in a town.

"B" is another dealer in the same town.

"C" is a contractor or other user of cement located or doing work in the same town.

Question 1: May the cement company sell to "A" and "B" (dealers) at one price and to "C" (contractor) at a higher price? If so, when is it proper and when is it not proper for the cement company to allow to "A" or "B" or both a commission on sale made to "C"?

Answer: You may sell to a contractor who is a consumer at a higher price than to a dealer. A difference in price to wholesalers,

jobbers, and consumers tends to equalize the disadvantages which the same price would create, and therefore tends to stimulate competition. A commission should not be allowed to "A" or "B", the dealers, for a sale made by you to "C" except in those rare instances where you may be able definitely to assure yourself that "A" or "B" has rendered you a service or has been the procuring agent in bringing the business to you. If it can consistently be done, we recommend that no commission be paid except upon an agreement so to do in advance for a specific service rendered, as the payment of commission so-called, unless there is a very substantial ground for the allowance, will be considered as evidence against you that you had an exclusive contract with the dealer as to territory, and that the so-called commission is in fact but an allowance to him for business which you sold within the territory which belongs to him. Although you do not under any circumstances agree that a dealer shall have an exclusive territory, nevertheless we must bear in mind that the ultimate determination of a court and jury as to whether such an agreement was in fact made by you will not alone be determined by what you say is the agreement, but your conduct will have greater weight than your mere words, as the substance and result, rather than the form, will be made conclusive.

Question 2: May the cement company decline to quote "C" and refer him to "A", at the same time advising "A" that "C" is in the market for cement?

Answer: You have the right to decline to quote "C" and refer him to "A", at the same time advising "A", the dealer, that "C", the consumer, is in the market for cement. You have the right to refuse to sell to a consumer, as you have the right to choose to sell only to dealers. There is no objection, upon your refusing to sell to a consumer, to advise him that dealer "A" sells a certain brand at ————, and that you assume the dealer has a sufficient stock to handle "C's" requirements, and there is no objection to your advising dealer "A" that "C" is apparently in the market for a certain brand, as he has written to you for prices, in reply to which you have informed him that dealer "A" sells that brand in that locality.

Question 3: On receipt of an inquiry from "C" may the cement company, after consulting with "A", quote "C" on behalf of "A"?

Answer: You should not quote "C" on behalf of dealer "A". This is clear and strong evidence of an unlawful mutual agreement for exclusive territory for "A".

This answer was discussed further with counsel with the result that the opinion was revised to the extent that the cement company may, on receipt of inquiry from a contractor, consult with the dealer and after getting a price from the dealer advise the contractor that it (the cement company) has been authorized by the dealer to quote the contractor.

It is preferable not to use the wording: "We quote you on behalf of the ABC Building Material Company as follows", but rather to use the wording, "We are authorized by the ABC Building Material Co. to quote you as follows."

It was pointed out to counsel that in many cases it is very desirable to quote a contractor after consulting with the dealer, especial emphasis being made of the point that in such cases the contractor generally is a customer of the cement company with headquarters in a town different from the town in which he wishes to use the cement and for that reason is acquainted with the cement company and is not acquainted with the dealer, so that it would be inconvenient for the cement company to find it necessary to tell the contractor that it could not quote him and ask him to get in touch with the dealer. Counsel advised that there is no objection to the cement company securing authority from the dealer to quote the contractor in such a case, but that it is not desirable to follow this course when the contractor and dealer are located in the same town, but preferably where they are in the same town to refer the contractor to the dealer without quoting. Counsel further advised, however, that even in the latter case if in some exceptional instances it is found especially desirable to deal with the contractor after consulting with the dealer it is allowable to do so.

Question 4: May the cement company sell to "A" in his town and refuse to quote "B" when he asks for a price and if the cement company desires refer him to "A"?

Answer: You may sell to "A", a dealer, and refuse to quote "B", a dealer in the same town, and if you so desire you may refer him to "A". You should at all times be extremely careful not to convey at any time, either by conduct or spoken or written words, the impression that the dealer has an exclusive territory or a right in any way to consider himself as the only man in the town to whom you would sell cement. You do not agree to give exclusive territory, and you should be very careful that no inference arises that you have so agreed. We suggest the following form of reply:

"We have your letter of ———— date asking for quotations on ———— cement. In reply have to advise that we do not care at this time to quote, but you are probably aware that ———— is sold in ———— by ————, a dealer who should have in stock enough to supply your requirements, and we suggest that you communicate with him."

In the event you receive a subsequent letter inquiring why you do not wish to quote, the letter generally should be ignored, but if special instances present themselves where you deem it desirable to make a further reply explaining your reason, we suggest the following:

"Your letter of ———— date with inclosures was received today. The commercial experience of this company has convinced us that in

many cases our best policy is to market ———— Portland cement through one dealer in a community. This enables that dealer to push the sale of our product with an energy which we might not otherwise secure. We do not require any dealer to agree in any way that he will not deal in the product of our competitors, but we do demand, and all that we demand is, that dealers who receive the benefit of our policy of marketing our cement through them shall show the energy which we expect in pushing our product and shall not discriminate against it. We are advised by counsel that this sales plan does not violate the Clayton Act or any other statute, and is not contrary to any public policy expressed in the laws of this country. (Strike out the preceding sentence except when inquiry refers to claimed violation of law.)

"We at no time have had any exclusive agencies or contracts with our customers restricting our right to sell where, when or to whom we might desire. We have always held ourselves free, and we have the right to select the customers with whom we desire to do business, and will continue this policy of freely selecting our customers as we may deem best for furthering the sale of our products. And so, while we may have sold ———— Company in the past, we may tomorrow offer to sell to you or any other dealer in your town, as may to us seem best for our commercial interests and the selling of as much of our product as is possible, for it is needless to suggest that that policy commends itself to us which will result in our selling as much of our product as we can.

"I thank you for calling my attention to the case in question, and I am quite sure that in view of the foregoing explanation you will appreciate our reason for preferring at this time to not sell ———— cement to you in ————."

Question 5: May the cement company sell to "B" at a higher price than is charged "A"? If so, when is it proper and when is it not proper to allow commission to "A" on sale made to "B"?

Answer: You should not sell to "B" at a higher price than you sell to "A", except where the difference in price is based on the grade, quality or quantity of the commodity sold, or the difference in the cost of selling or transportation, or made in good faith to meet competition. You should not allow a commission to "A" on a sale made by you to "B", except for services actually rendered in consummating the sale made to "B". In this connection note our recommendations in answer to Question 1.

Question 6: May the cement company sell to "A" and "B" at the same price and allow to "A" a commission on sale made to "B"?

Answer: You should sell to "A" and "B" at the same price except where conditions noted in answer to Question 5 are present, and you should not allow a commission to "A" on a sale made to "B" except where conditions exist as found in answer to Questions 5 and 1.

6. QUOTATIONS TO DEALERS FOR DELIVERY AT TOWNS OTHER THAN THEIR HOME TOWN

In many cases quotations have been made to dealers in towns other than their home towns, where they are not regularly engaged in business as building material dealers. By reason of this condition and having no investment in such towns, such dealers frequently sell cement for delivery f. o. b. cars at such towns at a margin of profit smaller than the margin recognized and observed by building material dealers regularly engaged in business in those towns. This deprives the latter dealer of business to which he is justly entitled and causes demoralization and disatisfaction. *Therefore, a dealer should be quoted the consumer price on cement for shipment to any town other than his home town,* except that it is proper to quote the dealer price to such a dealer on cement for delivery in towns adjacent to his home town in which there are no dealers.

7. CONTRACT FORM FOR DEALERS' USE

Great demoralization results from the ability of dealers to place orders with manufacturers for large amounts for deferred delivery upon the representation that the cement is for specific work which the dealer has sold, all or part of which has in reality not been sold by dealer for such work. In such a case the cement is later sold by dealer from time to time when the market has advanced at a price lower than warranted by the manufacturers' current prices to such dealer and lower than other dealers in the same town can sell at, based on manufacturers' prices to them for current requirements. This results in demoralization to the detriment of all manufacturers concerned in the market affected—the manufacturer who has such an unspecific work contract delivering cement at prices below prevailing market prices, and the manufacturers who are trying to sell through other dealers being unable to secure business because of the disadvantage under which such dealers are placed in competition with the dealer who is being supplied by the other manufacturer at price below prevailing market.

Urging dealers to place orders for extended delivery for specific work, and permitting such dealers, at their option, to take more or less cement on such orders than actual quantity used in the work, *has been one of the most objectionable devices and practices known, and has done more than any other one thing to bring about demoralization.* This practice is closely akin to "guaranteeing prices against decline", and no good or wise merchant ever resorts to such practices. If a contract is made it should be a fair one and its terms observed by both parties.

No specific work contract should be made that is not bona fide, and such a contract should cover the quantity of cement used in the partiular job described—no more, no less; and any change in the market during the period of the contract should not affect the price named

in the contract. All specific work contracts with dealers should be in written contract form, and dealers should be required to report monthly their deliveries thereon. These suggestions, if consistently followed, will prevent padding of contracts and the loss and demoralization resulting therefrom.

If all manufacturers insist that every specific work contract with a dealer have attached thereto an executed copy of contract between the dealer and his customer for that particular work, it will largely eliminate the abuses recited.

For these reasons the attached form of dealer contract should be adopted and its use by dealers insisted upon and executed copy of the dealer contract be attached to the manufacturer's specific work contract with that dealer in every case. The manufacturer, of course, when he has any reasonable doubt of the existence of the specific work mentioned, should make a thorough investigation to disclose the fact or establish with certainty that the quantity in the dealer contract is correct. (See Form No. 5.)

8. REPORTS BY DEALERS OF DELIVERIES ON SPECIFIC WORK CONTRACT

To secure full benefit from dealer contracts described in the preceding section, *dealers should be required to make monthly reports of deliveries on specific work contracts in order that the misuse of cement by dealers may be eliminated and the demoralization which usually results may be prevented.* A form for this purpose is appended.

Comparison should be made regularly each month between the amount reported by dealer as delivered on contract and the amount actually shipped to dealer on contract. When the amount actually shipped is greater than that reported, and if the market price at time of shipment is higher than the contract price, the dealer should be invoiced on the 15th of each month at the difference in price for all excess deliveries in preceding month. (See Form No. 6.)

9. BLANKET CONTRACTS

A blanket contract is a contract covering unknown and uncertain requirements of dealers or contractors or consumers, for delivery beyond 15 days, representing a future possibility and not an actuality.

The making of blanket contracts with dealers or contractors either for flat amounts or for requirements during a stated period of time is unnecessary and unbusinesslike. Such contracts are an obligation of an indefinite and uncertain character on the cement company, and result in demoralization and abuse. When made with a dealer, if the market advances above contract price, they result in demoralization. In case the market declines below contract price, the dealer refuses to take the

cement for the reason that he cannot resell it in competition with dealers buying at market price then prevailing.

When made with a contractor, if the market advances the contractor has an advantage over his competitors in bidding on work to which he is not rightfully entitled. In case the market declines the reverse is true. He is at a disadvantage in figuring his bid in competition with other contractors whose bids are based on the prevailing market price. Usually he figures his bid on the prevailing market price and refuses to take deliveries on the contract for such work as he secures.

The practice of making blanket contracts cannot be too strongly condemned.

10. SALESMEN'S ORDER BLANKS

All sales made by salesmen should be covered by the signed order of the customer, a copy being retained by customer. This will prevent disputes and prevent the customer from claiming later that the salesman agreed to prices, terms, conditions, etc., not in accordance with custom. The attached form, which provides that the order is not binding on the cement company until accepted by its home office, should be adopted and its use insisted upon. (See Form No. 7.)

11. QUOTATIONS FOR IMMEDIATE ACCEPTANCE, FIFTEEN DAY SHIPMENT, ONE CAR ONLY

All quotations represent potential but indefinite and uncertain obligations of the cement company, and it is obviously desirable and proper to limit these obligations as much as practicable. Under the plan of sending broadcast, at every price change, thousands of unasked quotations, the potential obligations of each company, provided they are for acceptance within five, ten or thirty days or until cancelled, or for thirty-day shipment or for amounts greater than one car each, reach very high figures.

In the event of general advances in price, which, under strong buying demand, car shortage or similar conditions, may occur at frequent intervals, these potential obligations to sell become real obligations to deliver unduly heavy tonnages at prices lower than the price warranted by commercial conditions. Thus the cement company is effectively prevented from taking advantage of the advanced price, and is compelled to accept business at prices lower than the changed conditions justify.

It is obvious, therefore, that in order to keep the situation more nearly in the control of the cement company, *all trade quotations should be for immediate acceptance, 15 day shipment, and for not more than one carload each.* (See Form No. 1.)

12. EXTENSION OF DELIVERY DATES

The practice, after customers have placed orders for delivery within 15 days, of later permitting cancellation of these orders or extensions in

shipping date originally agreed upon is in reality giving an option to the buyer which causes disturbance to cement company's operating and shipping plans which is an uncertain and indefinite obligation on the cement company.

It is obvious, therefore, that *strict insistence by manufacturers should be made on the following condition of sale:*

"Orders entered for shipment on a specific date will at our option be shipped on that date unless sooner ordered out by purchaser."

13. DEALERS SPECIFYING BRANDS IN MAKING PROPOSALS

It has been found that dealers, in bidding on inquiries for cement, particularly inquiries from municipalities, often do not state brand upon which they are bidding and later, in case they are awarded the business, not being obliged to supply any particular brand, try to auction the business off to manufacturers other than the one on whose price they based their proposal when bidding.

This practice obviously is undesirable from a manufacturer's standpoint and manufacturers are urged when quoting to dealers price to use in bidding on such inquiries, *to require dealers to state in their bid the name of the brand on which they are bidding.*

14. DEFINITION OF SPECIFIC WORK

Specific work is a definable piece of construction work requiring a carload or more of cement for delivery over a specified period of time beyond 15 days.

15. QUOTATIONS FOR SPECIFIC WORK

It is obvious, from the manufacturer's standpoint, that the period for acceptance of a quotation should be as short as possible without inflicting a hardship or undue inconvenience on purchasers of cement. The longer the acceptance period the greater are the manufacturer's potential obligations and such obligations, particularly in an active market, may be undesirable. Certainly it is to the manufacturer's interest to control as nearly as possible at all times the volume of business he may be called upon to take in a given period at a stated price.

The cost of cement entering into a given piece of work should correspond as nearly as possible to the price prevailing at time bids for the work are submitted. In bringing about this condition, however, quotations should not be held open for an unnecessarily long period for the reason stated. This means, then, that quotations should be made only a reasonable time before and held open only a reasonable time after bids are submitted.

Quotations on specific work are made to two general classes of prospective purchasers:

1. Those who are in position to buy immediately.
   a. Dealer buying for resale to a contractor who has contract for specific work, or for resale to an owner.
   b. Contractor who has contract for specific work.
   c. Owner (including railroads, industrial plants, etc.).
2. Those who are not in position to buy immediately.
   a. Dealer buying for resale to contractor figuring contract for specific work.
   b. Contractor figuring contract for specific work.

Quotations to prospective purchasers of Class 1 may be dismissed in a few words. When a concern or individual needs cement, as soon as the need is known there is no reason why purchase should be delayed. Since a contractor to whom a contract has been awarded occupies the same position as a dealer buying for warehouse stock or an owner in that he can buy immediately, quotations for specific work made to those included in Class 1 should be for acceptance within not more than five days.

Quotations to prospective purchasers of Class 2, namely, those who are not in position to buy at time quotation is made (this class is made up largely of contractors figuring specific work) present a different condition. Such quotations are usually on cement for use in specific work contract for which has not been awarded and should be for acceptance within not more than 15 days.

It is important that quotations on specific work be made only when a full and accurate description of the work is furnished by the concern or individual asking for quotation.

Quotations should be for acceptance *within not more than five days when prospective purchaser is in position to buy immediately.*

Quotations should be for acceptance *within not more than 15 days when prospective purchaser is not in position to buy immediately.* (See Form No. 3.)

16. SPECIFIC WORK SALES CONTRACT

A specific work sales contract is a contract covering the cement required for specific work (see definition of Specific Work on page **12**).

It is clear that *a specific work sales contract should be executed only when the person or concern desiring to buy has been awarded contract for such work, or in case the owner is the buyer such specific work sales contract should be executed only when it has been definitely decided that the work in question is to be done immediately or within a reasonably short time.*

Specific work sales contract should accurately describe the work as to location, character, name of owner, contractor or other party doing the work.

It is important in specific work sales contracts (as it is in quotations and other documents used in the industry), that they be definite and exact as to their provisions. (See Form No. 4.)

17. QUANTITY AND DELIVERY PERIOD OF SALES TO CEMENT PRODUCTS PLANTS, INDUSTRIAL PLANTS, RAILROADS, ETC.

Railroads, industrial plants and manufacturers of cement products including concrete blocks, cast stone, concrete drain and roofing tile, concrete sinks and laundry tubs, concrete shingles, etc., have been in the habit of buying their requirements for season delivery, or their requirements with a maximum and minimum limit for season delivery, or flat amounts for season delivery, or flat amounts with leeway for season delivery.

As to concrete products plants, the claim has been made that the nature of their business is such that they distribute price lists covering their products and manufacture them for stock and later sale, and in view of this that they should be sold their requirements for the season.

This condition is largely theoretical. In reality if such concerns are sold for delivery within 15 days or for deferred delivery when the sale is for specific work only, they will be able to change their prices from time to time to accord with changes in the cement market without any considerable inconvenience and with no injury. To sell such concerns season requirements or large quantities for deferred delivery, is likely to result in such concerns, in the event of price advance, retailing the cement at prices with which legitimate dealers paying the market price are unable to compete, thus putting such dealers out of the market and destroying such channels of trade. It would have the further effect of improperly preventing manufacturers from taking advantage of such price advances.

In view of these conditions *concrete products plants, including manufacturers of the items listed above, should not be sold blanket requirements for season delivery or large amounts for deferred delivery,* but sales to this class of customers should be on either of the following bases:

1. For delivery within 15 days from date of order, or
2. Requirements of specific work which is known to exist, with a maximum amount limitation.

In the case of *railroads, electric lines, industrial plants, etc., there is no real necessity in most instances for such concerns to buy their requirements for the season* and they should be sold only on the following bases:

1. Delivery within 15 days from date of order, or
2. Flat amounts, with a leeway of ten per cent over or under, or
3. Requirements of specific work which is known to exist, with a maximum amount limitation.

18. GIVING ADVANCE NOTICE OF PRICE CHANGES

The practice of giving notice of a price advance is unbusinesslike and cannot be too strongly condemned. The theory of advance in price is that conditions do not justify the sale of cement at the former price. The practice of giving notice of an advance in price is opposed to this theory in that the practice results in large quantities of cement being bought at prices lower than conditions justify. The argument has been advanced in favor of the practice that dealers should be protected at the time of a change in price to the extent of being enabled to fill their warehouses before the advance takes effect. This argument lacks strength in that it would tend to cause dealers to defer their purchases even when they need cement for the reason that they would know they would receive notice of an advance and in the meantime be enabled to take advantage of a decline in price, should one occur. Clearly this would have the effect of influencing the dealer not to keep his stocks at a level to meet demand and in addition would foster speculation, a practice which it is generally agreed in the cement industry is not a desirable one.

In the few cases where the practice of giving a five-day notice of price advance has been indulged in the extent of it was supposed to be confined to a single carload and to dealers only, but, in fact, it was usually not so restricted in either respect. Quantities of business placed at the old price usually were unlimited and during the five-day interval quotations were made indiscriminately, some of them covering specific work for as much as a 30-day acceptance.

A further objection to the practice as it has worked out under trial is that a contractor who has a contract covering a given piece of work has no incentive to buy until he actually must have cement. This is true for the reason stated in reference to dealers—that is, that contractor knows he will receive notice of an advance in price and by waiting for such a notice, knows that he will be enabled to take advantage of a decline in price should one occur.

Therefore, when quotations are issued covering a change in price *the change should be made effective on the date quotations are written, and in no case should the practice of what has become known in the industry as "price tipping" be indulged in.*

19. GUARANTEEING SALES AGAINST DECLINE IN PRICE

The practice of a cement company in guaranteeing customers against decline in price is inherently unfair and unbusinesslike. Beside the paying or allowing of rebates or special concessions in any form, directly or indirectly, to any person, firm, corporation, dealer, lineyard company, or its agents or employees, is unfair competition and illegal discrimination.

Quotations and sales should be made in accordance with the methods described in this pamphlet and *in no case should the cement company guarantee its customer against a decline in price.*

20. SPECIFICATIONS

The specifications under which practically all cement is marketed in this country are, of course, recognized as standard and it is clearly to the interest of all cement companies to discourage freak and unreasonable specifications.

No cement should be sold or quoted on subject to specifications other than those of the United States Government or of the American Society for Testing Materials.

The company wishing to make sale should, of course, use its influence to have the specifications made regular and in addition when prospective purchaser insists on other than standard specifications, a report of the occurrence should be made to the Association with the request that it try to prevail upon the prospective purchaser to adopt standard specifications.

21. CHARGE FOR BIN TEST

When it is demanded that cement be set aside in sealed bins and tested for the exclusive use of a single customer or group of customers, mill operation and shipping procedure are limited and restricted, with consequent inconvenience, lessened efficiency and increased costs, by reason of greater investment required in storage facilities and to carry additional stock of cement.

The cost of this additional service varies as among companies and differs according to time of year, condition of stocks and length of time the cement is held. While the exact cost is difficult to determine it varies from three cents to ten cents per barrel and it is clear that *this cost, in no instance lower than three cents per barrel, should be borne by the purchaser of cement.*

This charge is for service and storage facilities only and is not to be confused with the charge for actual testing referred to in next succeeding section.

22. COMMERCIAL LABORATORY TESTING CHARGE

As all quotations and sales are subject to Standard Specifications, the cement company guarantees the cement to conform thereto. If the purchaser, or some other interested party, desires to assure himself that such condition is fulfilled by the cement company, and employs a commercial laboratory or tester to make tests to determine the fact, the cost of such service should not be borne by the cement company.

It is generally realized that *under no circumstances should cement manufacturers bear commercial laboratory charges for testing* cement or pay these charges for the buyer's account.

23. SACKS

It should be thoroughly understood, and the position firmly maintained that:

All packages are provided solely for the cement user and are sold to and paid for by him on the same terms as the cement. They are delivered to transportation company in a serviceable condition, filled with cement, and any loss due to damage en route should be assumed by the transportation company.

Any loss due to damage while in possession of the dealer should be assumed by him.

Any loss due to damage while in possession of user should be assumed by him.

Cloth sacks will be repurchased by the cement company from original purchaser only when in serviceable condition, or when a reasonable amount of repairing will put them in serviceable condition for further use as cement containers.

The theory sometimes advanced that the cement container is a free package, that the cement company lends the cloth sack to the user, or by any process assumes any loss due to wear and tear, except that occurring while in the cement company's hands, is unsound and inconsistent, and the practice of maintaining this attitude is condemned.

In view of these facts *it should be made the rule that only such cloth sacks as are serviceable and can be used again, be repurchased*, and that no returned cloth sacks be repurchased unless they are in serviceable condition as cement containers or can be made so by a reasonable amount of repairing.

In all cases the cement company's count and inspection should be final and the cost of returning empty cloth sacks to the cement company's mill should be borne by purchaser.

24. CREDIT

The free interchange of credit information among cement companies is desirable in the interest of reducing losses, eliminating the practice of cement companies acting in the capacity of bankers, and concentrating the handling of cement in the hands of competent and responsible dealers.

Bureaus for the collection and distribution of credit information have been established in some sections of the country and it is desirable that similar bureaus be organized in other sections.

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Clark M. Moore (Colorado)
Albert Moyer (Vulcanite)
F. R. Muhs (Santa Cruz)
Blaine S. Smith (Universal)
L. T. Sunderland (Ash Grove)

Form No. 1

QUOTATION TO DEALERS FOR WAREHOUSE STOCK

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote for immediate acceptance, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, in carloads, f. o. b. station named:

	in 4 cloth sacks at	per standard bbl.
IMPERIAL, Portland Cement		
	" 4 paper bags at	" " "

Unless otherwise agreed, this quotation is limited to one carload of cement and applies only on shipments billed to and unloaded at point of delivery specified.

This quotation is based upon today's market and is applicable to immediate orders only.

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for comparison.

Sacks must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 2

QUOTATION TO LINEYARD

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote for immediate acceptance, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, "IMPERIAL" Portland Cement for your yards, in carloads f. o. b. stations named, at the following prices per standard barrel, viz.:

F. O. B.	IN CLOTH SACKS	IN PAPER BAGS

Unless otherwise agreed, this quotation is limited to one carload of cement for each or any station named and applies only on shipments billed to and unloaded at point of delivery specified, respecttively.

This quotation is based upon today's market and is applicable to immediate orders only.

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for comparison.

Sacks must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 3
In Triplicate

SPECIAL QUOTATION FOR SPECIFIC WORK

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote you, subject to all the terms, conditions and limitations on both sides hereof, on "IMPERIAL" PORTLAND CEMENT for work herein described; and for shipment according to contract requirements, between date hereof and 191 , not to exceed, however, bbls. in any one month:

4 Cloth Sacks at per Standard Bbl.

IMPERIAL Portland Cement in

4 Paper Bags at " " "

in carloads, f. o. b. cars
This price includes the sacks in which the cement is to be shipped.

This quotation is intended to cover the entire and actual quantity (estimated at barrels) of Portland cement which buyer shall be required to, and in fact shall, furnish or use in the following described work.

DESCRIPTION OF WORK

*This quotation is subject to the execution of a written contract between you and your customer in conformity herewith on our regular form furnished for dealers' use, the original or a duplicate thereof to be filed with us.

†This quotation is for acceptance within 5 days from this date and is further subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

*This paragraph should be used only when contract is with a dealer for resale to a consumer. It should be omitted when contract is with the consumer direct.

†Quotations should be for acceptance within five days when prospective purchaser is in position to buy immediately and within fifteen days when prospective purchaser is not in position to buy immediately. For explanation see page No. 12 subject No. 15: Quotations for Specific Work.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payment to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for comparison.

Sacks must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

If at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or are otherwise useless.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 4
In Triplicate

IMPERIAL PORTLAND CEMENT COMPANY
Imperial, U. S. A.

Specific Work—Sales Contract, No._____

THIS AGREEMENT, and a duplicate hereof, made this day of 191 , by and between IMPERIAL PORTLAND CEMENT COMPANY (a corporation), of Imperial, U. S. A., hereinafter called "SELLER," and of , hereinafter called "BUYER," WITNESSETH:

That in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof, which it is hereby mutually understood and expressly agreed are a part hereof, SELLER hereby sells and agrees to deliver, and the BUYER hereby purchases and agrees to receive and pay for approximately barrels of "IMPERIAL" Portland cement, at a price of $ per standard bbl. in 4 cloth sacks, in carload lots, f. o. b. cars , to be used in the following described work, and 4 paper bags, shipped between the date hereof and , 191 .

DESCRIPTION OF WORK

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland cement which BUYER shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland cement required for the said work is estimated by BUYER at barrels, but nothing herein contained shall obligate SELLER to furnish hereunder more than the quantity of "IMPERIAL" cement actually furnished by BUYER for, and used in, said work. Said cement is to be shipped as nearly as practicable to meet the necessities of the work; it being understood, however, that under no circumstances shall SELLER be obligated to ship hereon more than barrels during any one calendar month; or during any 30 day period; it being further provided, however, that BUYER shall in any event receive and pay for in accordance with price and terms hereof, all cement shipped hereunder.

BUYER shall have no right to asssign this contract. The material covered by it is sold to BUYER upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give SELLER the option to terminate this contract and to refuse to deliver any more cement under it.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by BUYER without written consent of SELLER.

ENTERED INTO and signed, subject to official written approval of an Executive Officer of SELLER at its General Office, Imperial, U. S. A., the day and year first above written.

Approved....., 191 .

IMPERIAL PORTLAND CEMENT COMPANY,
Seller.

By..... By.....

at Imperial, U. S. A. .....

Contract No._____

Date_____ 191__

IMPERIAL PORTLAND CEMENT CO.

IMPERIAL, U. S. A.

and

Other terms, Conditions and Limitations Governing this Contract

BUYER, when ordering cement to be shipped hereon, shall refer to this contract by its number and date, and the BUYER shall, on or about the first day of each month, if requested by and on forms furnished by SELLER, correctly inform the SELLER of the amount of "IMPERIAL" CEMENT delivered or used by him on the work described during the preceding month or months since date hereof.

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is PAID IN FULL, within 10 days from date of shipment, 5 cents per barrel discount will be allowed, payments to be made in cash or equivalent at SELLER'S Office, Imperial, U. S. A. Freight charges per tariff applying, from Imperial, U. S. A., to point of delivery specified, shall be paid by BUYER for account of SELLER, and the original paid freight bills sent to SELLER promptly for proper comparison.

If at any time the financial responsibility of buyer becomes impaired or unsatisfactory to SELLER it reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If BUYER fails to comply with terms of payment, SELLER reserves the right to cancel unfilled portion of any contract or order, BUYER remaining liable for all unpaid accounts.

The price herein provided includes the packages in which the cement shall be shipped.

SELLER will pay original purchaser 10 cents each for empty cloth cement sacks purchased hereunder bearing its brand, on their receipt in serviceable condition at SELLER'S mill, if returned within 90 days after their purchase, freight prepaid, subject to SELLER'S inspection and count. SELLER will not purchase sacks bearing brands other than its own, or sacks that have been wet or otherwise made useless.

SELLER'S invoice quantities shall be the basis for settlement, and BUYER shall not hold SELLER responsible for shortage of, or damage to, either cement or packages occurring in transit. Railroad company's bills of lading at the point of shipment shall be conclusive as to quantity and good condition of cement and packages when loaded on cars at SELLER'S mill. All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, BUYER.

The price specified on the reverse side hereof is a firm price and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

SELLER reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

BUYER shall give SELLER shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond SELLER'S control, and SELLER will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, SELLER reserves the right to prorate its shipment of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder SELLER may have accepted and may from time to time accept, other orders and contracts so as to have a market for its entire estimated output of cement under normal conditions; therefore in the event SELLER shall at any time, because of any such contingency, be unable to deliver to all its customers the entire quantity of cement required and called for by all of its contracts then in force, the total of SELLER'S production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on SELLER'S part for the reduction so made.

The "IMPERIAL" Portland cement to be shipped hereunder is, when shipped, to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but SELLER cannot be responsible for improper use of cement, therefore will not guarantee finished work.

Time is the essence of this contract.

Co

Date

IMPERIAL

Form No. 5

Contract Form for Dealer's Use

MEMORANDUM OF SALE made this.....day of.....191..., by

....., of.....

(Seller) to....., of.....

(Buyer), WITNESSETH:

FOR AND IN CONSIDERATION of the price named, and subject to the terms, conditions and limitations on this and the reverse side hereof, SELLER hereby sells and agrees to furnish and deliver, and BUYER hereby agrees to receive and pay for, "IMPERIAL" Portland cement for use in the work described, to be shipped between date hereof

and....., 191...

PRICE: $.....per standard barrel, in.....sacks, delivered.....

.....

TERMS: .....

.....

DESCRIPTION OF WORK: .....

.....

.....

QUANTITY: This contract is intended to, and does within the limitations hereof, cover the entire quantity of Portland cement, which BUYER shall, during the time herein specified, use in the work above described, estimated at

.....barrels, but SELLER is not obligated to furnish hereunder more than the actual quantity of "IMPERIAL" cement actually used during said period in said work.

DELIVERIES: The cement is to be delivered as nearly as practicable to meet the necessities of the work, BUYER to give SELLER reasonable notice of time deliveries are desired, but SELLER shall not be obligated to furnish hereon more

than.....barrels during any thirty-day period.

SACKS: The price named includes the sacks in which the cement is to be shipped. CLOTH SACKS of "IMPERIAL" Brand delivered hereunder will be repurchased, subject to SELLER'S inspection and count, at 10¢ each if

returned promptly in serviceable condition at.....

Sacks that have been wet or are otherwise worthless will not be repurchased.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by BUYER without written consent of SELLER. The material covered by it is sold to the buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give the SELLER the option to terminate this contract and to refuse to deliver any more cement under it.

ENTERED INTO and signed the day and year first above written.

.....

At..... Seller.

.....

Buyer.

Other Terms, Conditions and Limitations Governing this Contract

If at any time the financial responsibility of buyer becomes impaired or unsatisfactory to seller, it reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If buyer fails to comply with terms of payment, seller reserves the right to cancel unfilled portion of any contract or order, buyer remaining liable for all unpaid accounts.

Sacks must be paid for at same time as cement.

The Seller has a contract with Imperial Portland Cement Company, Imperial, U. S. A. (Shipper), for the cement to be furnished and delivered hereon, and Buyer agrees that this contract is subject to contingencies of manufacturing and shipping and other causes beyond control of Seller or Shipper, and that should any contingency at any time arise whereby Shipper's production or shipments are curtailed or delayed, the right is reserved by both Shipper and Seller to prorate the shipments and deliveries of cement to all buyers of record at such time; that in addition to this contract, Shipper and Seller may have accepted, and may from time to time accept, other orders and contracts within their ability under normal conditions to supply same, therefore in the event either Shipper or Seller at any time be unable to deliver to all customers the entire quantity of cement called for by all contracts then in force, the total of Shipper's output then available shall be applied pro rata on all orders or contracts according to their requirements respectively, and the amount deliverable on each may be reduced accordingly, and there shall be no liability on the part of Shipper or Seller for the reduction so made.

When deliveries hereunder are in carloads, f. o. b. cars railroad company's tracks, Shipper's invoice quantities shall be the basis for settlement, and Buyer shall not hold Seller responsible for shortage of or damage to, either cement or packages occurring in transit. Railroad company's bills of lading at the point of shipment shall be conclusive as to quantity and good condition of cement and packages when loaded on cars at shipper's mill. All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, Buyer.

The price specified on the reverse side hereof is a firm price, and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Seller reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

"IMPERIAL" Portland cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by American Society of Civil Engineers, but Shipper or Seller cannot be responsible for improper use of cement, therefore will not guarantee finished work.

Time is the essence of this contract.

Form No. 6

....., 191...

Imperial Portland Cement Company,
Imperial, U. S. A.

Gentlemen:

DELIVERIES—SPECIFIC WORK—SALES CONTRACT NO.

Description of Work:

In accordance with the requirements of the above described contract, this is to inform you that the following is a correct statement of the quantities of "IMPERIAL" Portland cement we have used, or delivered for use, exclusively in the above described work during the periods stated:

During the month of....., 191.. .....barrels.

Total Quantity prior to....., 191.. .....barrels.

Respectfully,

.....

Form No. 7

Order No...... *Date*....., 191.....

IMPERIAL PORTLAND CEMENT CO.

IMPERIAL, U. S. A.

PLEASE SHIP TO

.....

At .....

Located on ..... *Industry Team* } *Tracks*

No. of Barrels	KIND	Price Per Bbl.		
.....	"IMPERIAL" Portland Cement (Cloth)	.....	.....	F.O.B.
.....	"IMPERIAL" Portland Cement (Paper)	.....	.....	
.....	"IMPERIAL" Portland Cement (Wood)	.....	.....	

Time of Shipment.....

Remarks: .....

.....

.....

Conditions of Sale: This order is not binding upon the Imperial Portland Cement Company until accepted from its Home Office in writing by an Officer of the Company, and is subject to all the conditions of sale and shipment on reverse side hereof.

..... *Salesman.*

..... *Purchaser.*

CONDITIONS OF SALE AND SHIPMENT

1. TERMS: 30 days net; 5 cents per barrel discount for payment in full, including sacks, within 10 days from date of invoice. Original paid freight bills to be sent to us promptly for comparison.

2. The Imperial Portland Cement Company shall be under no obligation to make shipment hereon in the event of any payment becoming past due.

3. Orders are subject to approved credit and if at any time purchaser's credit be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due. Sacks must be paid for at same time as cement.

4. If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

5. We reserve the right to prescribe the route by which shipments shall be forwarded.

6. Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

7. Bills are payable in funds current in Imperial, U. S. A., and all exchange or collection charges must be paid by purchaser. Bills not paid when due, per invoices, will be subject to sight draft without notice.

8. Demurrage or other car service charges which railroad companies may impose, for detention of cars, shall be borne and settled for by purchaser.

9. We will pay original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

10. When making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars at our Plant. Railroad company's bills of lading shall be conclusive as to quantity and good condition of cement and packages when loaded on cars.

11. The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time because of any such contingency be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

12. It is mutually understood and agreed that the price at which the order on the reverse side hereof is accepted by the Imperial Portland Cement Company is a firm price and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding, it being further understood and agreed that all conditions of the sale are herein and in the acceptance hereof, wholly set out, and each and every of said conditions form a part of the order and are agreed to and accepted as such by purchaser.

13. This order contemplates delivery and use of material ordered at destination shown and in the work described, if any, and if diverted or used elsewhere purchaser hereby agrees to pay Imperial Portland Cement Company for cement so diverted, at its price current at point of ultimate destination, and in the event of such diversion without its consent the Imperial Portland Cement Company shall be under no obligation to make shipments hereon.

14. This order, if for cement to be used in specific work requiring deliveries beyond fifteen days from date, is subject to execution of our regular form Specific Work Sales Contract.

15. "IMPERIAL" Portland cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Portland Cement Association
111 West Washington Street
Chicago

(REFERRING TO FORM NO. 3 "TRADE PRACTICES IN THE CEMENT INDUSTRY")

*This quotation is subject to the execution of a written contract between you and your customer in conformity herewith on our regular form furnished for dealers' use, the original or a duplicate thereof to be filed with us.

†This quotation is for acceptance within 5 days from this date and is subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

*This paragraph should be used only when contract is with a dealer for resale to a consumer; it should be omitted when contract is with the consumer direct.

†Quotations should be for acceptance within 5 days when prospective purchaser is in position to buy immediately. When prospective purchaser is not in position to buy immediately, following paragraph should be substituted:

This quotation is for acceptance within 15 days from this date and is subject to the execution of our regular form Specific Work Sales Contract at the time this quotation is accepted.

Report on the Condition of Trade Conditions

Seal

Concrete for Permanence

Published by
Association of American Portland Cement Manufacturers
Bellevue Court Building, Philadelphia
1915

Property Book Original

Report of the Committee on Trade Conditions

Seal

Concrete for Permanence

Published by
Association of American Portland Cement Manufacturers
Bellevue Court Building, Philadelphia
1915

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TO EXECUTIVE COMMITTEE OF THE ASSOCIATION OF AMERICAN PORTLAND CEMENT MANUFACTURERS

INTRODUCTION

The report of the Sub-committee of the Committee on Trade Conditions was presented to the entire Committee on September 13th, to the Executive Committee on September 14th, and to the Association on September 15th and 16th. Each paragraph was thoroughly discussed and with several changes was passed by the members present. The report in its present form contains all changes approved by the members.

The report has been referred to counsel and has received their approval.

Since the May meeting the Trade Conditions Committee has undertaken a careful investigation and study of conditions surrounding and affecting the sale and delivery of cement, in an effort to reach a conclusion as to what constitutes the best practice in each material and important particular, so as to be able to recommend definite practices which will most satisfactorily fit conditions, protect and serve the interests of the manufacturer, and at the same time operate in perfect fairness to the cement user and dealer.

The magnitude and importance of the cement industry demand that the sale and distribution of the product be conducted upon firm and definitely fixed principles, and that doubt and uncertainty be eliminated.

It appears that the importance of this attitude is being more fully appreciated by the cement manufacturers, and that the membership is desirous of a full and free discussion of the various subjects involved in order that the consensus of opinion may be ascertained and established as custom, and so recognized by all cement manufacturers.

Uniform observance of the best practices will promptly eliminate many abuses and irregularities now prevalent.

Meetings of the Committee were held in Chicago May 19 and September 3, and in Atlantic City September 13; and a subcommittee held meetings in Chicago July 19, August 13, and in Atlantic City September 13.

SCOPE OF THE WORK

The following subjects were given consideration and study:

1. Quotations for:
   Immediate acceptance.
   Fifteen-day shipment.
   One car only.
2. Five cents per barrel discount.
3. Cement company not responsible for loss or damage en route.
4. Extension of delivery dates.
5. Specifications.
6. Special quotations for specific work.
7. Specific work sales contracts.
8. Blanket contracts.
9. Contract form for dealer's use.
10. Report by dealer of deliveries on specific work contracts.
11. Salesmen's order blanks.
12. Additional charge for bin test.
13. Commercial laboratory testing charge.
14. Sacks.
    (*a*) Quotations, terms of sale and payment to include payment for package at the same time as for cement.
    (*b*) Inspection—should the manufacturers or users ultimately stand loss on cloth sacks.
15. Quotations to dealers for delivery at towns other than their home town.
16. Definition of "Dealer."
17. Dealer differential.
18. Commissions to dealers.
19. Interchange of credit information.
20. Practice of incorporating so-called "waterproofing compounds" at manufacturer's mill.
21. Giving advance notice of price changes and guaranteeing price against decline.

FORMS

Forms covering the following are attached:

1. Trade quotations.
2. Lineyard quotations.
3. Quotations for specific work.
4. Specific work sales contracts.
5. Specific work sales contracts for dealer's use.
6. Deliveries on specific work.
7. Salesmen's order blank.

1. QUOTATIONS FOR—
Immediate Acceptance
Fifteen-Day Shipment
One Car Only.

In view of the desirability of having all manufacturers adopt, so far as practicable, the best business practices, and in order to bring before the Association in the most exact and intelligible way the Committee's ideas as to what these practices should be, the sample forms attached were prepared.

These forms embody the Committee's conclusions as to the best trade practices under all the circumstances after thorough and painstaking investigation and study.

Broadly speaking, the terms and conditions in all the forms are the same. They differ only in minor respects where necessary to meet different conditions.

Forms 1 and 2 cover regular trade quotations. It will be noticed that they are for immediate acceptance, fifteen-day shipment, and cover only one car.

The principal purpose of regular trade quotations is to inform the trade of market changes.

All quotations represent potential obligations of the cement company, and it is evidently desirable and advantageous to limit these obligations as much as practicable. Under the plan of sending broadcast, at every price change, thousands of unasked quotations, the potential obligations of each company, provided they are for acceptance within five, ten, or thirty days or until cancelled, or for thirty-day shipment or for amounts greater than one car each, reach very high figures.

In the event of general advances in price, which, under strong buying demand, car shortage, or similar conditions, may occur at frequent intervals, these potential obligations to sell become real obligations to deliver unduly heavy tonnages at prices lower than the price warranted by commercial conditions. Thus the cement company is effectively prevented from taking advantage of the advanced price, and is compelled to accept business at prices unnecessarily low.

Adoption of the limitations mentioned places the situation more nearly in the control of the cement company.

CONCLUSION

Therefore, the Committee recommends that all trade quotations be for immediate acceptance, fifteen-day shipment, and for not more than one car each.

2. FIVE CENTS PER BARREL DISCOUNT

Changing the cash discount rate from two cents per barrel to five cents per barrel has a number of advantages.

There is a persistent demand from dealers for a greater margin of profit in the handling of cement, and an increasing realization by manufacturers that to do so will enlist the dealer more actively and earnestly in pushing the sale of cement. While it is proposed to offer dealers and consumers alike the five-cent discount, it is thought that it will be taken advantage of more generally by dealers than by consumers; and as between dealers, those who would avail themselves of it to the greatest extent would be dealers who conduct their business on a substantial basis and insist on a fair margin of profit. In other words, it will be taken advantage of by the best and most capable merchants in the building material field, who are the ones doing the most in pushing the sale and increasing the use of Portland cement. Thus a premium would be placed on intelligent marketing of our product. In the operation of the present discount rate of two cents this tendency is noted. It is the opinion of the Committee that at five cents the condition would be more pronounced.

The Committee believes that, generally speaking, the dealer would, on only a small part of his business, pass on to his customers the five-cent per barrel discount.

The proposed advance in discount rate would also secure more prompt payments, reduce the amount of outstanding accounts, and consequently reduce losses on bad accounts.

CONCLUSION

Therefore, after careful consideration, the Committee recommends:

That the discount rate be changed from two to five cents for payment in full within ten days, and that all invoices have stamped or printed thereon:

> $ discount will be allowed if this invoice is paid on or before 191 .
> (Total amount of discount in dollars and cents and blank date to be filled in—blank date to be ten days from date of invoice.)

Also that no cement be quoted or sold or payments accepted for same except including packages.

Also that each invoice be dated the date shipment is made, as shown on bill of lading for the shipment covered by it.

Also that discount be not allowed under any circumstances unless remittances are mailed, as shown by postmark, not later than ten days from date of invoice.

3. CEMENT COMPANY NOT RESPONSIBLE FOR LOSS OR DAMAGE EN ROUTE

According to terms of sale the cement company delivers to the railroad a quantity of material of full weight and count and in good condition as

to cement and package. When so receipted for the railroad assumes full responsibility to deliver at destination without loss or damage. The custom of cement companies assuming responsibility is unnecessary and costly, and its discontinuance would reduce clerical work and decrease the cost of doing business. It would compel dealers and contractors to depend upon their own resources, force them to assume a responsibility which is properly theirs to adjust with the transportation company, and tend to make them better merchants and business-men.

CONCLUSION

Therefore, the Committee recommends that one of the terms of sale be that: "In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to the railroad company on cars at our mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and package when loaded on cars."

4. EXTENSION OF DELIVERY DATES

The practice of allowing customers to place orders for delivery within thirty days and later permitting cancellations or extensions in shipping date originally agreed to is in reality an option on the part of the buyer which causes disturbance to cement company's operating and shipping plans, and is an uncertain and indefinite obligation on the cement company.

CONCLUSION

Therefore, the Committee recommends the strict insistence by manufacturers on the following condition of sale:

"Orders entered for shipment on a specific date will at our option be shipped on that date unless sooner ordered out by purchaser."

5. SPECIFICATIONS

As the recognition of various specifications covering the manufacture and sale of Portland cement would be exceedingly inconvenient and confusing, it is clearly desirable to discourage freak and unreasonable specifications.

CONCLUSION

Therefore, the Committee recommends that no cement be sold or quoted subject to specifications other than Specifications of the United States Government or Standard Specifications of the American Society for Testing Materials.

6. SPECIAL QUOTATIONS FOR SPECIFIC WORK

The making of quotations for specific work as at present practised is uncertain and unbusinesslike, and results in great abuse and consequent demoralization. It is most desirable that such quotations be made according to definite and well-understood rules, and the Committee submits a form of specific work quotation.

The cost of cement entering into a given piece of work should correspond as nearly as possible to the price prevailing at the time bids for the work are submitted. In most cases there is no good reason for giving the contractor a price to figure a job more than ten days before bids are submitted. To do so results in no benefit, as the contractor passes the advantage along to the owner in case of market advance. It is also apparent that where one contractor is quoted an unduly long time before bidding (say more than ten days) and protected at that price, and other contractors who do not ask for prices until ten days or less prior to bidding are quoted on a higher price, in the event of an advance in the market meanwhile the contractor first mentioned is at an advantage over his competitors, which is unnecessary and unfair.

The Committee, therefore, recommends it be established as custom that, so far as practicable, specific work quotations be not made more than ten days before the date bids are to be received.

Also abuse and demoralization result from the practice of holding for acceptance, within unreasonably long periods of time, quotations for specific work. Such quotations are an obligation of an uncertain character on the cement company; and by reason of their existence the cement company is unable to benefit by market advances, with consequent substantial loss.

Adoption of the attached form will correct these abuses, place the control of the situation in the hands of the manufacturer, where it belongs, and will have the advantage of being definite and exact.

The form provides that, if quotation is accepted, it is subject to execution of regular form of specific work sales contract.

The form also provides that when quotation is to dealer, if accepted it is further subject to the execution of a written contract between such dealer and his customer on regular form, furnished by the cement company, the original or duplicate thereof to be filed with the cement Company. (Copy of this form is attached.)

Thirty days is a reasonable period within which the work is to be awarded. If the award is delayed beyond that time, there is no obligation on part of the cement company. The use of this form will cause its provisions to become established as custom; and contractors and others bidding on work will make their bids, so far as the cement is concerned, good for acceptance only until the expiration date of the quotation.

The form is self-explanatory, and aside from the conditions recited

above, its terms are the same as the specific work sales contract referred to elsewhere.

CONCLUSION

Therefore, the Committee recommends that the practice of making specific work quotations an unreasonably long time before bids are submitted and the protection of prices quoted for indefinite and unreasonably long periods of time after date made is unnecessary and unbusinesslike, and condemns it as bad practice.

The Committee also recommends that the methods suggested in this form be followed, and that the form be adopted and used.

7. SPECIFIC WORK SALES CONTRACT

Definition.—A "SPECIFIC CONTRACT" is a contract covering the cement required over a specific period beyond fifteen (15) days for a definable piece of construction work for which plans have been drawn, time of completion and quantities estimated, bids or proposals asked for, or contract let, or ready to be let. The minimum quantity to be covered by a "Specific Contract" should be one (1) carload.

It is important, in specific work sales contracts (as it is in quotations and other documents used in the industry), that they be definite and exact as to their provisions, and be used in a uniform manner by the cement companies.

The principal provisions of the attached form have been discussed elsewhere in this report. Those that have not been otherwise covered are summed up as follows:

The form provides that the quantity shall be fixed and stated as definitely as possible; that the contract covers the entire requirements of the work, but not in any event more than 110 per cent. of the amount estimated and stated in the contract; also that the delivery period be definitely fixed, and that shipment be made as required by progress of the work, but not more per month than a stated maximum. This tends to make the manufacturer's obligations on contracts definite, not only as to total, but as to monthly shipping requirements.

CONCLUSION

Therefore, the Committee recommends the adoption of the accompanying form, which embodies the Committee's ideas of the best practice.

8. BLANKET CONTRACTS

Definition.—A blanket contract is a contract covering unknown and uncertain requirements of dealers, contractors, or consumers, for delivery beyond fifteen (15) days, representing a future possibility and not an actuality, such as "Paving work," "Sewerage work," "State road work," etc.

The making of blanket contracts with dealers or contractors either for flat amounts or for requirements during a stated period of time is unnecessary and unbusinesslike. Such contracts are an obligation of an indefinite and uncertain character on the cement company, and result in demoralization and abuse.

When made with a dealer, if the market advances above contract price, they result in demoralization similar to that resulting from padded contracts recited in Paragraph 10, under the heading, "Contract Form for Dealer's Use." In case the market declines below contract price, the dealer refuses to take the cement for the reason that he cannot resell it in competition with dealers buying at market price then prevailing.

When made with a contractor, if the market advances, such contractor has an advantage over his competitors in bidding on work to which he is not rightfully entitled. In case the market declines, the reverse is true. He is at a disadvantage in figuring his bid in competition with other contractors whose bids are based on the prevailing market price. Usually he figures his bid on the prevailing market price and refuses to take deliveries on the contract for such work as he secures.

CONCLUSION

Therefore, the Committee condemns the blanket contract and advises against making it, except with the United States Government, with states, counties, and municipalities and with steam railroads.

9. CONTRACT FORM FOR DEALERS' USE

Great demoralization results from the ability of dealers to place orders with manufacturers for large amounts for deferred delivery upon the representation that the cement is for specific work which the dealer has sold, all or part of which has in reality not been sold by dealer for such work, and which is later sold by dealer from time to time when the market has advanced at lower prices than warranted by the manufacturers' prices to such dealer and lower than other dealers in the same town can sell at, based on manufacturers' prices to them for current requirements. This results in demoralization to the detriment of all manufacturers concerned in such a given market—the manufacturer who has such an unspecific work contract delivering cement at prices below prevailing market prices, and the manufacturers who are trying to sell through other dealers in the same market being unable to secure business because of the disadvantage under which such dealers are placed in connection with the dealer who is being supplied by the other manufacturer at price below prevailing market.

Urging dealers to place orders for extended delivery for specific work, and permitting such dealers, at their option, to take more or less cement

on such orders *than actual quantity used* in the work, has been one of the most objectionable devices and practices known, and has done more than any other one thing to bring about demoralization. This practice is a twin brother to "guaranteeing prices against decline," and no good or wise merchant ever resorts to such practices. If a contract is made it should be a fair one and observed by both parties.

No specific work contract should be made that is not bona fide, and such a contract should cover the exact quantity of cement used in the particular job described—no more, no less; and any change in the market during the period of the contract should not affect the price named in the contract. All specific work contracts with dealers should be written in contract form, and dealers should be required to report monthly their deliveries thereon. These suggestions, if consistently followed, will prevent stuffing of contracts and the loss and demoralization resulting therefrom.

If all manufacturers insist that every specific work contract with a dealer have attached thereto an executed copy of contract between the dealer and his customer for that particular work, it will largely eliminate the abuses recited above.

CONCLUSION

Therefore, the Committee recommends that the attached form of Dealer Contract be adopted, and its use by dealers insisted upon, and that an executed copy be attached to manufacturer's specific work contract with that dealer in every case.

The Committee further recommends that in all such cases the manufacturer also make, where he has any reasonable doubt of the existence of the specific work mentioned, a thorough investigation to disclose the fact and establish with certainty that the quantity of the contract is correct.

10. REPORTS BY DEALERS OF DELIVERIES ON SPECIFIC WORK CONTRACT

A signed monthly statement from the dealer, showing deliveries made by him the preceding month and the total deliveries, including the preceding month, on the specific work covered by contract, would act as a further protection against the abuses above outlined. A form for this purpose is appended.

CONCLUSION

And, the Committee recommends that it be adopted by all manufacturers and its use insisted upon in all cases.

11. SALESMEN'S ORDER BLANKS

All sales made by salesmen should be covered by the signed order of the customer, a copy of which is given to the customer. This will prevent disputes and prevent the customer from insisting later that the salesman

agreed to do certain things different from custom, since the form attached carries the following condition: "This order is not binding upon The Imperial Portland Cement Company until accepted by its home office in writing by an officer of the Company, and is subject to all the terms of sale and shipment on reverse side hereof.

"It is mutually understood and agreed that the price at which the order on the reverse side hereof is accepted by the Imperial Portland Cement Company is a firm price, and not subject to change or alterations, except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein, and in the acceptance hereof, wholly set out, and each and every one of said conditions form a part of the order and are agreed to and accepted as such by purchaser."

CONCLUSION

Therefore, the Committee recommends the adoption of the accompanying form and insistence on its use. It further recommends that it be established as custom that orders placed through salesmen must be signed by the customer.

12. ADDITIONAL CHARGE FOR BIN TEST

Where it is demanded that cement be set aside in sealed bins and tested for the exclusive use of a single customer or group of customers, mill operation and shipping procedure are limited and restricted, with consequent inconvenience, lessened efficiency, and increased costs, by reason of greater investment required in storage facilities and to carry additional stocks of cement.

CONCLUSION

Therefore, the Committee recommends that a charge shall be made for the facilities furnished and services rendered, and that this charge shall be commensurate with the actual cost thereof.

The Committee believes that the cost varies as among companies and differs according to time of year, condition of stocks, and length of time the cement is held. For these reasons the exact cost is difficult to ascertain, and the Committee up to this time has not been able to determine upon a definite figure. However, it is the Committee's opinion that the cost is in no case less than three cents per barrel, and that it varies from that to about ten cents per barrel.

13. COMMERCIAL LABORATORY TESTING CHARGE

As all quotations and sales are subject to Standard Specifications, the cement company guarantees the cement to conform thereto. If the pur-

chaser, or some other interested party, desires to assure himself that such condition is fulfilled by the cement company, and employs a commercial laboratory or tester to make tests to determine the fact, the cost of such service should not be borne by the cement company.

CONCLUSION

Therefore, the Committee recommends that the custom be established that under no circumstances shall manufacturers bear commercial laboratory charges for testing cement or pay them for the buyer's account.

14. SACKS

It should be thoroughly understood, and the position firmly maintained, that:

All packages are provided for the use of the cement user and are sold to and paid for by him on the same terms as the cement.

They are delivered to transportation company in a serviceable condition, filled with cement, and that any loss due to damage en route should be assumed by the transportation company.

Any loss due to damage while in possession of the dealer should be assumed by him.

Any loss due to damage while in possession of user should be assumed by him.

Cloth sacks will be repurchased by the cement company from original purchaser only when in serviceable condition, or when a reasonable amount of repairing will put them in serviceable condition for further use as cement containers.

The theory sometimes advanced that the cement container is a free package, that the cement company lends the cloth sack to the user, or by any process assumes any loss due to wear and tear, except that occurring while in the cement company's hands, is believed to be unsound and inconsistent, and the practice of maintaining this attitude is condemned.

CONCLUSION

Therefore, the Committee recommends that it be made the rule that only such cloth sacks as are serviceable and can be used again be repurchased, and that no returned cloth sacks be repurchased unless they are in serviceable condition as cement containers, or can be made so by a reasonable amount of repairing.

15. QUOTATIONS TO DEALERS FOR DELIVERY AT TOWNS OTHER THAN THEIR HOME TOWN

In many cases quotations are made to dealers in towns other than their home towns, where they are not regularly engaged in business as building

material dealers. By reason of this condition, and having no investment in such towns, such dealers frequently sell cement for delivery f. o. b. cars at such towns at a margin of profit smaller than the margin recognized and observed by building material dealers regularly engaged in business in those towns. This deprives the latter dealer of business to which he is justly entitled, and causes demoralization and dissatisfaction.

CONCLUSION

Therefore, the Committee recommends that no dealer be quoted for shipment to any town other than his home town except at consumer price, excepting only in towns adjacent to his home town in which there is no dealer.

16. DEFINITION OF DEALER

The Committee recommends that the following be adopted as the definition of a dealer: "A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only; who is also properly equipped with storage facilities; supplied with teams or trucks; and is recognized in his home town as a building-material dealer.

17. DEALER DIFFERENTIAL

For some time past the custom has been to make prices to consumers and contractors at least five cents per barrel higher than to dealers. There is an insistent demand by dealers that this differential be greater than five cents per barrel. Generally speaking, the five cents per barrel differential has given fair satisfaction. It is believed that the principle of making higher prices to consumers and contractors than are made to dealers is correct, and that there has been a material improvement in the situation in territories where this practice has been followed. It is, therefore, believed that the practice should be general in all territories, and that all companies follow the same practice. In order to get the active and energetic assistance of the dealer in pushing the use of cement in competition with other materials it is necessary that the business be so handled that the dealer will get a margin of profit which is satisfactory to him and which will compensate him for his work. Unless this is done he will lose interest in cement and discourage its use in favor of other materials.

CONCLUSION

Therefore, the Committee recommends that it be established as a custom in quoting contractors and consumers to add not less than five cents per barrel to the dealer's price, and that the manufacturers use their best efforts to induce dealers to handle their cement business in such a way as to net them a fair margin of profit.

18. COMMISSIONS

The practice of paying to dealers a commission of any amount on sales made direct to consumers has been followed on the theory that, as a dealer handles a certain brand in his locality, he is entitled to compensation on sales made to others because his representation has popularized that particular brand.

The correctness of this theory can be successfully attacked from a number of angles, and it is the opinion of the Committee that the dealer is entitled to compensation only for actual service rendered in each instance; that his profits as a merchant are earned only for such service as he actually performs on each barrel sold, as, for instance, on cement handled through his warehouse or through his books when he assumes the credit risk and thus performs a service.

It is also the opinion of the Committee that under the Clayton Act the payment of commissions is of questionable legality except when the dealer actually performs a service.

Legal opinion has been secured on this point, and in order to make the matter clear questions are stated below, and following them the answers thereto:

"A" is a certain cement company's dealer in a town.
"B" is another dealer in the same town.
"C" is a contractor or other user of cement located or doing work in the same town.

Question 1: May Cement Company sell to "A" and "B" (dealers) at one price and to "C" (contractor)at a higher price? If so, when is it proper and when is it not proper for Cement Company to allow to "A" or "B" or both a commission on sale made to "C"?

Answer 1: You may sell to a contractor who is a consumer at a higher price than to a dealer. A difference in price to wholesalers, jobbers, and consumers tends to equalize the disadvantages which the same price would create, and therefore tends to stimulate competition. A commission should not be allowed to "A" or "B", the dealers for a sale made by you to "C" except in those rare instances where you may be able definitely to assure yourself that "A" or "B" has rendered you a service or has been the procuring agent in bringing the business to you. If it can consistently be done, we recommend that no commission be paid except upon an agreement so to do in advance for a specific service rendered as the payment of commission so called unless there is a very substantial ground, for the allowance will be considered as evidence against you that you had an exclusive contract with the dealer as to territory, and that the so-called commission is in fact but an allowance to him for business which you sold within the territory which belongs to him. Although you do not

under any circumstances agree that a dealer shall have an exclusive territory, nevertheless we must bear in mind that the ultimate determination of a court and jury as to whether such an agreement was in fact made by you will not alone be determined by what you say is the agreement, but your conduct will have greater weight than your mere words, as the substance and result, rather than the form, will be conclusive.

Question 2: May Cement Company decline to quote "C" and refer him to "A", at the same time advising "A" that "C" is in the market for cement?

Answer 2: You have the right to decline to quote "C" and refer him to "A", at the same time advising "A", the dealer, that "C", the consumer, is in the market for cement. You have the right to refuse to sell to a consumer, as you have the right to choose to sell only to dealers. There is no objection upon your refusing to sell to a consumer, to advise him that dealer "A" sells a certain brand at ——, and that you assume the dealer has a sufficient stock to handle "C's" requirements, and there is no objection to your advising dealer "A" that "C" is apparently in the market for a certain brand, as he has written to you for prices, in reply to which you have informed him that dealer "A" sells that brand in that locality.

Question 3: On receipt of any inquiry from "C" may Cement Company, after consulting with "A", quote "C" on behalf of "A"?

Answer 3: You should not quote "C" on behalf of dealer "A". This is clear and strong evidence of an unlawful mutual arrangement for exclusive territory for "A".

Question 4: May Cement Company sell to "A" in his town and refuse to quote "B" when he asks for a price and if Cement Company desires refer him to "A"?

Answer 4: You may sell to "A", a dealer, and refuse to quote "B", a dealer in the same town, and if you so desire you may refer him to "A". You should at all times be extremely careful not to at any time, either by conduct or spoken or written words, convey the impression that the dealer has an exclusive territory or a right in any way to consider himself as the only man in the town to whom you would sell cement. You do not agree to give exclusive territory, and you should be very careful that no inference arises that you have so agreed. We suggest the following form of reply:

"We have your letter of ———— date asking for quotations on ———— Cement. In reply have to advise that we do not care at this time to quote, but you are probably aware that ———— is sold in ———— by —— ——, a dealer who should have in stock enough to supply your requirements, and we suggest that you communicate with him.

"Yours truly,

"—— ——."

In the event you receive a subsequent letter inquiring why you do not wish to quote, the letter generally should be ignored, but if special instances present themselves where you deem it desirable to make a further reply explaining your reason, we suggest the following:

"Your letter of ———— date with inclosures was received today. The commercial experience of this company has convinced us that in many cases our best policy is to market ———— Portland Cement through one dealer in a community. This enables that dealer to push the sale of our product with an energy which we might not otherwise secure. We do not require any dealer to agree in any way that he will not deal in the product of our competititors, but we do demand, and all that we demand, is that dealers who receive the benefit of our policy of marketing our cement through them shall show the energy which we expect in pushing our product and shall not discriminate against it. We are advised by counsel that this sales plan does not violate the Clayton Act or any other statute, and is not contrary to any public policy expressed in the laws of this country. [Strike out the preceding sentence except when inquiry refers to claimed violation of law.]

"We at no time have had any exclusive agencies or contracts with our customers restricting our right to sell where, when, or to whom we might desire. We have always held ourselves free, and we have the right to select the customers with whom we desire to do business, and will continue this policy of freely selecting our customers as we may deem best for furthering the sale of our products. And so, while we may have sold ———— Company in the past, we may tomorrow offer to sell to you or any other dealer in your town, as may to us seem best for our commercial interests and the selling of as much of our product as is possible, for it is needless to suggest that that policy commends itself to us which will result in our selling as much of our product as we can.

"I thank you for calling my attention to the case in question, and I am quite sure that in view of the foregoing explanation you will appreciate our reason for preferring at this time to not sell ———— cement to you in ————."

Question 5: May Cement Company sell to "B" at a higher price than is charged "A"? If so, when is it proper and when is it not proper to allow commission to "A" on sale made to "B"?

Answer 5: You should not sell to "B" at a higher price than you sell to "A", except where the difference in price is based on the grade, quality, or quantity of the commodity sold or the difference in the cost of selling or transportation, or made in good faith to meet competition. You should not allow a commission to "A" on a sale made by you to "B", except for services actually rendered in consummating the sale made to "B". In this connection note our recommendations in answer to Question 1.

Question 6: May Cement Company sell to "A" and "B" at the same price and allow to "A" a commission on sale made to "B"?

Answer 6: You should sell to "A" and "B" at the same price except

where conditions noted in answer to Question 5 are present, and you should not allow a commission to "A" on a sale made to "B" except where conditions exist as found in answer to Questions 5 and 1.

CONCLUSION

Therefore, the Committee recommends that the payment of all commissions to dealers be entirely eliminated.

19. CREDIT

The Committee also recommends the free interchange of credit information between companies in the interest of reducing losses—eliminating the practice of cement companies acting in the capacity of bankers, and concentrating the handling of cement in the hands of competent and responsible dealers.

The Committee further recommends that the Executive Committee consider the matter of organizing a bureau for the collection and distribution of credit information.

20. INCORPORATING SO-CALLED "WATERPROOFING COMPOUNDS" AT MANUFACTURER'S MILL

The Committee recommends that practice of mixing waterproofing compounds with cement at the mills be discouraged.

21. GIVING ADVANCE NOTICE OF PRICE CHANGES AND GUARANTEEING PRICE AGAINST DECLINE

The Committee condemns the following practices as pernicious and recommends their complete elimination:

Giving Advance Notice of Price Changes.—These should become effective immediately whenever conditions necessitate or warrant such changes.

Guaranteeing Sales Against Decline in Price.—A sale with an agreement expressed or implied that in the event of a decline in the market the price will be adjusted to correspond is an option with the advantage all on one side, and therefore unfair. Making sales so conditioned is a practice which cannot be too strongly condemned.

Sales contracts should be firm, and not give the seller option to deliver, nor buyer option to receive, thereon at terms other than those stated therein.

Paying or allowing rebates or special concessions in any form, directly or indirectly, to any person, firm, corporation, dealer, lineyard company, or its agents or employees, is unfair competition and illegal discrimination.

Quoting prices and selling to dealers for future delivery extending beyond fifteen days from date of order is bad practice, because if the price goes up the manufacturer is called upon for all the cement, and if it goes down the dealer refuses to take *any* cement at contract price.

CONCLUSION

Therefore, the Committee recommends that under no circumstances shall any reduction be made in price on sales previously made.

The personnel of the Committee is shown on the appended sheet, from which it will be learned that the territory in which the companies with which the individual members are connected operate is widely distributed geographically. In consequence of this the findings and recommendations of the Committee take account of the diversified and different conditions existing.

The Committee is practically unanimous in all the recommendations hereinbefore made, and now presents this to the Executive Committee for its consideration and approval; and further suggests that thereafter the report be submitted to the open meeting of the Association at Atlantic City in September, 1915.

It further recommends that the report be approved by the Association as comprising the latest and best compilation of good trade practices and ethics, and that the forms recommended be also approved.

The members of the Committee, and especially of the sub-committee, have given freely of their time and energy in the studies and investigations of the Committee and in the preparation of the recommended forms, and the Vice-Chairman wishes to make acknowledgment thereof and to express his appreciation of the spirit of helpfulness and coöperation shown.

Respectfully submitted,

COMMITTEE ON TRADE CONDITIONS,

By B. F. Affleck,
Vice-Chairman.

PERSONNEL OF COMMITTEE ON TRADE CONDITIONS

W. A. Holman, *Chairman* (Atlas)

B. F. Affleck, *Vice-Chairman* (Universal)

Geo. F. Bayle (Glens Falls)
G. S. Brown (Alpha)
J. W. Boardman, Jr. (Huron)
A. H. Craney, Jr. (Union Sand)
Chas. F. Conn (Giant)
L. A. Coover (Security)
M. Coogan (Alpha)
A. Y. Gowan (Lehigh)
Richard Hardy (Dixie)
R. H. Hughes (Crescent)
F. L. Loeb (Coplay)
Albert Moyer (Vulcanite)
D. H. McFarland (Atlas)
S. B. Newberry (Sandusky)
H. Norcross (Kansas City)
H. M. Scott (Lehigh)
Blaine S. Smith (Universal)
B. L. Swett (Lehigh)
L. T. Sunderland (Ash Grove)
Percy H. Wilson (Secretary)

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of Cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of Cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 1

TRADE QUOTATIONS

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, in carloads, f. o. b. station named:

IMPERIAL Portland Cement	in 4 cloth sacks at	per standard bbl.
	" 4 paper bags	" "

This quotation is based upon today's market and is applicable to immediate orders only.

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

Terms, Conditions and Limitations

PAYMENT: 30 days net 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Unless otherwise agreed, the quotation on reverse side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of Cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of Cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 2
Line Yard Form

TRADE QUOTATIONS

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, "IMPERIAL" Portland Cement for your Yards, in carloads, f. o. b. stations named, at the following prices per standard barrel, viz.:

F. O. B.	IN CLOTH SACKS	IN PAPER BAGS

This quotation is based upon today's market and is applicable to immediate orders only.

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Unless otherwise agreed, the quotation on reverse side is limited to One Carload of Cement for each or any station named and applies only on shipments billed to and unloaded at point of delivery specified, respectively.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of Cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of Cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

SPECIAL QUOTATION FOR SPECIFIC WORK

IMPERIAL PORTLAND CEMENT COMPANY

IMPERIAL, U. S. A.

We quote you, subject to all the terms, conditions and limitations on both sides hereof, on "IMPERIAL" PORTLAND CEMENT for work herein described; and for shipment according to contract requirements, between date hereof and 191 , not to exceed, however, bbls. in any one month:

IMPERIAL Portland Cement in 4 Cloth Sacks at per Standard Bbl.
4 Paper Bags at " " "

in carloads, f. o. b. cars
This price includes the sacks in which the Cement is to be shipped.

This quotation is intended to cover the entire and actual quantity (estimated at barrels) of Portland Cement which buyer shall be required to, and in fact shall, furnish or use in the following described work, but not in any event to exceed 110% of the estimated quantity above stated.

DESCRIPTION OF WORK

This quotation, if to a dealer for resale of Cement for use in the work described, is subject to the execution of a written contract between such dealer and his customer in conformity herewith on our regular form furnished for dealers' use, the original or a duplicate thereof to be filed with us.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within 30 days from date hereof; It is further subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully,

IMPERIAL PORTLAND CEMENT COMPANY.

ACCEPTANCE: I (we) hereby accept the price, terms and all the conditions and limitations of the above special quotation and agree to execute promptly a contract therefor on your regular form Specific Work Sales Contract, covering Portland Cement required and used for the work described.

.....
Purchaser.

(NOTE: Two copies are enclosed. Please accept and return one and retain the other.)

Terms, Conditions and Limitations

PAYMENT: 30 days net; 5 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Imperial, U. S. A. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

If at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of Cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of Cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirement's respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

Form No. 4
In Triplicate

IMPERIAL PORTLAND CEMENT COMPANY
Imperial, U. S. A.

Specific Work—Sales Contract, No._____

THIS AGREEMENT, and a duplicate hereof, made this day of 191 , by and between IMPERIAL PORTLAND CEMENT COMPANY (a corporation), of Imperial, U. S. A., hereinafter called "SELLER," and of , hereinafter called "BUYER," WITNESSETH:

That in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof, which is hereby mutually understood and expressly agreed are a part hereof, SELLER hereby sells and agrees to deliver, and the BUYER hereby purchases and agrees to receive and pay for barrels of "IMPERIAL" Portland Cement, at a price of $ per standard bbl. in 4 Cloth Sacks, 4 Paper Bags, in carload lots, f. o. b. cars , to be used in the following described work, and shipped between the date hereof and , 191

DESCRIPTION OF WORK

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland Cement which BUYER shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland Cement required for the said work is estimated by BUYER at barrels, but nothing herein contained shall obligate SELLER to furnish hereunder more than the quantity of "IMPERIAL" Cement actually furnished by BUYER for, and used in, said work, nor in any event more than a maximum quantity of barrels (said maximum quantity being 110% of estimated requirements). Said Cement is to be shipped as nearly as practicable to meet the necessities of the work; it being understood, however, that under no circumstances shall SELLER be obligated to ship hereon more than barrels during any one calendar month; or during any 30 day period; it being further provided, however, that BUYER shall in any event receive and pay for in accordance with price and terms hereof, all Cement shipped hereunder.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by BUYER without written consent of SELLER.

ENTERED INTO and signed, subject to official written approval of an Executive Officer of SELLER at its General Office, Imperial, U. S. A., the day and year first above written.

Approved....., 191

IMPERIAL PORTLAND CEMENT COMPANY,
Seller.

By.....

By.....

at Imperial, U. S. A.

.....

Contract No._____

Date_____ 191—

IMPERIAL PORTLAND CEMENT CO.

IMPERIAL, U. S. A.

and

Other Terms, Conditions and Limitations Governing This Contract

The quantity of "IMPERIAL" CEMENT mentioned on reverse side hereof is for use in the work described, and if BUYER shall sell or otherwise dispose of any portion of said Cement, or use any portion thereof in any work other than above described or assign this contract or any part thereof, or fail to comply with terms of payment, or any of the conditions and limitations in this agreement set out, or if in the opinion of SELLER the BUYER'S credit be or become impaired, then, in any such event or events, SELLER may, at his option, decline to make further deliveries hereunder, BUYER remaining liable for all unpaid accounts.

BUYER, when ordering Cement to be shipped hereon, shall refer to this contract by its number and date, and the BUYER shall, on or about the first day of each month, if requested by and on forms furnished by SELLER, correctly inform the SELLER of the amount of "IMPERIAL" CEMENT delivered or used by him on the above described work during the preceding month or months since date hereof.

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is PAID IN FULL within 10 days from date of shipment, 5 cents per barrel discount will be allowed, payments to be made in cash or equivalent at SELLER'S Office, Imperial, U. S. A. Freight charges per tariff applying, from Imperial, U. S. A., to point of delivery specified, shall be paid by BUYER for account of SELLER, and the original paid freight bills sent to SELLER promptly for proper credit.

The price herein provided includes the packages in which the Cement shall be shipped.

SELLER will pay original purchaser 10 cents each for empty cloth cement sacks purchased hereunder bearing its brand, on their receipt in serviceable condition at SELLER'S Mill, if returned within 90 days after their purchase, freight prepaid, subject to SELLER'S inspection and count. SELLER will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

SELLER'S invoice quantities shall be the basis for settlement, and BUYER shall not hold SELLER responsible for shortage of, or damage to, either Cement or packages occurring in transit. Railroad Company's bills of lading at the point of shipment shall be conclusive as to quantity and good condition of Cement and packages when loaded on cars at SELLER'S Mill. All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, BUYER.

The price specified on the reverse side hereof is a firm price, and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

SELLER reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

BUYER shall give SELLER shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond SELLER'S control, and SELLER will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, SELLER reserves the right to prorate its shipments of Cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder SELLER may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for its entire estimated output of Cement under normal conditions; therefore, in the event SELLER shall at any time, because of any such contingency, be unable to deliver to all its customers the entire quantity of Cement required and called for by all of its contracts then in force, the total of SELLER'S production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on SELLER'S part for the reduction so made.

The "IMPERIAL" Portland Cement to be shipped hereunder is when shipped to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but SELLER cannot be responsible for improper use of Cement therefore will not guarantee finished work.

Time is the essence of this contract.

Form No. 5

Contract Form for Dealer's Use

MEMORANDUM OF SALE made this.....day of....., 191 , by

....., of.....

(Seller) to....., of.....

(Buyer), WITNESSETH:

FOR AND IN CONSIDERATION of the price named, and subject to the terms, conditions and limitations on this and the reverse side hereof, SELLER hereby sells and agrees to furnish and deliver, and BUYER hereby agrees to receive and pay for, "IMPERIAL" Portland Cement for use in the work described, to be shipped between date hereof and....., 191...

PRICE: $.....per standard barrel, in.....sacks, delivered.....

.....

TERMS: .....

.....

DESCRIPTION OF WORK: .....

.....

.....

QUANTITY: This contract is intended to, and does within the limitations hereof, cover the entire quantity of Portland Cement which BUYER shall, during the time herein specified, use in the work above described, estimated at..... barrels, but SELLER is not obligated to furnish hereunder more than the actual quantity of "IMPERIAL" Cement actually used during said period in said work, nor in any event more than a maximum quantity of.....barrels, said maximum being 110% of estimated requirements.

DELIVERIES: The Cement is to be delivered as nearly as practicable to meet the necessities of the work, BUYER to give SELLER reasonable notice of time deliveries are desired, but SELLER shall not be obligated to furnish hereon more than .....barrels during any thirty-day period.

SACKS: The price named includes the sacks in which the Cement is to be shipped. CLOTH SACKS of "IMPERIAL" Brand delivered hereunder will be repurchased, subject to SELLER'S inspection and count, at 10c each if returned promptly in serviceable condition at.....
Sacks that have been wet or are otherwise worthless will not be repurchased.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by BUYER without written consent of SELLER.

ENTERED INTO and signed the day and year first above written.

.....
Seller.

At.....

.....
Buyer.

Other Terms, Conditions and Limitations Governing This Contract

The quantity of "IMPERIAL" CEMENT mentioned on the reverse side hereof is sold and delivered for use in the work described, and if Buyer shall sell or otherwise dispose of any portion of said Cement, or use any portion thereof in any work other than that described or assign this contract or any part thereof, or fail to comply with terms of payment, or any of the conditions and limitations of this contract, or if the Buyer's credit be or become impaired, then, in any such event or events, Seller may, at his option, decline to make further deliveries hereunder, Buyer remaining liable for all unpaid accounts.

The Seller has a contract with Imperial Portland Cement Company, Imperial, U. S. A. (Shipper) for the Cement to be furnished and delivered hereon, and Buyer agrees that this contract is subject to contingencies of manufacturing and shipping and other causes beyond control of Seller or Shipper, and that should any contingency at any time arise whereby Shipper's production or shipments are curtailed or delayed, the right is reserved by both Shipper and Seller to pro rate the shipments and deliveries of Cement to all buyers of record at such time; that in addition to this contract, Shipper and Seller may have accepted, and shall from time to time accept, other orders and contracts within their ability under normal conditions to supply same, therefore in the event either Shipper or Seller shall at any time be unable to deliver to all customers the entire quantity of Cement called for by all contracts then in force, the total of Shipper's output then available shall be applied pro rata on all orders or contracts according to their requirements respectively, and the amount deliverable on each may be reduced accordingly, and there shall be no liability on the part of Shipper or Seller for the reduction so made.

When deliveries hereunder are in carloads f. o. b. cars Railroad Company's tracks, Shipper's invoice quantities shall be the basis for settlement, and Buyer shall not hold Seller responsible for shortage of or damage to, either Cement or packages occurring in transit. Railroad Company's bills of lading at the point of shipment shall be conclusive as to quantity and good condition of Cement and packages when loaded on cars at Shipper's Mill. All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, Buyer.

The price specified on the reverse side hereof is a firm price, and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreements, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Seller reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

"IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by American Society of Civil Engineers, but Shipper or Seller cannot be responsible for improper use of Cement, therefore will not guarantee finished work.

Time is the essence of this contract.

....., 191...

Imperial Portland Cement Company,
Imperial, U. S. A.

Gentlemen:

DELIVERIES—SPECIFIC WORK—SALES CONTRACT NO.

Description of Work:

In accordance with the requirements of the above described contract, this is to inform you that the following is a correct statement of the quantities of "IMPERIAL" Portland Cement we have used, or delivered for use, exclusively in the above described work during the periods stated:

During the month of....., 191... .....barrels.

Total Quantity prior to....., 191... .....barrels.

Respectfully,

.....

Form No. 7

*Order No.*_____ *Date*_____, *191*____

IMPERIAL PORTLAND CEMENT CO.

IMPERIAL, U. S. A.

PLEASE SHIP TO

_____

At _____ *Via* _____ *R. R.*

No. of Barrels	KIND	Price Per Bbl.		
_____	"IMPERIAL" Portland Cement (Cloth)	_____	_____	F. O. B.
_____	"IMPERIAL" Portland Cement (Paper)	_____	_____	
_____	"IMPERIAL" Portland Cement (Wood)	_____	_____	

*Time of Shipment*_____

Remarks: .....

_____

_____

Conditions of Sale: This order is not binding upon the Imperial Portland Cement Company until accepted from its Home Office in writing by an Officer of the Company, and is subject to all the conditions of sale and shipment on reverse side hereof.

_____*Salesman*

_____*Purchaser*

1. TERMS: 30 days net; 5 cents per barrel discount for payment in full, including sacks, within 10 days from date of invoice. Original paid freight bills to be sent to us promptly for credit.

2. The Imperial Portland Cement Company shall be under no obligation to make shipment hereon in the event of any payment becoming past due.

3. Orders are subject to approved credit, and if at any time purchaser's credit be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

4. If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

5. We reserve the right to prescribe the route by which shipments shall be forwarded.

6. Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

7. Bills are payable in funds current in Imperial, U. S. A., and all exchange or collection charges must be paid by purchaser. Bills not paid when due, per invoices, will be subject to sight draft without notice.

8. Demurrage or other car service charges which railroad companies may impose for detention of cars shall be borne and settled for by purchaser.

9. We will pay original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

10. In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Plant. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of Cement and packages when loaded on cars.

11. The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder we may have accepted, and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of Cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency be unable to deliver to all our customers the entire quantity of Cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

12. It is mutually understood and agreed that the price at which the order on the reverse side hereof is accepted by the Imperial Portland Cement Company is a firm price and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesmen or any other person to the contrary notwithstanding, it being further understood and agreed that all conditions of the sale are herein, and in the acceptance hereof, wholly set out, and each and every of said conditions form a part of the order and are agreed to and accepted as such by purchaser.

13. This order contemplates delivery and use of material ordered at destination shown and in the work described, and if diverted or used elsewhere purchaser hereby agrees to pay Imperial Portland Cement Company for Cement so diverted, at its price current at point of ultimate destination, and in the event of such diversion without its consent the Imperial Portland Cement Company shall be under no obligation to make shipments hereon.

14. This order, if for Cement to be used in specific work requiring deliveries beyond fifteen days from date, is subject to execution of our regular form Specific Work Sales Contract.

15. "IMPERIAL" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

IMPERIAL PORTLAND CEMENT COMPANY.

[fol. 1358] GOVT. EX. 246

Association of American Portland Cement Manufacturers
Land Title Building, Philadelphia
Bell Telephone—Spruce 5422-5423

December 24th, 1914.

Mr. J. K. Barbour, Security Cement & Lime Co., Hagerstown, Md.

DEAR SIR: Will you please send me the information called for by the following memorandum, this information being for use in compiling the statistical reports of the Association.

(1) Name of company.
(2) Kilns in plant.
(3) Kilns running during December.
(4) Cement on hand December 31st, 1914 (do not include clinker on hand).
(5) Production—December, 1913.
(6) Production—December, 1914.
(7) Shipments—December, 1913.
(8) Shipments—December, 1914.
[fol. 1238½] (9) Production—Year 1913.
(10) Production—Year 1914.
(11) Shipments—Year 1913.
(12) Shipments—Year 1914.

Kindly fill in the above and return same on the date agreed.

Your- respectfully, Percy H. Wilson, Statistician.

P. S.—If giving the yearly figures holds up the reporting for the month of December, kindly forward December report in advance of the yearly figures.

[fol. 1359] GOVT. EX. No. 247

Association of American Port. Cement Mfgrs.

Bellevue Court Building, Philadelphia, Penna.

Jan. 2nd, 1915.

GENTLEMEN:

Attention Mr. Percy H. Wilson

The following is information requested in yours of Dec. 24th, for use in compiling the statistical reports of the Association:

Kilns running during December		3.78
Cement on hand December 31st, 1914		87,710
Production—December	1913	25,860
Production—December	1914	57,388
Shipments—December	1913	26,659
Shipments—December	1914	18,078
Production—Year	1913	56,373
Production—Year	1914	62,741
Shipments—Year	1913	565,069¼
Shipments—Year	1914	571,172½

Very truly, Security Cement & Lime Company. —— ——,
General Sales Manager. PCS/wp.

[fol. 1359½] GOVT. EX. No. 248

Portland Cement Association

111 West Washington Street, Chicago

Telephone: Franklin 1540

June 24, 1916.

Mr. J. K. Barbour, Gen. Sales Mgr. Security Cement & Lime Co., Hagerstown, Md.

DEAR SIR: Will you please send me the information called for below, same being for use in compiling the statistical reports of the Association.

(a) Clinker on hand June 30, 1915.
(b) Clinker on hand June 30, 1916.
(c) Cement on hand June 30, 1915. Do not include clinker on hand.
(d) Cement on hand June 30, 1916. Do not include clinker on hand.
(e) Clinker produced June, 1915.
(f) Clinker produced June, 1916.

(g) Cement ground June, 1915
(h) Cement ground June, 1916.
(i) Shipments June, 1915.
(j) Shipments June, 1916.

[fol. 1360] It is very desirable that this information reach this office by July 5. If not convenient for you to mail same in time to reach this office by July 7, we will greatly appreciate it if you will wire your figures, thereby facilitating the early issuance of the statistical sheets.

Yours truly, J. P. Beck, Statistician. WDA-EW.

[fol. 1360½] Govt. Ex. No. 249

7/3/16.

Mr. J. P. Beck, 111 West Washington St., Chicago, Ill.

Dear Sir: Below find confidential statistical report for June, as asked for in your- of the 24th ult.:

Clinker on hand June 30th, 1915	19,727	bbls.
" " " " " 1916	25,180	"
Cement on hand June 30th, 1915	39,324	"
" " " " " 1916	65,250	"

(Does not include clinker on hand.)

Clinker produced June 1915	59,519	"
" " " 1916	43,691	"
Cement ground June 1915	54,608	"
" " " 1916	48,072	"
Shipments June 1915	58,775½	"
" " 1916	54,930	"

Very truly, Security Cement & Lime Company. —— ——,
General Sales Manager. L.

[fol. 1361] Gov. Ex. No. 250

December 17th, 1917.

Dear Sir: In answer to your wire of the 17th instant, would state that some of the manufacturers who are members of this Association do not report information for all our reports. In other words, our work consists of sending out contract reports, credit reports and statistical reports. Some manufacturers do not report all three. Some report credits only; others credits and statistics.

Attached, I will give you a list of all the member Companies showing what information they report to this Association and the capacity. This capacity figure was reported to the Association by the individual companies, not compiled from any data that we have in

our office and therefore the responsibility for the accuracy of same we do not assume.

The attached memorandum or companies are the only companies which are members of this Association. Standard and Whitehall, which you mention in your wire have never been members in any way.

Yours very truly, Cement Manufacturers Protective Assn.,
By —— ——, Secretary. CWB. GY.

Charles H. De Woody, Esquire, Federal Building, Cleveland, Ohio, cc to Mark Hyman, Room 1000 61 Broadway, New York City.

Encl.

[1361½] Govt. Ex. No. 251

Manufacturer	Reports	Capacity
Allentown	Contracts, Credits and Statistics	950,000 Bbls.
Alpha	Contracts, Credits and Statistics	6,723,000 "
Alsen's	Credit Only	1,000,000 "
Atlas	Contracts, Credits and Statistics	12,000,000 "
Bath	Contracts, Credits and Statistics	1,000,000 "
Cayuga	Contracts, Credits and Statistics. (Have not received any contract data for some months.)	500,000 "
Clinchfield	Resigned March 5th, 1917.	
Copiay	Contracts, Credits and Statistics	2,000,000 Bbls.
Dexter	Contracts, Credits and Statistics	960,000 "
Edison	Contracts, Credits and Statistics	2,000,000 "
Giant	Contracts, Credits and Statitics	3,400,000 "
Glens Falls	Credit and Statistics only	720,000 "
Helderberg	Credits only	600,000 "
Hercules	Contracts, Credits and Statistics	Unknown "
Knickerbocker	Contracts, Credits and Statistics	1,600,000 "
Lawrence	Contracts, Credits and Statitics	1,643,000 "
Lehigh	Contracts, Credits and Statistics	5,400,000 "
Millen	Purchased by the Alpha Portland Cement Company	250,000 "
Nazareth	Contracts, Credits and Statistics	1,347,000 "
Penn-Allen	Contracts, Credits and Statistics	750,000 "
Pennsylvania	Contracts, Credits and Statistics	1,500,000 "
Phœnix	Contracts, Credits and Statistics	750,000 "
Security	Credits and Statistics only	1,000,000 "
Virginia	Contracts, Credits and Statistics	1,000,000 "
Vulcanite	Contracts, Credits and Statistics	2,000,000 "

[fol. 1362] Govt. Ex. No. 252

Postal Telegraph—Commercial Cables—Telegram

64 hjk, 98. govt. 121pm.
BN—Cleveland, Ohio, Dec. 17—17.

Bacon, Secty. Cement Mfrs. Protective Assn., Widener Building, Phila., Pa.:

It is noted recent Association reports do not include Alsen Gayuga Clinchfield Helderberg Standard or Whitehall but do give

Govt. Ex. No. 253

PORTLAND CEMENT ASSOCIATION

CHICAGO December 1, 1919

A. D. Naylor, Treasurer
Knickerbocker Portland Cement Co., Inc.
30 East 42nd Street
New York City

Dear Mr. Naylor:

The organization known as the Association of American Portland Cement Manufacturers, which had offices in the Bellevue Court Building, Philadelphia, was reorganized in 1916 as the Portland Cement Association and the offices moved to the Conway Building, Chicago.

The old Association was organized in 1902 by a number of Lehigh Valley cement manufacturers for the primary purpose of evolving a satisfactory plan for handling cement sacks. Promotional work of this Association did not become very active until 1912.

Yours very truly,

W.M.Kinney-ED

253

General Manager

W M Kinney

Reproduction of original call for meeting of cement manufacturers, September 11, 1902, which led to the formation of the organization now known as the Portland Cement Association

The undersigned, manufacturers of Portland Cement, recognising the fact that the present methods of handling the subject of "sacks" are almost universally unsatisfactory, and believing that the question can be profitably discussed and a satisfactory plan evolved at a meeting of the representatives of the Eastern Mills, hereby pledge themselves to attend such a meeting to be held at such time and place as may be most convenient to a majority of those signing.

8 ★ LEHIGH PORTLAND CEMENT CO.
E M Young Treas

THE VULCANITE PORTLAND CEMENT CO. ★ 11
W. O. Nichols VICE PRESIDENT

American Cement Co
R M Lesley Vice President

BONNEVILLE PORTLAND CEMENT CO.
W S Hardesty Pres't

Martin's Creek Portland Cement Co.
Chas. Hopper House President
Sinclair Babcock

2 ★ ALPHA PORTLAND CEMENT CO.
G F Gordon V. Pr.

NORTHAMPTON PORTLAND CEMENT CO
[illegible]

11 Lawrence Cement Co. ★ 7
Ernest R. Ackerman Pres.

3 ★ COPLAY CEMENT MANUFG. CO.
Rhoads Brooke Brothers

NAZARETH CEMENT CO. ★ 9
A M Young Jr

10 ★ PHOENIX CEMENT COMPANY
W Turner Brooke

12 Atlas Portland Cement Co. ★ 1
A. H. Howard Vice Pres't.

Catskill Cement Co.
J M Cottrell Secy & Treas

The Whitehall Portland Cement Co.
M Beeuwkes Secretary

4 ★ DEXTER PORTLAND CEMENT CO.
George L Bartol Pres't.

THE EDISON PORTLAND CEMENT CO. ★ 5
W S Pelton Jr

6 ★ THE GLENS FALLS PORTLAND CEMENT CO.
W W Wilcox President

Empire Portland Cement Co
Chas. A. Goodhue MANAGER

CAYUGA LAKE CEMENT CO.
Mc Cutchins Jr.

Wayland Portland Cement Co.
F. F. Whitman Asst

Hebbelsburg Cement Co
Henry Dewees President

J. Millen & Co.
J Millen

Ex § 253

figures for Bath and Coplay. Please mail me today definite and accurate statement each company now a member of Association together with its annual capacity and also names any companies that have resigned from Protective Association since its organization with date of resignation. Please send copy letter to me to Mark Hyman sixty one Broadway room one thousand one New York. Wire acknowledgment government rate collect Federal Building Cleveland.

De Woody.

(Here follow Government's Exhibit No. 253 and part of No. 254, marked side folio pages 1363 and 1363½.)

[fol. 1364] Govt. Ex. No. 254

Portland Cement Association

111 West Washington Street, Chicago

File 9-4-5-4.

August 30, 1920.

A. D. Naylor, President Knickerbocker Portland Cement Co., Inc., 30 E. Forty-second Street, New York, N. Y.

Dear Sir: Almost 18 years ago, to be exact, on September 11, 1902, the first meeting of portland cement manufacturers was held at Sherry's in New York City. This meeting was the forerunner of many similar meetings, which finally resulted in the formation of what is now known as the Portland Cement Association.

Call for the first meeting was endorsed by several men still prominently connected with the cement industry. With the thought that you may be interested in framing and hanging in your office a copy of this first call, one is enclosed. Additional copies may be secured from this office.

Yours very truly, W. M. Kinney, General Manager. W. M. Kinney-ED.

Enclosure.

[fol. 1364½] Govt. Ex. No. 255

Portland Cement Association

111 West Washington Street, Chicago

Telephone: Franklin 1540

January 30, 1918.

Mr. Loring A. Cover, President Security Cement & Lime Co., Equitable Building, Baltimore, Md.

Dear Sir: At the meeting held at the Blackstone, Chicago, on Tuesday, January 22, to consider special promotion for the year 1918, representatives of 14 member companies shipping into the states tributary to the Minneapolis, Milwaukee, Chicago, Indianapolis and Pittsburgh offices, were represented. Seven additional members were represented by proxy.

After a full discussion, the schedule of dues sent you on January 7 was unanimously adopted and it was agreed that the basis should be shipments for the year 1917. It was further agreed that the Executive Committee of the Association should reduce the dues at the [fol. 1365] end of any given period if in their judgment such action should be deemed advisable.

The following resolutions were also adopted:

1. That a sub-office be established in Iowa at a location chosen by the General Manager of the Association.

2. That promotion work be carried on in the upper peninsula of Michigan with funds to be raised for the purpose by an assessment of 1 cent per barrel on 1917 shipments into that territory, this work to be handled through the Milwaukee Office.

3. That the Executive Committee be requested to extend to the Michigan Concrete Roads Association an invitation to merge with the Association in the conduct of their promotional efforts.

4. That the General Manager of the Association should convey to the Executive Committee that it was the sense of the meeting that the advertising propaganda as carried on at present is insufficient and should be immediately increased, especially during the present period of dullness. It was also the sense of the meeting that all advertising should be done by the Association and discontinued by members.

Yours very truly, H. E. Hilts, General Manager.

(Here follow Government's Exhibits Nos. 256, 257, 258, 259, 260, 317, 318, 319, 320, marked side folio pages 1366-1377, inclusive.)

Govt. Ex. No. 256

GIANT PORTLAND CEMENT COMPANY

PHILADELPHIA, PA.

SPECIAL QUOTATION FOR SPECIFIC WORK

Felton Construction Corporation,
1450 Michigan Ave.,
Buffalo, N.Y.

August 28, 1919

DEAR SIR :

We quote you, subject to all the terms, conditions and limitations on both sides hereof, on "GIANT" PORTLAND CEMENT for work herein described; and for shipment according to contract requirements, between date hereof and Dec. 31,1920 191 , not to exceed, however. bbls in any one month;

"GIANT" PORTLAND CEMENT in 4 cloth sacks / 4 paper sacks $2.88 per Standard Bbl.

in carloads, f. o. b. cars. Silver Creek, Sheridan and Depew, N.Y.
This price includes the sacks in which the Cement is to be shipped. as .

This quotation is intended to cover the entire and actual quantity (estimated at below barrels) of Portland Cement which buyer shall be required to, and in fact shall, furnish or use in the following described work, but not in any event to exceed 110% of the estimated quantity above stated.

DESCRIPTION OF WORK: New York State Highway work, letting Sept. 9th.1919

Silver Creek, N.Y.- approximately 10,000 bbls.
Sheridan, N.Y. " 13,650 bbls.
Depew, N.Y. " 15,385 bbls.

Any shipments made prior to June 1, 1920 on a contract placed under this quotation will be at the current price on GIANT Portland Cement if such price is below the price herein mentioned.

The above price is based upon present rate of freight and is subject to advance over present rate from our mills to points of delivery specified above. Also to any additional tax that may be imposed by the Government.

IF SHIPMENTS ARE REQUIRED FROM BINS SET ASIDE FOR THE STORAGE OF SPECIALLY TESTED CEMENT, AN ADDITIONAL CHARGE OF THREE CENTS (3¢) PER BARREL WILL BE MADE FOR STORAGE SERVICE

This quotation is for acceptance within 5 days from this date, but is void if not accepted within 15 days from date hereof, and is subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully,

GIANT PORTLAND CEMENT COMPANY.

K-

Vice-President.

Govt. Ex. No. 257

SPECIFIC WORK QUOTATION

Saylor's Portland Cement

Coplay Cement Manufacturing Co.

New York, Sept. 8, 1919.

Felton Construction Corp.,
1450 Michigan Avenue,
Buffalo, N. Y.

Gentlemen:

We quote you subject to all the terms, conditions and limitations on both sides hereof on SAYLOR'S PORTLAND CEMENT for work herein described, and for shipment according to contract requirements.

In carload lots, f. o. b. cars at Silver Creek, N. Y.

In cloth sacks $ 2.88 per standard barrel (376 lbs. net) including four (4) sacks.

If shipped in paper sacks thirty-five (35) cents per barrel less than cloth price.

If shipments are required from bins set aside for the storage of specially tested cement, an additional charge of three (3) cents per barrel will be made for storage service.

QUANTITY

10,000 barrels.

DESCRIPTION OF WORK:

New York State Highway Work.

Terms of Payment: On approved credit, 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice. If, during the performance of the work, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the COPLAY CEMENT MANUFACTURING COMPANY, cash payments with above discount must be made before shipment, or satisfactory security must be given by the purchaser.

This quotation is for acceptance within 5 days of formal award of contract for work described, but in any event is void if not accepted within 15 days from date hereof; it is further subject to the execution of our regular form of Contract.

Yours respectfully,

COPLAY CEMENT MANUFACTURING COMPANY.

J. H. Swanley

General Sales Manager.

Govt. Ex. No. 258

LEHIGH PORTLAND CEMENT CO.

ALLENTOWN, PA. Sept. 4, 1919.

Mr. Wm. F. Felton,
Buffalo, N.Y.

Dear Sir:

For cement required in the work mentioned below, we quote you Lehigh Portland Cement as follows:

PRICE: ~~$2.98~~ $2.55 Per barrel in cotton including sacks.
Per barrel in paper including sacks.
In carload lots F. O. B. cars Sheridan or Fredonia, N.

To help strengthen building conditions we are guaranteeing our price against any decline in our quotation for the remainder of this year.

STORAGE CHARGE: If shipments are required from bins set aside for the storage of specially tested cement an additional charge of three cents (3¢) per barrel will be made for storage service.

TERMS: 5¢ per barrel discount for full payment within ten days from invoice date; thirty days net.

REPURCHASE OF COTTON SACKS: Cotton sacks will be repurchased at 15¢ each when received in good condition freight prepaid at our mills at West Coplay, Pa., New Castle, Pa., and Fordwick, Va.

ACCEPTANCE: This quotation is for your acceptance within fifteen days from date hereof.

WORK: Road #D002 - Fredonia - Silver Creek, Pt 2 for which bids will be taken on Sept. 9th.

QUANTITY: 14,300 barrels.

SHIPMENTS: As required during the progress of the work; to be completed prior to a date agreed upon on acceptance of this quotation.

Yours respectfully,

LEHIGH PORTLAND CEMENT COMPANY,

B. L. Swett
Eastern Sales Mgr.

CH

Govt. Ex. No. 259

Form A2—5-19

VULCANITE PORTLAND CEMENT COMPANY

SPECIFIC JOB QUOTATION

New York, September 15, 1919.

ALBERT MOYER
Manager of Sales

Messrs. Felton Construction Company,
Buffalo, N.Y.

We quote you on VULCANITE Portland Cement for shipment according to contract requirements, subject to all terms, conditions and limitations on both sides hereof. Quantity to be shipped not to exceed, however, 5000 bbls. within any one month. Price below quoted is based on present conditions and is for shipment to be made before October 1st, 1920 when this contract shall expire. No order under this contract will be received after that date, unless the date of expiration shall have been extended by express agreement in writing.

VULCANITE Portland Cement in 4 cloth sacks, at $ 2.55 per standard bbl., including the sacks.
VULCANITE Portland Cement in 4 paper bags, at $ 2.53 per standard bbl., including the bags.
VULCANITE Portland Cement in bulk, at $ 2.23 for 376 lbs.
F.O.B. cars, Forestville or Silver Creek, N.Y. in carload lots

The buyer to have the benefit of any reduction and to be liable for any advance in freight rates. Any tax on freight bills is to be paid by the buyer. In the event of prepayment of freight or other railroad or terminal charges the buyer shall settle these in cash on presentation of invoice by the seller.

This quotation is intended to cover the entire and actual quantity not to exceed 10000 barrels of VULCANITE Portland Cement which buyer shall be required to, in fact shall furnish or use in the following described work. If upon investigation it is found that the work described will not require the number of barrels stated above we will reduce this quantity to accord with the requirements of the job.

DESCRIPTION OF WORK Concrete Road #1469 Chautauqua County, N.Y. Silver Creek, Forestville, N.Y. 4.94 mi. Felton Construction Co. Buffalo, N.Y. low bidders and contractors

CHARGE FOR BIN TEST.—If cement is held in bins at our Works awaiting result of tests, a charge of 3c. per barrel will be made. We, however, will not agree to hold cement in such bins for a period longer than 45 days except by special arrangement.

Buyer shall have no right to assign this contract. The material covered by it is sold to the buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified, or disposition of it for any other purpose, or resale of it for use in other than above described work, shall give the seller the option to terminate this contract and to refuse to deliver any more cement under it.

This quotation is void unless accepted within fifteen days from this date.

We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us, subject to execution in writing by this company.

Remarks If at any time during the life of this contract the Vulcanite Portland Cement Company reduces its price at above destination the price named in this contract will be reduced accordingly on all unshipped balances at date reduction is made.

Respectfully yours,

VULCANITE PORTLAND CEMENT CO.

Accepted.....day of.....

At.....

(Signature).....

.....
Manager of Sales.

Govt. Ex. No. 260

THE

WHITEHALL CEMENT MANUFACTURING COMPANY

LAND TITLE BUILDING

PHILADELPHIA

Aug. 28, 1919.

Felton Construction Corp.,
1450 Michigan Ave.,
Buffalo. N.Y.

Gentlemen:

Following your letter of Aug. 25th we take pleasure in quoting you on cement for New York State road work for delivery between Jan. 1, 1920 and Oct. 31, 1920 --

Silver Creek, N.Y., 10,000 barrels,
$1.85 bulk, mill, 53¢ freight, 40¢ sacks,

Sheridan, N.Y., 13,650 barrels,
$1.85 bulk, mill, 53¢ freight, 40¢ sacks,

Depew, N.Y., 15,385,
$1.85 bulk, mill, 49¢ freight, 40¢ sacks,

Cloth sacks are charged at 10¢ each and credited same amount when returned to our mill in good condition, freight prepaid, within ninety days from date of shipment. There is an additional charge of 5¢ each, to cover replacement, for all sacks not returned in good condition, within that period.

This quotation is for acceptance on or before Sept. 20, 1919.

Thanking you for the inquiry, we remain

Yours very truly,

GHE-M

Manager of Sales.

Govt. Ex. No. 317

HERCULES CEMENT CORPORATION

PHILADELPHIA

May 17th 1919

State Highway Commissioners of New Jersey
1006 Broad St. Bank Bldg.,
Trenton, N.J.

Dear Sirs:-

In keeping with your inquiry recently sent out, we are pleased to enclose herewith our quotation for 19,000 barrels of Cement, F.o.b. cars Merlo Park, Iselin, and Rahway, N.J. We understand from the Penna R.R. that Colonia, N.J. is the receiving station for less than carload freight only, and that at the present time no tariff is published for carload shipments to this point.

We are in a position to make shipment of any quantity, up to five carloads per day, which you may require for this work. We have a large stock on hand and at the present time are operating our plant to capacity.

Our cement has been used in a number of places in the State of New Jersey on Highway work, and has given entire satisfaction in every instance.

We hope to be favored with this business and wish to assure you that if we are so favored, we will be able to give you service and quality that could not be surpassed by any of our competitors.

Very truly,
Hercules Cement Corporation
By F. H. Valentine
District Sales Manager.

HERCULES CEMENT CORPORATION

PHILADELPHIA

May 17th, 1919.

RE
State Highway Commissioners of New Jersey,
1001 Broad Street Bank Building,
Trenton, New Jersey.

In case, during the calendar year 1919, we lower our general sales price of cement, the price herein quoted shall be similarly lowered as to all cement sold hereunder and then remaining undelivered.

Gentlemen:

We quote you on 19,000 Barrels Hercules Portland Cement, for the requirements of the work herein described, subject to all of the terms set forth below and in the contract form printed on the reverse side hereof, $2.82 per standard barrel, including package, to be packed in cloth
PRICE IN PAPER $2/ PER BARREL LESS THAN ABOVE.
F. O. B. Cars, Neale Park, N.J., Ivalin, N.J., and Rahway, N.J.
Columbia, N.J. is a receiving station for less carload freight only.
DESCRIPTION OF WORK:
For use of the New Jersey State Highway Commission, in work to be specified.

Shipment between this date and Dec. 31, 1919 (Not more than 10,000 barrels during any 30-day period.)

This quotation is for acceptance prior to June 2nd, 1919.

Hoping that we may be favored with your order, we remain,

Yours very truly,

HERCULES CEMENT CORPORATION

By _____
District Sales Manager.

ACCEPTANCE

I (we) hereby accept the price and all the conditions of the above quotation and agree, at your option, to execute promptly the contract printed on the reverse side hereof, after inserting in the blanks thereof the above terms as to place and time of delivery, description of work, quantity, price and package.

_____
Purchaser

_____ 191

(Note)—Quotation is made in duplicate and if accepted please sign and return one copy.

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Govt. Ex. No. 318

FRENCH'S PORTLAND CEMENT
SAMUEL H. FRENCH & CO.

PHILADELPHIA, U. S. A. May 17,1919.

State Highway Commission of New Jersey.

1001 [illegible] East Wit.,

Trenton, N.J.

Quotation No.

Gentlemen:

We quote you on 19,000 Barrels FRENCH'S PORTLAND CEMENT, for the requirements of the work herein described, subject to all of the terms set forth below and in the contract form printed on the reverse side hereof, $ 2.47 per standard barrel, including package, to be packed in paper

F. O. B. Menlo Park, Iselin, Colonia, or Rahway, N.J.

DESCRIPTION OF WORK: To be specified with order.

Four carloads per day available for shipment.

blank + 35¢ net

Shipment between this date and Dec. 31,1919. (Not more than barrels during any 30-day period.)

This quotation is for acceptance prior to May 22,1919.

Hoping that we may be favored with your order, we remain,

Yours very truly,

In case, during the calendar year 1919, we lower our general sales price of cement, the price herein quoted shall be similarly lowered as to all cement sold hereunder and then remaining undelivered.

SAMUEL H. FRENCH & CO.

By J.F. McBride

SALES MANAGER

MeB/W

ACCEPTANCE

I (we) hereby accept the price and all the conditions of the above quotation and agree, at your option, to execute promptly the contract printed on the reverse side hereof, after inserting in the blanks thereof the above terms as to place and time of delivery, description of work, quantity, price and package.

.....191 .....

Purchaser

Quotation is made in duplicate and if accepted please sign and return one copy.

Govt. Ex. No. 819

VULCANITE PORTLAND CEMENT CO.

New York, May 16, 1919.

State Highway Commission of New Jersey
1001 Broad Street Bank Bldg.,
Trenton, N.J.

Gentlemen: Attention: P.H. Exton, Business Agent.

Subject - Quotation - Concrete Road, N.J. State Highway Commission, Menlo Park, Iselin, Colonia and Rahway, N.J.

In Acknowledgement of information sheet on PORTLAND CEMENT dated May 10th, for use in the above work, we are enclosing herewith our proposal in duplicate naming you price on the quantity requested, also stating that we are in a position, in the event of this contract being awarded to us, to ship at the rate of 3000 bbls. per day.

Sacks: Vulcanite Portland Cement sacks are purchased F.O.B. cars Vulcanite, N.J. at 15¢ each, subject to count and inspection at that point, which is the custom in the cement trade. In the event of this contract being awarded to us, we will be pleased to furnish you with the proper Surety Bond.

Youre very truly,

VULCANITE PORTLAND CEMENT COMPANY,

ALBERT MOYER,
Manager of Sales,

By: F. Barr

TGB-HWS
Enclosure

VULCANITE PORTLAND CEMENT COMPANY

SPECIFIC JOB QUOTATION

New York - May16, 1919.

Messrs. State Highway Commission of New Jersey
1001 Broad Street Bank Bldg.,
Trenton, N.J.

R.H. Exton, Business Agent

We quote you on VULCANITE Portland Cement for shipment according to contract requirements, subject to all terms, conditions and limitations on both sides hereof. Quantity to be shipped not to exceed, however, 19,000 bbls. within any one month. Price below quoted is based on present conditions and is for shipment to be made before December 31, 1919 when this contract shall expire. No order under this contract will be received after that date, unless the date of expiration shall have been extended by express agreement in writing.

VULCANITE Portland Cement in 4 cloth sacks, at $ 2.82 per standard bbl., including the sacks.
VULCANITE Portland Cement in 4 paper bags, at $ 2.47 per standard bbl., including the bags.
VULCANITE Portland Cement in bulk, at $ ——— for 376 lbs.
F.O.B. cars, Menlo Park, Iselin, Colonia or Rahway, N.J. in carload lots

The buyer to have the benefit of any reduction and to be liable for any advance in freight rates. Any tax on freight bills is to be paid by the buyer. In the event of prepayment of freight or other railroad or terminal charges the buyer shall settle these in cash on presentation of invoice by the seller.

This quotation is intended to cover the entire and actual quantity not to exceed 19,000 barrels of VULCANITE Portland Cement which buyer shall be required to, in fact shall furnish or use in the following described work. If upon investigation it is found that the work described will not require the number of barrels stated above we will reduce this quantity to accord with the requirements of the job.

DESCRIPTION OF WORK Concrete Road New Jersey State Highway Commission Menlo Park, Iselin, Colonia and Rahway, N.J.

CHARGE FOR BIN TEST.—If cement is held in bins at our Works awaiting result of tests, a charge of 3c. per barrel will be made. We, however, will not agree to hold cement in such bins for a period longer than 48 days except by special arrangement.

Buyer shall have no right to assign this contract. The material covered by it is sold to the buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified, or disposition of it for any other purpose, or resale of it for use in other than above described work, shall give the seller the option to terminate this contract and to refuse to deliver any more cement under it.

This quotation is void unless accepted within fifteen (15) days from this date.

We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us, subject to execution in writing by this company.

Remarks: If at any time during the year 1919 the Vulcanite Portland Cement Co. reduces its price at above destinations the prices named in this contract will be reduced accordingly on all unshipped balances at date reduction is made.

The Vulcanite Portland Cement Co. will agree to ship under this contract a total 3000 bbls. per day.

Respectfully yours,

VULCANITE PORTLAND CEMENT CO.

Accepted.....day of.....

At.....

(Signature).....

.....Manager of Sales.

Govt. Ex. No. 320

ALPHA PORTLAND CEMENT COMPANY

GENERAL OFFICES: EASTON, PA.

May 16, 1919.

R. H. Exton, Business Agt.,
State Highway Commission of New Jersey,
1001 Broad Street Bank Bldg.,
Trenton, N. J.

Dear Sir:

We are pleased to submit quotation on cement for use in State Highway from Menlo Park to Mahway, N. J.

The entire quantity of 19,000 barrels mentioned in Information Sheet of May 10, 1919 issued by the State Highway Commission of New Jersey will be available for shipment immediately after order is placed with us.

If we are awarded this contract we will furnish a personal bond in a sum equal to the amount of the order.

Yours very truly,

ALPHA PORTLAND CEMENT COMPANY,

E. P. Williams
District Sales Manager.

EPW-LC.

ALPHA PORTLAND CEMENT COMPANY

May 16, 1919.

R. H. Exton, Business Agt.,
State Highway Commission of New Jersey,
1001 Broad Street Bank Bldg.,
Trenton, N. J.

Dear Sir:

We quote you subject to all the terms, conditions and limitations on both sides hereof on ALPHA PORTLAND CEMENT for work herein described; and for shipment according to contract requirements.

In carload lots, f. o. b. cars Menlo Park, Iselin or Rahway, N. J.

In cloth sacks $ 3.82 per standard barrel (376 lbs. net).

If shipped in paper sacks thirty-five (35c) cents per barrel less than cloth price.

If shipped in bulk sixty-five (65c) cents per barrel less than cloth price.

The price of cement stated herein is based on the freight rates in effect at the present time and is subject to advance or reduction as the freight rates may be advanced or reduced. This price will be advanced to the extent of any additional war taxes on transportation charges on cement imposed by the Government.

This quotation is intended to cover the actual quantity (estimated at 19,000—— barrels) of ALPHA PORTLAND CEMENT for use in the following described work:

DESCRIPTION OF WORK For use in New Jersey State Highway from Menlo Park to Rahway, N. J. If this cement is to be set aside in special bins at our mill and held for test prior to shipment there will be an additional charge of 5¢ per barrel for this bin service. Any decline in our market price during 1919 shall apply to shipments under this quotation made after date of reduction and during such period as our lower market price is in effect.

Terms of Payment: On approved credit, 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice. If, during the performance of the work, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the ALPHA PORTLAND CEMENT COMPANY, cash payments with above discount must be made before shipment, or satisfactory security must be given by the purchaser.

This quotation shall not be binding upon this Company unless accepted in writing by the purchaser on or before

May 31, 1919.

Awaiting the favor of your acceptance, we remain,

Yours very truly,

LC. ALPHA PORTLAND CEMENT COMPANY

By E. T. Williams

ACCEPTANCE: I (we) hereby accept the price, terms and all conditions and limitations of the above special quotation and agree to execute promptly a contract therefor on your regular Memorandum of Agreement form, covering Portland Cement required and used for the work described.

Dated..... .....
Purchaser.

[fol. 1378] Govt. Ex. No. 321

Manning Freeman & Son

Metuchen, N. J.

Metuchen, N. J., May 17th, 1919.

State Highway Commission of New Jersey.

GENTLEMEN: We will furnish 19000 Barrels more or less of Edison portland cement in cloth bags for $2.77 Per Barrel and 19000 Barrels more or less in Paper bags for $2.42 Per Barrel. cloth bags redeemable at 15 cts each Paper bags not redeemable.

Cement to be delivered F. O. B. cars at Menlo Park—Iselin—Colonia and Rahway N. J. Empty cloth Bags to be returned in bundles of 50 bags each and returned to the Mill by you Freight prepaid, mill count and inspection to govern.

Terms—Five cents per bbl. Discount for cash in Ten days from date of Invoice. Should there be a reduction in the market price of Edison Cement during the life of this contract, we will give you the benefit of such deduction on the unshipped balance at the time this reduction becomes effective.

In the event of our being favored with this order the Edison Cement Co will be pleased to accord the State Highway Samplar [fol. 1378½] every facility for drawing samples of cement as cars are loaded at their mill. further they will forward to the State Highway Dept a copy of laboratory report of every car shipped against Contract.

This quotation is subject to any increase or decrease in Freight rates during the life of this contract.

We understand that the State Highway Dept does not have to pay war tax on shipments of cement by filing a certificate with the Rail Road Co at point of shipment if this is correct we will deduct the war tax from Invoice.

Edison portland cement Co claim they can take care of daily shipments in the neighborhood of 12000 barrels.

Yours truly, Manning Freeman & Son.

[fol. 1379] Edison Portland Cement Co.

8 West 40th Street, New York

May 15th, 1919.

M. Freeman & Son, Metuchen, N. J.

GENTLEMEN: Having reference to your advice that you propose submitting a quotation on Edison Portland Cement to cover the 19,000 some odd barrels to be purchased by the New Jersey State Highway Commission for roadwork in the vicinity of Menlo Park, Iselin, Colonia and Rahway, N. J., bids on which are to be received

May 19th, beg to advise you that in accordance with the request for such information contained in the "Information Sheet" issued by the New Jersey State Highway Commission, bearing on this matter, at the present time, the Edison Portland Cement Company has approximately 450,000 barrels of the highest grade of cement in its bins at New Village, N. J., and as it is our purpose to continue the manufacture of our product to the full capacity of our Mills, we anticipate that we will have practically this stated quantity of cement on hand throughout the active building season. Our loading and shipping facilities can take care of daily shipments in the neighborhood of 12,000 barrels, assuring a dependable source of supply.

We might add that in the event of our being favored with this business, it would be our purpose to give this preferred handling with [fols. 1379½ & 1380] shipments exactly as desired by the Highway Department.

Yours very truly, R. A. Wetzler, District Sales Manager. 2/J.

[fol. 1381] Govt. Ex. No. 322

Manning Freeman & Son

Metuchen, N. J.

May 17th, 1919.

State Highway Commission of New Jersey.

Gentlemen: We will furnish 19000 Barrels more or less of Atlas Portland Cement in Cloth bags for $2.77 per Barrel and 19000 Barrels more or less in paper bags for $2.42 per Barrel. cloth bags redeemable at 15 cts each paper bags not redeemable.

Cement to be delivered F. O. B. cars at Menlo Park—Iselin—Colonia and Rahway N. J. empty cloth bags to be returned in bundles of 50 bags each and returned to the mill by you Freight prepaid, mill count and inspection to govern.

Terms—Five cents per bbl. discount for cash in ten days from date of invoice, should there be a reduction in the market price of Atlas Portland cement during the life of this contract we will give you the benefit of such reduction on the unshipped balance, at the time this reduction becomes effective.

This quotation is subject to any increase or decrease in Freight rates during the life of this contract.

[fol. 1381½] We understand that the State Highway Dept does not have to pay war tax on shipments of cement by filing a certificate with the Rail Road Co. at point of shipment, if this is correct we will deduct he war tax from Invoice, The Atlas Portland Cement Co will guarantee to ship on any schedule you may want up to 2000 barrels per day.

Yours truly, Manning Freeman & Son.

The Atlas Portland Cement Company

30 Broad Street, New York

May 16, 1919.

Manning Freeman & Son, 707 Middlesex Avenue, Metuchen, N. J.

GENTLEMEN: We understand that you are submitting a bid to the State Highway Commission of New Jersey on the Portland Cement requirements of paving State Route # 2, Section # 2, running from Menlo Park to Rahway, N. J.

[fol. 1382] If this contract is placed for Atlas Portland Cement we will guarantee to ship on any schedule they want, up to 2,000 barrels per day.

Very truly yours, The Atlas Portland Cement Company, by H. F. Dowd, District Sales Manager. SAP:EHT.

[fol. 1383] GOVT. EX. No. 324

The Allentown Portland Cement Co.

Allentown, Pennsylvania

March 24, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: We wish to refer to your letter of the 12th instant, and also wish to apologize for delay in answering same, but the writer has been away for ten days, just returning Friday night.

We note you ask for price F. O. B. the plant, but our policy has always been to make a delivered price in order that we can compete with other cement manufacturers.

We will be very glad, therefore, to have you advise us at what points you will likely use cement so that we can send you quotations for these different destinations.

In the writer's opinion, he does not believe that there will be any reduction in the price of cement.

Very truly yours, The Allentown Portland Cement Co. R. L. Cope, Manager of Sales. RLCope/RES.

[fol. 1383½] GOVT. EX. No. 325

Alpha Portland Cement Company

Easton, Pa.

March 17, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: We have your favor of the 12th inst. relative to prices on Alpha Portland Cement.

Our past experience has shown very conclusively that dealers and consumers of cement are not interested in our f.o.b. mill. They require in practically all cases, a price delivered at destination. In view of this general demand on the part of our trade, we have put in the policy of quoting prices delivered on cars at destination.

There are other reasons why a mill price is not practical. As all, or at least a very great portion, of our cement must of necessity be distributed through dealers and if we were to quote mill prices, it might easily interfere with the established custom of dealers' distribution. If we quote mill prices, then the cement becomes the property of the purchaser at our mill and could be shipped to any point designated by him and we would have no further control over [fol. 1384] the shipment. You will readily see that this would conflict with the present method of distributing cement through dealers.

In order to give you a general idea of the present prices, but without making any formal quotation, I might state that generally speaking, our quotations at this time are made on the basis of $3.00 per barrel in cotton f.o.b. our mill with freight rate and war tax to destination added. In this price is included four cotton bags which are re-purchased by us at 25¢ each when returned to our mill in good condition, freight prepaid, subject to our count and inspection. This price would fluctuate to some extent depending on local dealer conditions. You understand of course that so far as possible on work of this character, we would want the quotations made by local dealers as they are in position to perform services to the contractors, the cost of which may vary in different localities.

As regards your inquiry relative to any reduction in the price of cement, I would state that at the present time there is absolutely nothing in our manufacturing conditions which would warrant any reduction in the price of Alpha Portland Cement. There has been practically no decline in labor, coal or other materials entering into the manufacture of cement. If you will investigate carefully the present manufacturing conditions, we are sure you will find our present price on Portland Cement entirely reasonable.

If you should wish any further information regarding our prices or conditions of sale, we would be glad to have one of our executives [fol. 1384½] call on you at your convenience to go into this matter fully.

Yours very truly, F. M. Coogan, Second Vice-President.
FMC-LC.

March 18, 1919.

Mr. F. Coogan, 2nd Vice-Pres. Alpha Portland Cement Co., Easton, Penna.

DEAR SIR: Thank you for the information contained in your letter of March 17 relative to the price of cement f.o.b. your mill, in reply to our request of March 12.

Very truly yours, —— ——, State Highway Engineer.
WGT/O'B.

[fol. 1385] Govt. Ex. No. 326

State of New Jersey

State Highway Commission

Trenton

March 12, 1919.

Gentlemen: The State Highway Commission of New Jersey at its last meeting on March 6 directed its Engineer to secure from each of the cement manufacturers in business east of the Mississippi River a price per barrel at which it will sell cement f.o.b. the plant.

This price, it is expected, will be the one obtaining at the time the quotation is made. It is also requested that you make a statement as to whether or not, in your opinion, there will be a reduction in the price of cement, at the plant, within the next few weeks.

Very truly yours, W. G. Thompson, State Highway Engineer.

WGT/O'B.

[fol. 1385½] Govt. Ex. No. 327

The Atlas Portland Cement Company

New York

March 21, 1919.

Mr. W. G. Thompson, State Highway Engineer, State of New Jersey State Highway Commission, Trenton, N. J.

Dear Sir: Answering your inquiry relative to price per barrel on Atlas Portland Cement.

Our prices are quoted f. o. b. cars destination, based on $3.00 per barrel at our Plant at Northampton, Pa., plus freight. The above named price per barrel includes four (4) cloth sacks, which will be repurchased by us when returned to our Plant in good condition, at 25¢ each, equivalent to $1.00 per barrel.

It is our policy to market our product on as reasonable a basis of selling price as is consistent with fair return, and should conditions in the future—which we cannot foresee at present—become more [fol. 1386] favorable, it will give us pleasure to accommodate our selling prices to a decreased cost of manufacture.

Yours very truly, The Portland Cement Company, by W. A. Holman, Assistant to the President. WAH:MK.

[fol. 1386½] GOVT. EX. NO. 328

Coplay Cement Manufacturing Company

New York

March 17, 1919.

W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: We are in receipt of your favor of the 12th inst. in reference to the price of cement, and the prospects for a change in the near future.

It is difficult for us to give you a price f. o. b. plant, without knowing the destination where the cement will be used. We have marketed our product in the State of New Jersey largely through dealers in building material, and we have agents at various points, some of whom we have done business with for many years. When construction work comes up in the territory where our customers operate, it is our policy to communicate with them and quote prices which [fol. 1387] are agreeable to all concerned. These local conditions are not the same at all points.

In reply to your question as to whether or not, in our opinion, there will be a reduction in the price of cement within the next few weeks, we would say that we can see no reason for a reduction in the price of cement. Our costs have not been reduced and there are no indications of reduction in the price of labor.

Cloth bags, however, are somewhat cheaper than they were last year. This, we understand, is not due so much to the lower price of cotton, as to the fact that mills which were turning out material for Government uses have gone back to the manufacture of cotton duck, which we use in cement bags. This material was not being made last year in sufficient quantity and the shortage had the effect of increasing the cost of bags to an abnormal basis, even in the midst of last year's war prices. There may be some reduction in the price we charge the buyer for bags, but this will have small bearing on the price of cement, as we credit the bags when returned at the same price which we charge for them, and a lower price for bags would only mean that the buyer would save the amount of the reduction on such bags as were not returned. The U. S. Department of Labor has recently issued a bulletin in which the opinion is stated that the high cost of all building material is with us to stay and that it is idle to expect a return to pre-war conditions, or any material re- [fol. 1387½] duction as long as the high cost of living necessitates a high wage of labor.

Very truly yours, Coplay Cement Mfg. Co. J. F. Twamley, General Sales Manager. JFT-AG.

[fol. 1388] GOVT. EX. NO. 329

Dexter Portland Cement Company

New York City

March 19th, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: Replying to your March 12th letter, would advise it is not our policy to quote prices or sell our cement f. o. b. our plant at Nazareth, Pa. Our quotations are made on a delivered price basis f. o. b. destination. By this method we agree to deliver the cement to the buyer and assume the responsibility for its condition on arrival—otherwise claims for damage etc., would have to be made by the buyer.

In order to assist you in arriving at the information, which it is evidently your wish to secure, we enclose, herewith formal quotation showing present price of Dexter Portland Cement at Trenton, N. J. We repurchase cloth bags at 25c each or on the basis of $1.00 per barrel. The combined freight and war tax is figured at 37¢ per bbl., [fol. 1388½] using present tariffs and percent of war tax on freight rates to arrive at this figure. By subtracting $1.37 from the delivered price of $3.37, we believe you will have the required data.

In regard to your question as to whether a change in price is to occur in the near future, we can only say that our present price is based on the cost of the cement we have on hand and of our present cost of manufacture. If the price of labor, coal and the other materials used by us in manufacturing should decline and the demand for cement should be sufficient for us to run our plant at or near full capacity, the reduction in cost would undoubtedly be followed by a like reduction in our selling price. We do not care to venture a prediction as to how soon labor, coal etc. will return to normal prices.

Regretting that we cannot give you anything more definite, we remain,

Very truly yours, R. W. Hilles, Manager of Sales.

[fols. 1389 & 1390] Form A

Trade Quotation

Dexter Portland Cement Company

Nazareth, Pa.

March 18th, 1919.

Mr. W. G. Thompson, State Highway Engineer, State Highway Commission, Trenton, N. J.

DEAR SIR: We quote, for shipment within fifteen (15) days from date of order, in carloads, f. o. b. Trenton, N. J. subject to change without notice, and to terms, conditions and limitations on reverse side hereof:

Dexter Portland Cement in 4 cloth bags at 3.37 per standard bbl.

White—Dexter Portland Cement in cloth bags at per bbl., loaded in cars with Dexter so as to make full carload.

Price in paper bags 70¢ per bbl. less than in cloth bags.

This quotation is our present price and applies only to immediate orders.

Prices for specific work requiring deliveries beyond 15 days will be quoted on application, stating name of job, location and number of barrels required to complete the work.

Yours respectfully, Dexter Portland Cement Company. R. W. Hiles, Manager of Sales.

[fol. 1390½] March 21, 1919.

Mr. R. W. Hilles, Mgr. Sales, Dexter Portland Cement Co., 103 Park Ave., New York City.

DEAR SIR: Receipt is acknowledged of your letter of March 19 in reply to our request of March 12 for prices on cement f. o. b. your mill.

After some calculation we can arrive at what may be the price of cement f. o. b. your mill, which very nearly answers our question, though I must confess I fail to understand the mystery surrounding the mill price of cement.

We were directed by the State Highway Commission to request the price f. o. b. mill from every cement company east of the Mississippi River. Some companies voluntered the information without question; others gave it in an equivocal manner; some refused to give any information. You will readily understand that the State High-
[fol. 1391] way Commission is most apt to deal with the companies that meet its request in a candid, open manner. I would not burden you with this explanation were it not for the fact that your letter is typical of a great many others received from cement companies.

Very truly yours, —— ——, State Highway Engineer.
WGT/O'B.

Dexter Portland Cement Company

New York City

March 26th, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: On receipt of your March 21st letter, as you are aware, I endeavored to arrange a meeting with you but failed on both Monday and Tuesday of this week. If you expect to be in Newark on Saturday, I will arrange to meet you at time and place appointed. Please advise me at Nazareth Thursday afternoon or Friday morning, if the above suggestion meets with your approval.

There is no mystery surrounding the mill price of cement. If [fol. 1391½] the consumer would profit by buying the cement f. o. b. the mill, I suppose the cement manufacturers would be willing to make prices in that way. In fact our company has long been

an advocate of quoting and selling in just such manner, but years ago we found our competitors were profiting by guaranteeing delivery and paying all losses and claims for damage in transit and taking the chance that they could collect from the railroad company. Under the encouragement of the Federal Trade Commission practically all the cement companies of the United States have adopted a uniform trade practice in this and many other matters.

I am very sorry that you got the impression that there was any mystery about the price that we expect to net at the mill, because there is no such mystery. Notwithstanding this brief attempt to clear the atmosphere, I still feel that you can ask and I answer a good many questions in a personal conversation that cannot be covered by pages of correspondence. If you agree with me, I hope you can help me find a mutually convenient time for us to meet.

Very truly yours, R. W. Hilles, Manager of Sales. L.

[fol. 1392] Dexter Portland Cement Company

Nazareth, Pa.

3-21-19.

Mr. W. G. Thompson, Highway Engr., Broad St. Bank Bldg., Trenton N. J.

My Dear Mr. Thompson: Our Manager of Sales, Mr. R. W. Hilles will be in Trenton N. J. on Monday March 24th, and will call on you at that time in order to give you any information you might desire on the policy of sales adopted by our company.

For any information you wish at this time do not hesitate to call on him for it, and if he is not familiar with it he will be very glad to see that you are put in touch with some one who has it.

Wishing you continued success, I remain

Very truly yours, Geo. W. Mulheron.

[fol. 1392½] Mr. Thompson: Mr. Hilles advises he will be unable to be in Trenton on Wednesday.

He will be in the Robert Treat Hotel, Newark, Saturday morning, and wishes you, if you are in that district, to stop and see him.

Mar. 24.

Mr. Thompson: Mr. Hilles called this afternoon and upon finding you were not in town he wished to know if he could change his appointment to tomorrow, the 25th, at 2:00 P. M.

He also wished to know if he could be advised at the Philadelphia office of the Dexter Portland Cement Co., Land Title Bldg., Phila. if you expect to be out of town and can not see him.

Edward.

Edw.: Tell Mr. Hilles I will be in on Wednesday.

T.

[fol. 1393] Western Union Telegram

Received at 14 East State St., Trenton, N. J.

New York, Mar. 24, 1919.

W, G. Thompson, State Highway Engrg., Trenton, N. J.:

Your letter received will call at your office two-thirty P. M. today.

R. W. Hilles.

(Here follows Government's Exhibit No. 330, marked side folio pages 1394, 1395, and 1396)

[fol. 1397] Govt. Ex. No. 331

Giant Portland Cement Company

Philadelphia, Pennsylvania

March 17, 1919.

Mr. W. G. Thompson, State Highway Engineer, State of New Jersey, State Highway Commission, Trenton, N. J.

Dear Sir: Your favor of the 12th inst. duly received, and we would ask you to kindly advise us the quantity of cement you will require, point of delivery and period over which same will cover, and we will be very glad indeed to name you price on our good "Old Reliable" "Giant" Portland Cement, as soon as we receive this information.

Awaiting your reply, we remain,

Yours very truly, R. E. Griffith, Vice-President.

[fol. 1397½] March 18, 1919.

The Giant Portland Cement, Co., Philadelphia, Penna.

Gentlemen: Your letter of March 17 does not reply to our request of March 12 for the price of cement f. o. b. your mill.

We do not expect to be immediately in the market for cement in large quantities, but were directed by the State Highway Commission to secure from all cement manufacturers east of the Mississippi River the prices at which cement would be sold at the mill.

We have received satisfactory replies from six cement manufacturers in this district and would very much appreciate advice from you as to the price at which you will sell cement at your mill. Since the question of freight rates does not enter into the matter, we are instructed to secure information upon the mill price, which is all we require.

Very truly yours, —— ——, State Highway Engineer.

WGT/O'B.

Govt. Ex. No. 330

EDISON PORTLAND CEMENT CO.

NEW YORK March nineteenth
1 9 1 9

Mr. W. C. Thompson, State Highway Engineer,
State of New Jersey State Highway Commission,
Trenton, NEW JERSEY.

Dear Sir:

Your circular letter of March 12th addressed this company in reference to prices on Portland Cement and our thought with regard to the future market.

Our present quotation on EDISON Portland Cement to the consuming public, f. o. b. our Mills New Village, New Jersey, in carload lots, is -

$3.00 per barrel in cloth including sacks which are returnable under usual conditions at 25¢ each;

2.30 per barrel in paper bags;

1.95 per barrel in bulk.

We do not anticipate for a considerable length of time any general reductions in price on account of high costs.

In comparing present prices with those of the pre-war period, one must not lose sight of the very considerable increase in labor and transportation. The two items represent the major portion of our costs.

As a further expression of our personal thought on the subject, we permit me to say that since January 1st our mills have been operating their full capacity twenty-four hours per day, seven days per week. If we seriously believed lower costs might offer within the next twelve months, we would not now be accumulating stocks.

We are attaching copy of address by Professor Irving Fisher of Yale University, which you may not have seen, and which, in my opinion, provides the most thorough exposition on present high costs and present high levels.

It is to be understood that the above prices are not a firm quotation, which we should be pleased submit to you upon receipt of detailed information regarding quantity, deliveries, etc.

Yours very truly,

Vice-President and
General Sales Manager.

H. M. Scott

HMS:C

Cement f.o.b. mill.

March 21, 1919.

Edison Portland Cement Co.,
8 West 40th Street,
New York City.

Gentlemen:

I thank you for your reply of March 17 to our request of March 12 for present price of cement f. o. b. your mill.

It is noted that judging from present indications there will be no reduction in the price of cement for some months.

I thank you also for the copy of address by Professor Irving Fisher, of Yale University, on the new price revolution, which goes pretty thoroughly into the matter.

Very truly yours,

State Highway Engineer.

WGT/O'B.

EDISON PORTLAND CEMENT CO.

NEW YORK April 4th, 1919.

Mr. [illegible] Thompson, State Highway Engineer,
State of New Jersey Highway Commission,
Trenton, NEW JERSEY.

Dear Sir:

Referring to circular letter of March 12th and our reply of the 19th in reference to price on Portland Cement, you will be interested to know of a more or less general reduction in this territory April 1st of 15¢ per barrel, and a reduction in the exchange value of cloth sacks from 25¢ to 15¢ each.

As a matter of fact no reductions in our costs of manufacture have occurred, nor do we expect them to do so within the next nine or twelve months which would warrant such a reduction.

However, in line with the idea and purpose of the Industrial Board of the Department of Commerce, we want to do our part toward stimulating building construction, not alone from a selfish standpoint, but we believe it is the part of good citizenship for each of us in our own capacity to do everything possible to provide employment for our returning soldiers and for the local labor that may be unemployed.

There are real problems facing the world today and it is not sufficient to idly believe that they will adjust themselves.

The many new "isms" of which we seem fear best on unemployment.

With costs continuing at high levels, it is not unreasonable to anticipate possible price advances in view of the tremendous building need.

We trust you will pardon this rather lengthy letter, but inasmuch as the drop in question rougaly works out a reduction of about 5¢ per square yard, we thought you would be interested.

Yours very truly,

W. On. Scott.

Vice-President and
General Sales Manager.

[illegible]

[fol. 1398] Giant Portland Cement Company

Philadelphia, Pennsylvania

March 22, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, New Jersey.

DEAR SIR: Your favor of the 18th instant duly received, and we have always found that to name other than a delivered price means endless confusion to our friends, as they are then obliged to secure freight rates to different points to show the actual cost to them. Another reason that we refuse to quote other than a delivered price is that the policy of this Company has been not to quote a dealer for delivery outside of his own town, and therefore if we named a mill price to our dealer we felt that he could order the cement diverted while in transit if it was billed to him at a mill price, while by billing it direct to a given point it could not be done under our quotation.

Therefore, as much as we regret it it would be impossible for us to name you other than delivered price but would be very glad indeed to hear from you if you will give us the quantity required, point of delivery, and for what work same is required.

Yours very truly, R. E. Griffith, Vice President. REG/F

[fol. 1398½] GOVT. EX. No. 332

Knickerbocker Portland Cement Company, Inc.,

New York City

March 21, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: We have your circular letter of March 12th and presume the cement required would be used in the State of New Jersey. Such being the case, would state, we are unable to quote you prices which would be attractive as the freight rates from our mill, which is located at Hudson, N. Y., to points in New Jersey, are so high, that we cannot meet the competition there and secure sufficient revenue to show us a profit on our product.

Very truly yours, H. H. Ward, Sales Manager. HHW:EF.

[fol. 1399] GOVT. EX. NO. 333

The Lawrence Cement Company

No. 1 Broadway, New York

March 15, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: We are in receipt of your letter of the 12th inst. relative to cement requirements for the State of New Jersey.

Our present price for "Dragon" cement to the State is $2.00 per barrel at the mill, plus 25¢ each for cotton sacks, plus freight to [fol. 1399½] destination. War tax is also added and if cement is to be tested 3¢ per barrel is charged for that service.

You ask our opinion as to whether or not there will be a reduction in the price of cement within the next few weeks. We are of the opinion that the present manufacturing cost would not justify a reduction, but it is difficult to say what the future will bring forth in that regard. As you know, there are many brands of cement manufactured in what is called the Lehigh Valley district which makes it a highly competitive business and it is probable that one manufacturer could not get more for his goods than another. You can therefore readily understand that it would be very difficult for one manufacturer to express anything except his own opinion. Our opinion is that the price will not be lower in the very near future.

Yours very truly, Frank H. Smith, Sales Manager. FHS:H.

[fol. 1400] GOVT. EX. NO. 334

Lehigh Portland Cement Co.

Allentown, Pa.

March 18, 1919.

State of New Jersey, State Highway Commission, Trenton, N. J.

GENTLEMEN: In reply to your letter of March 12th inquiring as to our current quotation on cement f. o. b. plant, would explain that our practice is to quote all prices f. o. b. point of destination at which the material is to be used. On general requirements, quotations are made for delivery within a period of 15 days from date of order, while for specific operations, requiring known quantities of cement, we quote for delivery over extended time as the work may require.

If your inquiry contemplates any particular operations we shall be very glad to name quotation if you will be kind enough to inform us as to the delivery points, nature of work, and quantities of cement required.

With reference to your request for a statement of our opinion as to the possibility of an early price reduction on Portland Cement, would

say that it is impossible to definitely forecast the future on this point. [fol. 1400½] The cost of cement manufacture is governed practically by costs of labor and fuel and the ruling market prices are based on manufacturing costs under present conditions. Future changes in the cement market will be governed to a considerable extent by fluctuations in these costs, and it is not possible at this time to state what these changes will be or when they will occur.

Assuring you of our efforts to be of any possible service to you, we are,

Yours truly, Lehigh Portland Cement Company, B. L. Swett, Eastern Sales Manager. JB.

[fol. 1401] GOVT. EX. NO. 335

Penn-Allen Cement Company,

District Sales Office,

Philadelphia, Pa.

March 17, 1919.

Mr. W. G. Thompson, State Highway Engineer, Trenton, N. J.

DEAR SIR: Your favor of the 12th inst. received and contents noted. We do not quote mill prices, but make all quotations f. o. b. destination. In general, however, our present prices are figured on $3.00 per barrel at the mill, which includes four cloth sacks at 25 cents each; the destination prices depend upon the freight rate and upon the competition we must meet in the territory where shipment is required.

As to prices, the margin between the cost of manufacturing and selling is very small, and we can see no reduction in the cost of manufacturing in the immediate future. While coal has come down somewhat, it amounts to very little, and even then, the fact is that we have [fol. 1401½] a large supply of coal on hand purchased last fall at the high price, which we must now use, and we know that a good many manufacturers are in the same position. All our supplies and repair parts have been purchased at the high prices also.

We will reduce the price of our cement just as soon as we possibly can, but we can see nothing in the immediate future to warrant any reduction.

Very truly yours, Penn-Allen Cement Company, T. O. Bretherton, Secretary & General Sales Manager. TOB/T.

[fol. 1402] Govt. Ex. No. 336

Phœnix Portland Cement Co.,

Philadelphia

March 17, 1919.

Mr. W. G. Thompson, City Highway Engineer, Trenton, N. J.

Dear Sir: We acknowledge receipt of your letter of the 12th inst. It is not our custom to quote prices on Phœnix Portland Cement f. o. b. mill, but rather to quote price delivered at destination. For your information, however, you are advised that our present mill basis is $3.00 per barrel including the bags. Our quotations are made invariably, however, f. o. b. destination, and our present price at Trenton is $3.37 per barrel.

I do not feel that I care to express an opinion as to any probable change in the price of cement. You are really able to form just as good an opinion of this as I would be able to give you. We both [fols. 1402½ & 1403] know, however, that the price of labor is not coming down at all, and it looks as though we have entered upon a new price level for all commodities, which will last for some years to come.

Yours very truly, Charles H. Cox, General Sales Manager.

[fol. 1404] Govt. Ex. No. 337

Vulcanite Portland Cement Co.

New York, March 18th, 1919.

State of New Jersey, State Highway Commission, Mr. W. G. Thompson, State Highway Engr., Trenton, New Jersey.

Dear Sir: Replying to your favor of March 12th, addressed to our Philadelphia Office, advising of a resolution put through the State Highway Commission at its last meeting on March 6th, directing you to secure from each of the Cement Manufacturers in business east of the Mississippi River a price per barrel at which tt will sell f. o. b. the plant.

I beg to advise that it is against the policy of this Company to name prices f. o. b. our Plant. This we have consistently declined to do for the United States Government, Railroads under Government control, Contractors doing Government Work or Railroad Work, or anyone else.

[fol. 1404½] Our prices for delivery to points within the State of New Jersey are based on competition existing at Northampton, Pa., where our largest competitor is located. To this base price is added the freight rate and war tax.

We will be pleased at all times to quote you delivered prices at such points where you may have work. If you will mention those points I will be very much pleased to furnish you a quotation.

Very truly yours, Vulcanite Portland Cement Company, Albert Moyer, Manager of Sales. AM.

Govt. Ex. No. 339

Edison Portland Cement Co.

March 16th, 1921.

State Highway Commission,
Broad Street Bank Bldg.,
Trenton, N.J.

Attention: Mr. R. W. Wildblood.

Gentlemen:-

In response to your inquiry of March 15th, we are pleased to submit the following quotation on 2625 barrels of EDISON PORTLAND CEMENT -

$3.48 per barrel in cloth bags,

delivered in carload lots, f.o.b. cars Rahway Reformatory, Pennsylvania Railroad Siding, Rahway, N.J.

This price includes the value of the bags for which we will refund 25¢ each when returned to our mill at New Village, N.J. in good condition, freight charges prepaid.

If at any time during the life of this quotation the price of EDISON CEMENT for the specified destination is less than named herein, cement shipped during such period of lower prices will be invoiced at the market price of EDISON in effect at time of shipment.

Terms of payment; 10¢ per barrel discount for cash paid within ten days from date of invoice, 30 days net.

This quotation is subject to the conditions outlined on the reverse hereof and will be held open for your acceptance within 15 days from today's date; shipments to be made as desired during the current calendar year.

Thanking you for the opportunity of submitting this proposal, and hoping to be favored with the business, remain

Very truly yours,

FAS.JN

District Supervisor.

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&
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Govt. Ex. No. 340

ALPHA PORTLAND CEMENT COMPANY

GENERAL OFFICES EASTON, PA. March 21, 1921

State Highway Commission
Trenton, N. J.

Attention Mr. B. W. Wildblood

Gentlemen:

In accordance with your request of March 15th, your inquiry #322, we submit herewith quotation on Alpha Portland Cement.

Hoping to hear from you further, we remain

Yours truly

E. P. Williams

District Sales Manager

EPW LMS

ALPHA PORTLAND CEMENT COMPANY

GENERAL OFFICES EASTON, PA March 21, 1921

State Highway Commission
Trenton, N. J.

Gentlemen:

In response to your inquiry of the 15th, your #322,
We quote you subject to all the terms, conditions and limitations on both sides hereof on ALPHA PORTLAND CEMENT for work herein described, and for shipment according to contract requirements.

In carload lots, f. o. b. cars Rahway Reformatory P. R. R. Siding

In cloth sacks $ 3.51 per standard barrel (376 lbs. net).

If shipped in paper sacks [redacted] cents per barrel less than cloth price.

If shipped in bulk one dollar two ($1.02) cents per barrel less than cloth price.

The price of cement stated herein is based on the transportation charges in effect at the present time and is subject to advance or reduction as the transportation charges may be advanced or reduced.

Contract made under this quotation will include the following provision: "Any decline in Cement Company's market price during the life of this agreement shall apply to shipments under this agreement made after date of reduction and during such period as the lower market price may be in effect."

This quotation is intended to cover the actual quantity (estimated at 2605 barrels) of ALPHA PORTLAND CEMENT for use in the following described work.

DESCRIPTION OF WORK: New Jersey State Highway Job at Rahway, N. J.

Terms of Payment: On approved credit, 10 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice, if, during the performance of the work the financial responsibility of the purchaser becomes impaired or unsatisfactory to the ALPHA PORTLAND CEMENT COMPANY, cash payments with above discount must be made before shipment, or satisfactory security must be given by the purchaser.

This quotation shall not be binding upon this Company unless accepted in writing by the purchaser on or before

March 26th

Awaiting the favor of your acceptance, we remain,

Yours very truly,

ALPHA PORTLAND CEMENT COMPANY

By E. P. Williams

ACCEPTANCE. I (we) hereby accept the price, terms and all conditions and limitations of the above special quotation and agree to execute promptly a contract therefor on your regular Memorandum of Agreement form, covering Portland Cement required and used for the work described.

Dated.....

.....Purchaser

[fols. 1405 & 1406] Govt. Ex. No. 338

Vulcanite Portland Cement Co.

New York, March 21, 1919.

Mr. L. C. Morton, Phœnix Portland Cement Co., Phila, Pa.

Dear Sir:

Roads—New Jersey

Attached is a copy of letter received from the State Highway Commission, Trenton, N. J., which is in answer to my letter of March 18th, declining to name prices at our Plant.

I would be very much pleased if you will kindly favor me with a copy of your answer to the request of the State Highway Commission for F. O. B. Mill prices.

Yours very truly, Vulcanite Portland Cement Company, Albert Moyer, Manager of sales.

(Here follow Government's Exhibits Nos. 339 and 340, marked side folio pages 1406½-1409, inc.)

[fol. 1410] Govt. Ex. No. 341

Vulcanite Portland Cement Co.

New York City, March 17, 1921.

State of New Jersey, State Highway Commission, Trenton, New Jersey.

Attention: Mr. R. W. Wildblood

Re Quotation—Rahway Reformatory #322

Gentlemen: Answering your circular letter of March 15th, we are very pleased to enclose quotation naming you price on 2,625 barrels of Vulcanite Portland Cement, delivered F. O. B. cars, Rahway Reformatory siding, Rahway, N. J.

Yours very truly, Vulcanite Portland Cement Company, T. G. Barr, Asst. Manager of Sales. TGB:F. Encl.

[fol. 1410½] Vulcanite Portland Cement Company

Specific Job Quotation

Job #331

Main Office, Land Title Bldg., Philadelphia

Albert Moyer, Manager of Sales

New York, March 17th, 1921.

Messrs. —— ——, State of New Jersey, State Highway Commission, Trenton, N. J.:

We quote you on the full Portland Cement requirements of the following described work but not exceeding the estimated requirements of 2,625 barrels of Vulcanite Portland Cement. The cement shall only be ordered and shipped, as nearly as practicable, to meet the necessities of the work, it being understood, however, that under no circumstances shall the Cement Company be obligated to ship hereon more than 2,625 barrels during any 30 consecutive days nor subsequent to December 31st, 1921.

Price:

Vulcanitee Portland Cement in 4 cloth sacks, at $3.63 per standard bbl. including the sacks.

Vulcanite Portland Cement in 4 paper bags, at $2.88 per standard bbl. including the bags.

Vulcanite Portland Cement in bulk, at $2.63 for 376 lbs., equivalent to one (1) barrel net weight.

[fols. 1411 & 1412] F. O. B. cars, Rahway Reformatory siding, Rahway, N. J., in carload lots.

Description of work: (Work to be described).

Terms of payment:

Thirty days net or ten cts. per barrel discount for payment in full within ten days from date of invoice.

This quotation is void unless accepted within 15 days from date.

The acceptance of this quotation, verbally, or in writing, will not form a contract or obligate the Cement Company. Should the Purchaser wish to place orders under this quotation for the work herein specified, the acceptance of such orders by the Cement Company shall be at its option and subject to execution of formal contract covering the quantity and date of shipments required for the work specified, subject to all limitations as set forth in the contract.

Respectfully, Vulcanite Portland Cement Company, Albert Moyer, Manager of Sales.

[fol. 1412½] GOVT. EX. NO. 342

Salles Office Pennsylvania Cement Company, 42nd St. Building

New York, March 18, 1921.

State of New Jersey, State Highway Commission, Trenton, N. J.

Attention: Mr. A. Lee Grover

DEAR SIRS: Your request for quotation #322.

We are pleased to submit the following proposition on 2,625 barrels of Pennsylvania Portland Cement.

Price $3.53 per barrel in cloth bags, f. o. b. cars Rahway Reformatory P. R. R. Siding, Rahway, N. J.

[fol. 1413] This price includes the value of the cloth bags which are redeemable at twenty-five cents each when returned to our mill in good condition, freight prepaid.

We also allow a discount of ten cents per barrel for cash in ten days from date of invoice.

This quotation contemplates shipment as required prior to December 1st, 1921, and will be held open for your acceptance up to and including ten days from the above date.

We are in a particularly good position to take care of the requirements of this job and hope that you will give our price your most favorable consideration.

Yours very truly, Pennsylvania Cement Company, A. J. Stanford, Assistant Sales Manager. AJS:AS.

[fol. 1413½] GOVT. EX. NO. 343

Geo. M. Friese

Coal, Masons' Materials, and Farm Machinery

Hazelwood Avenue near Main Street

Rahway, N. J., March 15, 1921.

New Jersey State Highway Commission, Mr. T. J. Wasser, State Highway Engineer, Trenton, N. J.

DEAR SIR: Confirming telephone conversation this morning with Mr. Sherburn, I quote on Lehigh or Alpha Portland Cement delivered in carload lots F. O. B. at the N. J. Reformatory siding at Rahway, N. J., for road work at the N. J. Reformatory,

In cloth sacks $3.60 per standard barrel including four (4) sacks.

Discount of 10 cents (10¢) per barrel for payment in full including sacks within 10 days from date of shipment.

A rebate of 25 cents each for empty sacks return bearing the brand purchased and in serviceable condition.

Yours very truly, Geo. M. Friese.

(Here follows Government's Exhibit No. 344, marked side folio pages 1414-1417, inc.)

[fol. 1418] GOVT. EX. NO. 345

Security Cement and Lime Co.

Hagerstown, Md., May 18, 1916.

Mr. Joseph E. Thropp, Everett, Penna.

DEAR SIR: Your favor of the 16th inst. received this morning and we accordingly attach formal quotation covering approximately 1,500 barrels of Security Portland cement to be shipped out to you prior to August 1st, 1916, as requested.

This quotation is made in duplicate, one of which we would be glad to have you sign and return and upon receipt of which we will be prepared to fill your orders for Security Portland cement immediately, every bag of which will carry our guarantee following it for quality.

We desire very much to have you use Security on this work and are confident that we can take care of your business most satisfactorily.

[fol. 1418½] Awaiting your reply, we are,

Very truly, Security Cement & Lime Company, J. K. Barbour, General Sales Manager. PCS:RT.

P. S. The experience of our many Security Customers is that the price is often forgotten when the quality is still remembered.

Security Cement & Lime Company

Specific Job Quotation

Hagerstown, Md.

Contract No. —

Hagerstown, Md., May 18th, 1916.

Mr. Joseph E. Thropp, (Earlston) Everett, Penna.

DEAR SIR: For Shipment according to contract requirements, between this date and August 1st, 1916, (subject to all the terms, conditions and limitations on both sides hereof), quantity to be shipped not to exceed, however, — bbls. within any one month—we quote [fols. 1419 & 1420] you:

Security Portland Cement in 4 cloth sacks at $1.88 per standard bbl., including the sacks.

Govt. Ex. No. 344

The Atlas Portland Cement Company,
30 Broad Street,
New York.

March 18, 1921.

New Jersey State Higgway Department,
Broad Street Bank Building,
Trenton, N. J.

Gentlemen:

We are in receipt of your communication of March 15th - your Reference No. 322, requesting our quotation on twenty-six hundred and twenty-five (2625) barrels of ATLAS Portland Cement delivered f.o.b. cars Ramsay, N. J., Reformatory, P. R. R. Siding, and in compliance with your request, we are enclosing herewith our formal quotation naming you price on this amount.

We are in a position to make prompt shipment and if favored with your order, will give it our careful and earnest attention.

We are very grateful to you for this inquiry and hope to have the pleasure of receiving your order.

Yours very truly,

THE ATLAS PORTLAND CEMENT COMPANY

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District Sales Manager

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The ATLAS PORTLAND CEMENT COMPANY

New Jersey State Highway Department,
Broad Street Bank Building,
Trenton, N. J.

March 18, 1921.

SPECIFIC JOB QUOTATION No. 12031-8

We quote you on "ATLAS" Portland Cement for shipment prior to **December 31, 1921.**

$3.83 per barrel in 4 cloth bags
$2.88 per barrel in 4 paper bags
$2.63 per barrel in bulk
all in car load lots, f. o. b. cars **Rahway, N.J., Reformatory, P.R.R. Siding**

Any shipments made during 1921 on a contract placed under this quotation, will be at the current destination price on "ATLAS" Portland Cement on the date of shipment, if such price is below the destination price herein mentioned.

The above price includes a charge of **25c** each for cloth sacks. If at any time the cost of new cloth sacks to us shall be in excess of **25c** each, the above price for deliveries thereafter shall, at our option, be increased from time to time, by a sum determined by us not exceeding such excess. Cloth sacks will be repurchased at the same price at which they are charged out. If at any time we shall experience such difficulty in securing cloth sacks as, in our opinion, makes shipment in cloth sacks impracticable, then upon 5 days notice to you, we may (until such difficulty is removed) ship in paper sacks at a price of **$ 2.88** per barrel f. o. b. cars destination, or at your option in bulk at a price of **$2.63** per barrel f. o. b. cars destination. Paper sacks will not be repurchased by us.

Prices herein quoted are subject to any increase in transportation charges from those now in effect.

Terms of payment: On approved credit 30 days net or 10 cents per barrel discount for PAYMENT IN FULL within 10 days from date of invoice, provided there are no overdue accounts unpaid.

The terms, conditions, and limitations printed on the reverse of this quotation are made a part hereof as fully as if written here.

This quotation is intended to cover the full Portland Cement requirements of the work herein described, but not exceeding the estimated requirements of **2,625** barrels of "ATLAS" Portland Cement.

DESCRIPTION OF WORK: **State Highway work at Rahway, N. J.**

This quotation is for acceptance prior to **April 3, 1921.**
We hope to be favored with your order

Yours very truly,

THE ATLAS PORTLAND CEMENT COMPANY.

By E Jones

ACCEPTANCE: Please enter my (our) order in accordance with this quotation, as I (we) have the contract for the work described. I (we) hereby accept the price and all the conditions of the above specific job quotation and agree, at your option, to execute promptly a contract therefor on your regular Specific Work Sales form, covering Portland Cement required to be used for the work described. Any contract hereafter so executed either with you (the Atlas Company) or by your consent with a retail building material dealer, shall be substituted for this acceptance and shall constitute the only contract covering this work.

_____
Purchaser.

Govt. Ex. No. 346 & 1422

Cement Contract in Triplicate

THE SAXTON SUPPLY STORE of SAXTON, BEDFORD COUNTY, PA. hereinafter called the SELLER, sells and J. E. THROPP of EARLSTON, EVERETT, P.O. hereinafter called the PURCHASER, purchases Lehigh Portland Cement on the following terms and conditions:

The Purchaser does hereby represent to the seller that 1,000 barrels of cement are to be used in the construction of buildings and repairs to present structures around furnaces of J. E. Thropp

for which construction the Purchaser has contract and that he hereby purchases 1,000 barrels of Lehigh Portland Cement from the Seller for use in such work, and that no portion thereof will be used for any other purposes.

PRICE: $ 1.88 per standard barrel, including four cloth sacks

This price is based upon the present freight rate, and is subject to any advance or reduction as the freight rate may be advanced or reduced.

PLACE OF DELIVERY:

f.o.b. EARLSTON, KEARNEY, MELROSE, & SAXTON

TIME OF DELIVERY:

As desired by purchaser in car load lots previous to January 1st, 1917

The Purchaser shall give the Seller shipping instructions in writing a reasonable time before shipments are to be made; the Seller shall not be obliged, except at his option, to make deliveries after January 1st, 1917. The Seller shall have the right to direct the route by which all shipments hereunder shall be forwarded.

The Seller shall not be responsible for delays in the manufacture or shipping of cement, due to differences with employees, scarcity of labor, accident, inability to secure cars, coal or material, fire, flood, warfare, or other causes not under the manufacturer's control, nor for any delay in transportation.

TERMS OF PAYMENT:

5¢ per barrel for cash in 10 days from date of invoice- 30 days net.

REPURCHASE OF SACKS:

Purchaser to return sacks

CANCELLATION:

If the Purchaser shall fail to comply with any of the terms, conditions or limitations of this contract, or if any of the Purchaser's representations herein are untrue, the Seller may cancel this contract or any portion thereof, or any other order given to the Seller by the Purchaser, and such cancellation shall in no wise relieve the Purchaser from unpaid accounts, or from liability to said Seller at the contract price for cement delivered prior to such cancellation.

SPECIFICATIONS:

The cement delivered under this contract is to conform to standard specifications for Portland Cement adopted August 16th, 1909, by the American Society for Testing Materials, with methods of testing recommended January 17th, 1911, as amended by the American Society of Civil Engineers; or to United States Government specifications for Portland Cement, as set forth in Circular of the Bureau of Standards, No. 33.

Executed by the Parties Hereto, this Twenty-fourth day of May 1916

at Earlston Pa.

Witness:
Geo Zaller
Wm. F. Schlegel

Saxton Supply Store
By P.S. Thropp
JOSEPH E. THROPP
By P.S. Thropp
By

LEHIGH PORTLAND CEMENT CO. 1423

Govt. Ex. No. 347

THE LEHIGH PORTLAND CEMENT COMPANY, a corporation of Pennsylvania (hereinafter called the "Cement Company") sells, and Saxton Supply Store, Saxton, Pa.

(hereinafter called the "Purchaser") purchases, Lehigh Portland Cement on the following terms and conditions:

The Purchaser does hereby represent to Cement Company that One Thousand (1,000) barrels of cement are to be used in the construction of Remodeling Plants of J. E. Thropp of Earleton, Pa. Plants at Kearney, Melrose, Earleton and Saxton, Pa. Work to be done by Owner.

and that he hereby purchases One Thousand(1,000) barrels of Lehigh Portland Cement from the Cement Company, for use in such work; and that no portion thereof will be used for any other purposes, whatsoever.

PLACE OF DELIVERY: Kearney, Pa. Melrose, Pa. Earleton, Pa. Saxton, Pa.

TIME OF DELIVERY: Prior to December 31, 1916.

The Purchaser shall give the Cement Company shipping instructions, in writing, a reasonable time before shipments are to be made; the Cement Company shall not be obliged, except at its option, to make deliveries after Dec. 31, 1916. The Cement Company shall have the right to direct the route by which all shipments hereunder shall be forwarded.

The Cement Company shall not be responsible for delays in manufacture or shipping, due to strikes, differences with employes, scarcity of labor, accident, inability to secure cars, coal or material, fire, flood, warfare, or other causes not under its control, nor for any delay in transportation.

PRICE: Per standard barrel, including package, $1.83 cloth $1.53 paper.

This price, which is special, has been given the Purchaser, by the Cement Company, because of the Purchaser's representations as to the use of the cement.

PAYMENT: Net cash in thirty (30) days, or five cents (5c) per barrel discount for cash in ten (10) days from date of invoice. Payable in New York or Chicago Exchange.

Sacks must be paid for at the same time as cement.

If, at any time, the financial responsibility of Purchaser becomes impaired or unsatisfactory to the Cement Company, it reserves the right to require payments in advance, or satisfactory security or guarantee that invoices will be promptly paid when due.

If Purchaser fails to comply with terms of payment, the Cement Company reserves the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

PACKAGE: Cement to be packed in

If cement is shipped in cloth sacks, the Cement Company will repurchase from the original Purchaser, at ten cents (10c) each, the empty cloth sacks bearing the Lehigh brand, which are received by it in good condition, freight prepaid, at its works at West Coplay, Penna., or New Castle, Penna., within ninety (90) days from date of shipment of cement.

Claims for loss or damage will not be considered unless supported by seal record and Railroad agent's acknowledgment on freight bill. Freight over charge claims must be accompanied by original receipted freight bill.

CANCELLATION: It is understood and agreed by the parties hereto, that if any of the representations made by said Purchaser to Cement Company in and about securing the execution of this contract by Cement Company, are untrue, or, if any of the cement delivered hereunder is used for any purpose other than as represented, then, and in such case, upon learning thereof, the Cement Company may cancel this contract, or the undelivered portion thereof, or any other order given to the Cement Company by said Purchaser, and such cancellation shall in no wise release said Purchaser from unpaid accounts, or from liability to said Cement Company at the contract price for cement delivered prior to such cancellation.

SPECIFICATIONS: The cement delivered under this contract is to conform to standard specifications for Portland Cement adopted August 15, 1909, by the American Society for Testing Materials with methods of testing recommended January 17, 1912, as amended by the American Society of Civil Engineers, or to U. S. Government specifications for Portland Cement, as set forth in Circular of the Bureau of Standards No. 33.

ASSIGNMENT OF CONTRACT: This contract shall not be assigned by the Purchaser, except upon written assent thereto by the Cement Company.

Executed by the parties hereto, this 24th day of May 1916 at Allentown, Pa.

Saxton Supply Store
(PURCHASER'S SIGNATURE)
By P.S. Thropp
May 26 - 1916

LEHIGH PORTLAND CEMENT CO.
By R. C. Seitz
Eastern Sales Manager
Approved E. B. Wiles
Secretary

1423½

LEHIGH PORTLAND CEMENT CO.

ALLENTOWN, PA., June 3rd, 1916.

"SATURDAY"

Saxton Supply Store,

Saxton, Pa.

Gentlemen:

Attached hereto is approved copy of Memorandum of Agreement covering the sale to you of 1,000 barrels Lehigh for use at the plants of J. E. Thropp.

The agreement has been entered as contract #2742 and we ask that you kindly specify this number with your shipping instructions.

Assuring you of our hearty appreciation of this business and that it will be our endeavor to serve you to your entire satisfaction on this contract, we are,

Yours truly,

LEHIGH PORTLAND CEMENT COMPANY

B. C. Auch

Eastern Sales Manager

RJS

This contract covers our cement made on all our plants — orders for carload lots only should be sent at all times in the name of Saxton Supply Store for shipment to J.E.T. amount of contract #2742

JOSEPH E. THROPP

By J.E. Thropp

Security Portland Cement in 4 paper bags, thirty (30) cents per bbl. less than the cloth package.

F. O. B. Earlston, Melrose, Saxton, Everett, Penna.

This quotation covers the entire and actual quantity (estimated at 1,500 barrels) of Portland Cement which buyer shall furnish or use in the following described work. The estimated quantity is more or less within 10 per cent.

Description of work

Improvements at various furnaces located at above points.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within 30 days from date hereof.

This proposition is submitted in duplicate; upon our receiving one of the copies accepted by you in writing it shall constitute a contract between us.

Remarks: —.

Very truly, Security Cement & Lime Company.

Accepted — — day of ——, —.

At —

(Signature) ——.

J. K. Barbour, General Sales Manager.

(Here follows Government's Exhibits Nos. 346 and 347, marked side folio pages 1421-1423½, inc.)

[fol. 1424] Govt. Ex. No. 348

Doc. 14493

Portland Cement Requirements

May 18, 1916.

To the Boston Transit Commission:

The undersigned hereby bids the sum of One Dollar and eighty seven cents, ($1.87) per barrel for furnishing and delivering f. o. b. cars Boston, 30,000 to 40,000 barrels of Allentown Portland cement which shall contain not over 6½ per cent of alumina by analysis.

(Kind of Cement)

The cement is to be in cotton (4 bags to the barrel).

The latest date under which an order can be given under the contract is May 30th, 1917.

The Commission is to have the privilege of determining any time before the last order is given the exact number of barrels, be-

tween the minimum and maximum quantity, to be furnished.

The Contractor for construction, or some person authorized by him, or an employee of the Commission in case the cement should be called for by the Commission directly, is to give receipts for the cement as fast as it is obtained and these receipts are to be submitted by the one with whom the order for the cement is placed as the vouchers for his bills against the Commission.

Delivery is to be made f. o. b. cars Boston, at any of the rail-
[fol. 1424½] roads entering Boston, as may be designated by the Engineer.

The cement furnished is to be tested in the laboratory of the Boston Transit Commission and is to conform to the standard specifications of the American Society for Testing Materials, except that the test for constancy of volume shall also include the boiling test.

The minimum requirements for tensil strength for briquettes one inch square in cross-section shall be as follows, and the cement shall show no retrogression in strength within the period specified.

Age	Neat cement	Strength
24 hours in moist air		175 pounds
7 days (1 day in moist air, 6 days in water)		500 "
28 days (1 day in moist air, 27 days in water)		600 "
	One part cement, three parts Standard Ottawa sand.	
7 days (1 day in moist air, 6 days in water)		180 pounds
28 days (1 day in moist air, 27 days in water)		275 "

The cement must be of a brand which has been tested in the laboratory of the Commission and found to be one of the most suitable to withstand the action of salt water. This will be taken into consideration in awarding the contract.

A chemical analysis of each carload is to be furnished by the manufacturer.

The rate of delivery is to meet the requirements of the Commission but is not to exceed 2,500 barrels per week. Order is to be given the dealer — days in advance of required shipment.

The price given includes cement bags, and — cents each will be
[fol. 1425] credited for them when received at the warehouse of the undersigned in good condition or 10¢ (ten) cents when received at the mill in good condition.

A rebate of 5¢ (five) cents per barrel is to be allowed on bills covering shipments already made paid within ten days from date of receipt of such bills at the office of the Boston Transit Commission 15 Beacon street, Boston.

The undersigned agrees that any cement already paid for which does not, at the test by the Commission, conform to the specifications of the contract, shall be taken back by him and an equal amount of new cement conforming to the specifications furnished without expense to the Commission.

This offer is open for acceptance until Friday, June 2nd, 1916.

Cement quoted on this proposal to be furnished through J. P. O'Connell & Co., of Dorchester, Mass.

Allentown Portland Cement Co., by Delano F. W. Douglass, Mass. Manager, 120 Tremont St., Boston, Mass.

[fol. 1425½] GOVT. EX. No. 349

Doc. 14500

Portland Cement Requirements

May 18, 1916.

To the Boston Transit Commission:

The undersigned hereby bids the sum of One Dollar and Eighty Seven Cents ($1.87) per barrel for furnishing and delivering f. o. b. cars Boston, 30,000 to 40,000 barrels of (kind of cement) Lehigh Portland Cement which shall contain not over 6½ per cent of alumina by analysis. The cement is to be in cotton (4 bags to the barrel).

The latest date under which an order can be given under the contract is July first, 1917.

The Commission is to have the privilege of determining any time before the last order is given the exact number of barrels, between the minimum and maximum quantity, to be furnished.

The Contractor for construction, or some person authorized by him, or an employee of the Commission in case the cement should be called for by the Commission directly, is to give receipts for the cement as fast as it is obtained and these receipts are to be submitted by the one with whom the order for the cement is placed as the vouchers for his bills against the Commission.

[fol. 1426] Delivery is to be made f. o. b. cars Boston, at any of the railroads entering Boston, as may be designated by the Engineer.

The cement furnished is to be tested in the laboratory of the Boston Transit Commission and is to conform to the standard specifications of the American Society for Testing Materials, except that the test for constancy of volume shall also include the boiling test.

The minimum requirements for tensile strength for briquettes one in. square in cross-section shall be as follows, and the cement shall show no retrogression in strength within the periods specified.

Age	Neat cement	Strength
24 hours in moist air		175 pounds.
7 days (1 day in moist air, 6 days in water)		500 "
28 days (1 d " " " 27 " " ")		600 "
One part cement, three parts Standard Ottawa sand.		
7 days (1 day in moist air, 6 days in water)		180 pounds.
28 days (1 d " " " 27 " " ")		275 "

The cement must be of a brand which has been tested in the laboratory of the Commission and found to be one of the most suitable to withstand the action of salt water. This will be taken into consideration in awarding the contract.

A chemical analysis of each carload is to be furnished by the manufacturer.

The rate of delivery is to meet the requirements of the Commission but is not to exceed — barrels per week. Order is to be given the dealer — days in advance of required shipments.

[fol. 1426½] The price given includes cement bags, and — cents each will be credited for them when received at the warehouse of the undersigned in good condition or ten (10) cents when received at the mill in good condition. Freight Prepaid.

[A rebate of — cents per barrel is to be allowed on bills covering shipments already made paid within ten days from date of receipt of such bills at the office of the Boston Transit Commission, 15 Beacon street, Boston.]* Please see terms of payment below.†

The undersigned agrees that any cement already paid for, which does not, at the test by the Commission, conform to the specifications of the contract, shall be taken back by him and an equal amount of new cement conforming to the specifications furnished without expense to the Commission.

This offer is open for acceptance until June second, (2nd), 1916.

Lehigh Portland Cement Company, by C. E. Tileston.

[fol. 1427] Govt. Ex. No. 350

Doc. 14494

Portland Cement Requirements

May 17, 1916.

To the Boston Transit Commission:

The undersigned hereby bids the sum of One Dollar and eighty seven cents ($1.87) per barrel for furnishing and delivering f. o. b. cars Boston, 30,000 to 40,000 barrels of (kind of cement) Alpha Portland cement which shall contain not over 6½ per cent. of alumina by analysis. The cement is to be in cotton (4 bags to the barrel).

The latest date under which an order can be given under the contract is June 1st, 1917.

The Commission is to have the privilege of determining any time before the last order is given the exact number of barrels, between the minimum and maximum quantity, to be furnished.

[*Matter enclosed in brackets erased in copy.]

† Terms: Five (5) Cents per barrel discount for payment in full within ten days from date of invoice; thirty (30) days net.

The Contractor for construction or some person authorized by him, or an employee of the Commission directly, is to give receipts for the cement as fast as it is obtained and these receipts are to be submitted by the one with whom the order for the cement is placed as the vouchers for his bills against the Commission.

Delivery is to be made f. o. b. cars Boston, at any of the railroads entering Boston, as may be designated by the Engineer.

[fol. 1427½] The cement furnished is to be tested in the laboratory of the Boston Transit Commission and is to conform to the standard specifications of the American Society for Testing Materials, except that the test for constancy of volume shall also include the boiling test.

The minimum requirements for tensile strength for briquettes one in. square in cross-section shall be as follows, and the cement shall show no retrogression in strength within the periods specified.

Age	Neat cement	Strength
24 hours in moist air		175 pounds.
7 days (1 day in moist air, 6 days in water)		500 "
28 days (1 day in moist air, 27 days in water)		600 "
One part cement, three parts Standard Ottawa sand.		
7 days (1 day in moist air, 6 days in water)		180 pounds.
28 days (1 day in moist air, 27 days in water)		275 "

The cement must be of a brand which has been tested in the laboratory of the Commission and found to be one of the most suitable to withstand the action of salt water. This will be taken into consideration in awarding the contract.

A chemical analysis of each carload is to be furnished by the manufacturer.

The rate of delivery is to meet the requirements of the Commission but is not to exceed 5,000 barrels per week. Order is to be given to the dealer 3 days in advance of required shipment.

The price given includes cement bags, and — cents each will be credited for them when received at the warehouse of the undersigned [fol. 1428] in good condition or 10 cents when received at the mill in good condition, Alsens, N. Y., freight prepaid.

A rebate of 5 cents per barrel is to be allowed on bills covering shipments already made paid within ten days from date of bills, which is the date of shipment.

The undersigned agrees that any cement already paid for, which does not, at the test by the Commission, conform to the specifications of the contract, shall be taken back by him and an equal amount of new cement conforming to the specifications furnished without expense to the Commission.

This offer is open for acceptance until June 1, 1916.

Alpha Portland Cement Co. Thos. E. Santee, Mgr.

Alpha Portland Cement Company

General Offices: Easton, Pa.

Doc. 14494. File #419

Boston, Mass., May 17, 1916.

Boston Transit Commission, Boston, Mass.

GENTLEMEN: We quote you subject to all the terms, conditions and limitations on both sides hereof on Alpha Portland Cement for work [fol. 1428½] herein described; and for shipment according to contract requirements.

In carload lots, f. o. b. cars Boston, Mass.

In cloth sacks $1.87 per standard barrel (376 lbs. net) including four (4) sacks.

If shipped in paper sacks thirty (30) cents per barrel less than cloth price.

This quotation is intended to cover the actual quantity (estimated at 30,000 to 40,000 barrels) of Alpha Portland Cement for use in the following described work:

Description of work:

Requirements to June 1st, 1917.

Terms of Payment: On approved credit, 5 Cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice. If, during the performance of the work, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the Alpha Portland Cement Company, cash payments with above discount must be made before shipment, or satisfactory security must be given by the purchaser.

This quotation shall not be binding upon this Company unless accepted by the purchaser on or before 6/16/16.

Awaiting the favor of your acceptance, we remain,

Yours very truly, Alpha Portland Cement Company, by Thos. E. Santee, New England Manager.

[fol. 1429] Acceptance.—I (we) hereby accept the price, terms and all conditions and limitations of the above special quotation and agree to execute promptly a contract therefor on your regular Memorandum of Agreement form, covering Portland Cement required and used for the work described.

—— ——, Purchaser.

Dated —— —, ——.

[fol. 1430] GOVT. EX. No. 351

Doc. 14498

Portland Cement Requirements

May 18th, 1916.

To the Boston Transit Commission:

The undersigned hereby bids the sum of One Dollar and eighty seven cents ($1.87) per barrel for furnishing and delivering f. o. b. cars Boston, 30,000 to 40,000 barrels of (kind of cement) Saylor's Portland cement which shall contain not over 6½ per cent. of alumina by analysis. The cement is to be in cotton (4 bags to the barrel).

The latest date under which an order can be given under the contract is December 31st, 1916.

The Commission is to have the privilege of determining any time before the last order is given the exact number of barrels, between the minimum and maximum quantity, to be furnished.

The Contractor for construction, or some person authorized by him, or an employee of the Commission directly, is to give receipts for the cement as fast as it is obtained and these receipts are to be submitted by the one with whom the order for the cement is placed as the vouchers for his bills against the Commission.

Delivery is to be made f. o. b. cars Boston, at any of the railroads [fol. 1430½] entering Boston, as may be designated by the Engineer.

The cement furnished is to be tested in the laboratory of the Boston Transit Commission and is to conform to the standard specifications of the American Society for Testing Materials, except that the test for constancy of volume shall also include the boiling test.

The minimum requirements for tensile strength for briquettes one in. square in cross-section shall be as follows, and the cement shall show no retrogression in strength within the periods specified.

Age	Neat cement	Strength
24 hours in moist air		175 pounds.
7 days (1 day in moist air, 6 days in water)		500 "
28 days (1 day in moist air, 27 days in water)		600 "
One part cement, three parts Standard Ottawa sand.		
7 days (1 day in moist air, 6 days in water)		180 pounds.
28 days (1 day in moist air, 27 days in water)		275 "

The cement must be of a brand which has been tested in the laboratory of the Commission and found to be one of the most suitable to withstand the action of salt water. This will be taken into consideration in awarding the contract.

A chemical analysis of each carload is to be furnished by the manufacturer.

The rate of delivery is to meet the requirements of the Commismission but is not to exceed 2,000 barrels per week. Order is to be given the dealer two days in advance of required shipment.

[fol. 1431] The price given includes cement bags, and — cents each will be credited for them when received at the warehouse of the undersigned in good condition or 10 cents when received at the mill in good condition.

Discount.

A rebate of — cents per barrel is to be allowed on bills covering shipments already made paid within ten days from date of receipt of such bills at the office of the Boston Transit Commission, 15 Beacon street, Boston.

The undersigned agrees that any cement already paid for, which does not, at the test by the Commission, conform to the specifications of the contract, shall be taken back by him and an equal amount of new cement conforming to the specifications furnished without expense to the Commission.

This offer is open for acceptance until June 18th, 1916.

The Coplay Cement Mfg. Co., stands ready to furnish Saylor's Portland Cement for requirements of the Boston Transit Commission with a guarantee that this cement will only show 5½% (or less) of oxide alumina. This is probably lower than any other cement manufacturers in this country can show.

A discount of 5¢ per bbl. will be allowed for cash in 10 days from date of Invoice.

Coplay Cement Mfg. Co., 453 Washington St., Boston, Mass.

[fol. 1431½] Govt. Ex. No. 352

Doc. 14495

Portland Cement Requirements

Boston, Mass., May 18, 1916.

To the Boston Transit Commission:

The undersigned hereby bids the sum of One Dollar and eighty seven cents ($1.87) per barrel for furnishing and delivering f. o. b. cars Boston, 30,000 to 40,000 barrels of (kind of cement) Atlas cement which shall contain not over 6½ per cent. of alumina by analysis. The cement is to be in cotton (4 bags to the barrel).

The latest date under which an order can be given under the contract is June 1st, 1917.

The Commission is to have the privilege of determining any time before the last order is given the exact number of barrels, between the minimum and maximum quantity, to be furnished.

The Contractor for construction, or some person authorized by him, or an employee of the Commission directly, is to give receipts for the cement as fast as it is obtained and these receipts are to be submitted by the one with whom the order for the cement is placed as the vouchers for his bills against the Commission.

Delivery is to be made f. o. b. cars Boston, at any of the railroads entering Boston, as may be designated by the Engineer.

[fol. 1432] The cement furnished is to be tested in the laboratory of the Boston Transit Commission and is to conform to the standard specifications of the American Society for Testing Materials, except that the test for constancy of volume shall also include the boiling test.

The minimum requirements for tensile strength for briquettes one in. square in cross-section shall be as follows, and the cement shall show no retrogression in strength within the periods specified.

Age	Neat cement	Strength
24 hours in moist air		175 pounds.
7 days (1 day in moist air, 6 days in water)		500 "
28 days (1 day in moist air, 27 days in water)		600 "
One part cement, three parts Standard Ottawa sand.		
7 days (1 day in moist air, 6 days in water)		180 pounds.
28 days (1 day in moist air, 27 days in water)		275 "

The cement must be of a brand which has been tested in the laboratory of the Commission and found to be one of the most suitable to withstand the action of salt water. This will be taken into consideration in awarding the contract.

A chemical analysis of each carload is to be furnished by the manufacturer.

The rate of delivery is to meet the requirements of the Commismission but is not to exceed 3,500 barrels per week. Order is to be given the dealer 2 days in advance of required shipment.

The price given includes cement bags, and [10]* cents each will be credited for them when received at the warehouse of the undersigned [fol. 1432½] in good condition or 10 cents when received at the mill in good condition.

A rebate of five cents per barrel is to be allowed on bills covering shipments already made paid within ten days from date of invoice.

The undersigned agrees that any cement already paid for, which does not, at the test by the Commission, conform to the specifications of the contract, shall be taken back by him and an equal amount of new cement conforming to the specifications furnished without expense to the Commission.

This offer is open for acceptance until May 23rd, 1916.

Atlas Portland Cement Co., by F. G. Conkling.

[*Figures enclosed in brackets erased in copy.]

[fol. 1433] GOVT. EX. No. 353

Phœnix Portland Cement Company

Nazareth, Penna., March 17, 1916.

Cement Manufacturers Protective Assoc., 219 Commercial Trust Bldg., Philadelphia, Pa.

Attention: Mr. Charles W. Bacon, Sec'y.

Contract No. 2198-90

DEAR SIR: Referring to your letter of the 16th inst., regarding contract with William Fisher, we are very much surprised to receive the information you give us and will start an immediate investigation. If we find that this contract is "blanket" we will immediately take steps to see that it is cancelled.

Very truly yours, Phœnix Portland Cement Co., Ira L. Gilkyson, Treasurer. ILG/SEW.

[fol. 1433½] GOVT. EX. No. 354

Vulcanite Portland Cement Co.

New York, March 17, 1916.

Cement Manufacturers' Protective Ass'n, 220 Commercial Trust Building, Philadelphia, Pa.

GENTLEMEN: Please investigate the following contracts of the Dexter Portland Cement Co. through G. H. Allen, Manchester, Conn.

Retaining Wall on Summit St., Wm. Neill, Contr. & Owner. We are advised that no such contract exists, that this work has not yet been let.

Bridge and sidewalks, 3,000 bbls. This is evidently the Town's Contract. With the exception of the sidewalks which have been let to W. F. Potter & Co., who have accepted Giant cement through the Harry F. Hills Lumber Co., there have been no bridges mentioned as yet in the town, the only contract which has been asked for being 1,000 bbls. for use of the town during 1916, on which Mr. Allen quoted $1.52 in 1,000 to 3,000 bbl. lots.

[fol. 1434] The request by the town for a quotation was not made until January 5, 1916. Our dealer as well as Mr. Allen, knew in 1915 that the town would make such a request but our dealer was advised that he could not place an order or make a contract for work that had not been let or for which no request for bids had been made.

Contract for 8 houses and sidewalks, Hemlock, Summit and Maple Sts., has not yet been let and we do not understand that Mr. E. C. Elliott, who is named as contractor, has this work.

All of these should be cancelled in order that the manufacturer may be protected and the market of Manchester and South Manchester not disturbed.

Yours very truly, Vulcanite Portland Cement Co., Albert Moyer, Manager of Sales. AM.

[fol. 1434½] GOVT. EX. No. 355

March 21, 1916.

Re Contracts. Mr. Joseph Brobston, Vice-President, Dexter Portland Cement Company, Nazareth, Penna.

DEAR SIR: We attach hereto, communication, asking us for information on contracts which the Dexter Portland Cement Company has with G. H. Allen, Manchester, Conn.

I am attaching copy of the letter received, as it will bring the matter to you clearer than I could.

We shall be very glad to receive information at your convenience.

Very truly yours, Cement Mfgrs. Protective Ass'n, by ——, Secretary. HB'L.

[fol. 1435] GOVT. EX. No. 356

Dexter Portland Cement Co.

Nazareth, Pa., 4-7-16.

Cement Manufacturers Prot. Assn., 219 Commercial Trust Building, Philadelphia, Pa.

GENTLEMEN: Referring to your April 6th letter Contract #6354-71, Manchester, Conn., is being investigated by us and we will report to you in a few days concerning this.

Very truly yours, R. W. Hilles, Manager of Sales. RED:C.

[fol. 1435½] GOVT. EX. No. 357

Knickerbocker Portland Cement Company,

Manufacturers,

General Sales Office,

New York City

March 30, 1916.

Mr. Charles W. Bacon, Secy., Cement Manufacturers Protective Assn., 219 Commercial Trust Bldg., Philadelphia.

DEAR MR. BACON: I have your letter of March 29th in regard to the cancel-ation of 5,000 barrels on our contract No. 25.

Should not the information that we have canceled these 5,000 barrels be given to each member of the Association?

Yours very truly, Knickerbocker Portland Cement Company, by H. H. Ward, Sales Manager. HHW:RR.

[fol. 1436] Govt. Ex. No. 358

March 31, 1916.

Mr. H. H. Ward, Sales Manager, Knickerbocker Portland Cement Company, 30 E. 42d Street, New York City.

Dear Mr. Ward: I have your favor of March 30th, in regard to notifying members of the Association that you have cancelled 5,000 barrels on your contract #25. You are correct in saying the information should be distributed to all members, and it was decided by the Committee on Detail at their meeting in New York, Tuesday, that a weekly letter should be issued from this office, stating all cancellations and all matters upon which information has been asked and closed.

Therefore, as soon as it is possible to compile this letter I am going to send to all members statement of the above of which we have a record.

Very truly yours, Cement Mfgrs. Protective Ass'n, by ——, Secretary B-b.

[fol. 1436½] Govt. Ex. No. 359

Vulcanite Portland Cement Co.

New York, March 27, 1916.

Cement Manufacturers Pro. Assn., Philadelphia, Pa.

Gentlemen: Refer to Atlas contract #2, Pawtucket, R. I. P. L. Monroe—10,000 bbls. for U. S. Mfg. Co. Bldg., F. G. Rowley, contractor. This is a small job, will probably require about 1,000 to 2,000 bbls. Furthermore, P. L. Monroe, we understand, is not a dealer but a broker.

Please take this up with the Atlas Portland Cement Co.

Yours very truly, Vulcanite Portland Cement Co., Albert Moyer, Manager of Sales. AM.

[fol. 1437] Govt. Ex. No. 360

August 3, 1916.

Mr. Albert Moyer, Manager of Sales Vulcanite Portland Cement Company, New York, N. Y.

Re Contracts

Dear Sir: Referring to your favor of March 27th, in which you requested information on Contract #2—Alpha Cement—with P. L.

Monroe, Pawtucket, R. I., we beg to advise that we have today received notice from the Alpha Portland Cement Company to cancel this contract from our records.

Yours very truly, Cement Mfrs. Protective Ass'n, by ——, Secretary. CWB/W.

[fol. 1437½] Govt. Ex. No. 361

Vulcanite Portland Cement Co.

Federal Trade Commission
Received
Jan. 8, 1918.
Docket Division.

New York, June 16, 1916.

Cement Mfgrs. Protective Assn.,
220 Commercial Trust Bldg.,
Philadelphia, Pa.

Gentlemen: Please advise the Millen Cement Co. that it is reported that they are selling John H. Denny, Hamilton, N. Y., as a dealer whereas this party is a contractor entirely. The other dealers in Hamilton are put out and claim their market is being disturbed considerably by the Millen quoting this party as a dealer.

Yours very truly, Vulcanite Portland Cement Co. Albert Moyer, Manager of Sales. AM.

[fol. 1438] Govt. Ex. No. 362

Alpha Portland Cement Co.

Easton, Pa.

November 7, 1916.

Mr. Chas. W. Bacon, Secretary Cement Manufacturers Protective Association, Philadelphia, Pa.

Dear Sir: Please refer to Edison contract A-131-219, 1,000 barrels for garage through Frank P. McCarthy, Syracuse, N. Y. This garage is 50′ x 177′; there is no cellar and the walls are of hollow tile. The concrete work has been sub-let and will only require 2 or 300 barrels. The contractor has not yet bought his cement for the job.

Yours very truly, F. M. Coogan, Secretary. FMC/OH.

[fol. 1438½] Request for Information

Nov. 8, 1916.

Mr. H. M. Scott, Asst. to President Edison Portland Cement Co., New York, N. Y.

Dear Sir: We desire to call your attention to Contract #A-131-219 on last printed list for (brand) Edison, with Frank P. McCarthy. Delivery Point, Syracuse, N. Y.

Remarks:
This garage is 50′ x 177′; there is no cellar and the walls are of hollow tile. The concrete work has been sub-let and will only require 2 or 300 barrels. The contractor has not yet bought his cement for the job.
Reply on reverse side.
Received Nov. 13, 1916. C. W. Bacon.

Replying to information on reverse side hereof, we have again visited work's site and find that wall of hollow tile will be used, although originally it was planned to build of concrete, as it was thought a supply of good gravel was on the work's site. We are accordingly reducing our contract from 1,000 barrels to 200 barrels.
O. K. B.

[fol. 1439] Govt. Ex. No. 363

Lehigh Portland Cement Co.

Allentown, Pa.

November 16, 1917.

Mr. H. S. Gaines, V. Pres. Cement Mfgrs. Protective Asso., Philadelphia, Pa.

Dear Sir: Stamford, Conn., is a point at which local conditions have been considerably demoralized due to a number of contracts apparently inflated or fictitious.
I believe that you will find it worth while to look up the operations at this point.
Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager. JB.

[fol. 1439½] Govt. Ex. No. 364

Alpha Portland Cement Co.

Easton, Pa., August 24, 1918.

Sales Department: Effective at once, please discontinue quoting on or accepting contracts either direct or through dealers covering

the requirements of Industrial or Concrete Product Plants, Municipal, County or State requirements. The business for such concerns will have to be quoted either for 15 day shipment or for a definable specific job the same as we sell to all other classes of trade.

The question of the advisability of accepting such contracts has been before us for some time and from our experience we are convinced our new policy is the proper way to handle such business.

The compelling reasons in deciding on this policy were:

First. This practice discriminated in favor of a certain class of consumers.

Second. Such contracts were unfair, in that they gave optional benefits to the buyer without obligation on his part and placed on the books of the cement company potential obligations on which it [fol. 1440] was impossible to figure with any degree of accuracy the actual shipments which might be called for.

Third. Such contracts cannot be accurately investigated as they usually cover only optional quantities, and when such contracts are taken through dealers it makes it possible for the dealer to divert shipments from such contracts to other work. This makes it possible for the dealer who may abuse such contracts to under-bid his competitors on any new business that comes up in his town.

Fourth. It has also caused considerable annoyance when contractors were bidding on specific work, for Industrials covered by requirement contracts. The Industrials offered to sell the cement to the contractor at less than our market price. This gave the contractor the idea that we were discriminating by giving the Industrials lower prices than we were quoting other consumers.

We have, therefore, decided to change our policy and in future we will follow the policy stated above.

Yours truly, F. M. Coogan, Second Vice President.

[fol. 1440½] Govt. Ex. No. 365

The Lawrence Cement Company

No. 1 Broadway, New York

July 12, 1918.

Mr. H. S. Gains, Vice-President Cement Mfgrs. Protective Ass'n, 19 W. 44th Street, New York City.

[fol. 1441] Dear Sir: We have your letter of July 10th with copy of reports on Nazareth Contracts 1125 and 1131.

In view of the statements contained therein do you not think that the Nazareth Company should cancel the contracts?

Yours very truly, F. H. Smith, Sales Manager. RAP/MM.

[fol. 1441½] Govt. Ex. No. 366

The Allentown Portland Cement Co.

Allentown, Pennsylvania

April 25, 1918.

Cement Manufacturers Protective Association, Berkeley Building, 19 West 44th St., New York City.

Attention of H. S. Gaines

Gentlemen: Enclosed please find request for investigation of contract 465, 3,500 barrels sold by the Knickerbocker Cement Co. to L. Suzio Construction Co. We are under the impression that the L. Suzio Construction Co. when placing their business with the Knickerbocker people usually over-estimate the quantity of cement necessary for the work covered by the contract.

They order forward a large quantity of the cement at once before the job can be investigated, and in this way have considerable on hand in their warehouses at a low price. This of course gives them a decided advantage over the other dealers in Meriden, Conn.

For this reason we are very desirous of having a prompt investigation on the contract mentioned above.

Thanking you for your attention, we are,

Yours very truly, The Allentown Portland Cement Co.
F. A. Weibel, Sales Department. FAW:GER.

[fol. 1442] Govt. Ex. No. 367

March 5, 1919.

Mr. Frank H. Smith, Sales Mgr. the Lawrence Cement Company, No. 1 Broadway, New York.

My Dear Frank: Your little note of the 3d instant duly received, and the information you have been given that we are selling B. & H. Hibbard Company is erroneous, as we are selling the Hibbard Masons Supply Company of New Britain, as dealers, and in view of the fact that they are carrying building materials in stock for resale and are equipped with teams for delivery of same we feel that they are entitled to a dealer's price, and this is further drawn out by their name appearing in the Directory of dealers in building materials as published by the Mercantile Printing Company of Wilmington, Del.

Yours very truly, —— ——, Vice President. REG/F.

[fol. 1442½] GOVT. EX. No. 368

The Atlas Portland Cement Company,

Widener Building, Philadelphia

June 14, 1917.

Mr. Charles W. Bacon, Sec. Cement Mfrs. Protective Ass'n., 932 Commercial Trust Building, Philadelphia, Pa.

DEAR SIR: We are today arranging to cancel the unshipped balance of 19 barrels of "Atlas" Portland Cement, on Contract #H-10318, account of the Metzger Hardware and House Furnishing Company, Bedford, Pa., and will thank you to adjust your records accordingly.

Very truly yours, The Atlas Portland Cement Company, D. H. MacFarland, Assistant to President. CJN:LPL.

[fol. 1443] GOVT. EX. No. 369

The Atlas Portland Cement Company,

Widener Building, Philadelphia

June 11, 1917.

Mr. Charles W. Bacon, Sec. Cement Mfrs. Protective Ass'n., 932 Commercial Trust Building, Philadelphia, Pa.

DEAR SIR: We are today arranging to cancel the unshipped balance of 7 barrels of "Atlas" Portland Cement on Contract #372, account of the National Mosaic Company, Washington, D. C.

Will you kindly adjust your records accordingly?

Very truly yours, The Atlas Portland Cement Company, D. H. MacFarland, Assistant to President. CJN/LPL.

[fol. 1443½] GOVT. EX .No. 370

The Atlas Portland Cement Company,

New York

June 1, 1917.

Mr. Charles W. Bacon, Secty. Cement Mnfrs. Protective Assoc., 220 Commercial Trust Bldg., Philadelphia, Pa.

DEAR SIR: We have cancelled balance of 1¼ barrels due under contract Met-10318, account Empire Brick and Supply Co., 103 Park Avenue, New York City, covering requirements of the Triangle

Holding Company in construction of store and loft buildings, Fulton Street, Jamaica, L. I. Kindly amend your records accordingly.

Yours very truly, The Atlas Portland Cement Company, By D. H. MacFarland, Assistant to the President. HBR-IMC.

[fol. 1444] Govt. Ex. No. 371

The Atlas Portland Cement Company,

30 Broad Street, New York

June 27, 1917.

Mr. Charles W. Bacon, Sec. Cement Manufacturers Protective Assn., Commercial Trust Building, Philadelphia, Pa.

Dear Sir: We have cancelled the balance of one-half a barrel on contract M-10157 listed account of John P. Kane Company to cover M. Eidlitz & Son in construction of a residence at 69th Street and Park Avenue, New York City.

Yours very truly, The Atlas Portland Cement Company, by D. H. MacFarland, Assistant to the President. HBR:MD.

[fol. 1444½ & 1445] Govt. Ex. No. 372

The Atlas Cement Company,

New York

June 1, 1917.

Mr. Charles W. Bacon, Secty, Cement Mnfrs. Protective Assoc., 220 Commercial Trust Bldg., Philadelphia, Pa.

Dear Sir: We have cancelled balance of one-quarter barrel due under contract Met-10144 account N. Ryan Company, 9th Street & Gowanus Canal, Brooklyn, which was listed to cover requirements of Newman & Carey in paving Smith Street from Lorraine to Percival Streets, Brooklyn, N. Y.

Kindly amend your records accordingly.

Very truly yours, The Atlas Portland Cement Company by D. H. MacFarland, Assistant to the President. HBR-IMC.

(Here follow Government's Exhibits Nos. 374, 373a, 376, 375a, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396a, 397a, 398, 399, 400, 403a, 404a, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, marked side folio, pages 1445½-1471, inc.).

Govt. Ex. No. 374

QUANTITY AND RELATIVE PERCENT OF CEMENT PRODUCED 1918-1920, INC.

STATEMENT-showing cement produced by all companies reporting to the Cement Manufacturers' Protective Association, 1918-20, inclusive, as shown on Form 12, and the amount of business transacted by each company as reflected in the relative percentage of production of each company as compared to the total production, as computed by the Government.

COMPANY	1918 Total (units 1000 barrels)	1918 Percent of total	1919 Total (units 1000 barrels)	1919 Percent of total	1920 Total (units 1000 barrels)	1920 Percent of total.
ALLENTOWN	409	1.78	607	2.34	574	1.94
ALPHA	2738	11.91	2663	10.29	3686	12.45
ATLAS	5657	24.60	6267	24.20	7212	24.67
BATH	496	2.16	806	3.11	820	2.79
CAYUGA(a)	(None)	-	(a) 296	1.14	501	1.66
COPLAY	999	4.35	990	3.82	1120	3.78
DEXTER	747	3.25	838	3.24	715	2.41
EDISON	1159	5.04	1409	5.44	1500	5.06
GIANT (L.V.)	705	3.07	872	3.37	1083	3.65
GIANT (NORFOLK) (b)	119	.52	-	-	-	-
GLENS FALLS	510	2.22	544	2.10	234	.79
HERCULES	402	1.75	598	2.31	535	1.80
KNICKERBOCKER	835	3.63	791	3.06	949	3.20
LAWRENCE	1090	4.74	1249	4.82	1465	4.94
LEHIGH	3370	14.66	3499	13.51	3782	12.76
NAZARETH	806	3.50	923	3.56	940	3.20
PENN ALLEN	448	1.95	594	2.29	630	2.10
PENNSYLVANIA(d)	968	4.21	1139	4.42	1159	3.92
PHOENIX(e)	4	.01	128	.50	649	2.19
SECURITY	591	2.57	697	2.69	772	2.60
VIRGINIA (c)	-	-	-	-	-	-
VULCANITE	937	4.08	975	3.77	1213	4.09
TOTAL	22990	100.00	25895	100.00	29648	100.00

(a) Reported on report for December 1920 in some figures.
(b) Giant at Norfolk closed down Aug. 23, 1918.
(c) Virginia mill bought by Lehigh in 1919 and not reporting on this form for above years.
(d) Penn figures for 1919 included Cayuga which was afterwards separated on December 1920 report.
(e) Phoenix reported closed January 31, 1918 to September 1919.

Govt. Ex. No. 378 A

QUANTITY AND RELATIVE PERCENT OF CEMENT PRODUCED BY EACH MILL, 1915-17, INCLUSIVE.

STATEMENT-Showing cement produced by all companies reporting to the Cement Manufacturers' Protective Association, 1915-17, inclusive, as shown on Form 12, and the amount of business transacted by each company as reflected in the relative percentages of production of each company as compared to the total production, as computed by the Government.

Company	1915 Total (units 1000 bbls)	1915 Percent of total	1916 Total (units 1000 bbls)	1916 Percent of total	1917 Total (units 1000 bbls)	1917 Percent of total
ALLENTOWN	864	2.88	808	2.77	739	2.57
ALPHA	4348	14.54	3579	12.26	3703	12.88
ATLAS	6460	21.57	6121	20.97	6504	22.61
BATH	644	2.15	589	2.02	570	1.98
Cayuga	(None)	-	327	1.12	286	1.00
CLINCHFIELD	716	2.39	706	2.42	(b)	(b)
COPLAY	1723	5.75	1323	4.53	1162	4.04
DEXTER	874	2.92	790	2.71	747	2.60
EDISON	(None)	-	871	2.98	1385	4.81
GIANT (L.V.)	827	2.76	862	2.95	853	2.96
GIANT(NORFOLK)	(None)	-	(none)	(none)	150	.52
GLENS FALLS	721	2.40	679	2.33	535	1.86
HERCULES	(None)	-	(none)	-	160	.56
KNICKERBOCKER	1073	3.58	1004	3.44	959	3.34
LAWRENCE	1352	4.51	1350	4.62	1399	4.86
LEHIGH	4226	14.13	3506	12.01	3844	13.37
MILLEN	203	.68	184	.63	(a)	-
NAZARETH	1018	3.40	1215	4.16	985	3.42
PENN-ALLEN	643	2.14	681	2.33	691	2.40
PENNSYLVANIA	1129	3.77	1158	3.97	1159	4.03
PHOENIX	598	2.00	540	1.85	554	1.93
SECURITY	591	1.99	626	2.14	715	2.48
VIRGINIA	844	2.80	828	2.84	604	2.10
VULCANITE	1090	3.64	1444	4.95	1057	3.68
TOTAL	29944	100.00	29191	100.00	28759	100.00

(a) Purchased by Alpha. (b) Not reporting in this district for 1917.

Govt. Ex. No. 376

CEMENT PRODUCTION

STATEMENT - showing total business transacted by defendant cement companies from mills reporting to the Cement Manufacturers' 1922 Protective Association 1916-1920, inclusive, as reflected in the cement ground as shown on Form 12, as computed by the Government.

Company and mills.	1916 Cement ground (units 1000 barrels)	1917 Cement ground (units 1000 barrels)	1918 Cement ground (units 1000 barrels)	1919 Cement ground (units 1000 barrels)	1920 Cement ground (Units 1000 barrels)
ALLENTOWN	808	739	409	607	574
ALPHA	3579	3703	2738(a)	2663(a)	3686
Atlas	6121	6504	5657	6267	7312
BATH	589	570	496	806	828
COPLAY	1323	1162	999	990	1120
DEXTER	790	747	747	858	715
EDISON	871	1383	1159	1409	1500
GIANT(EGYPT,PA.)	862	853	705	872	1083
GLENS FALLS	679	535	510	544	234
HERCULES	-	160	402	598	535
KNICKERBOCKER	1004	959	835	791	949
LAWRENCE	1350	1309	1090	1249	1465
LEHIGH	3506	3844	3370	3499	3782
NAZARETH	1215	985	806	923	948
PENN ALLEN	681	691	448	594	620
PENNSYLVANIA(b)	1158	1159	968	1139	1159
Phoenix	840	854	4	128	649
SECURITY	625	715	591	697	772
VULCANITE	1444	1057	937	975	1213
TOTAL	27145	27719	22871	25589	29144

(a) Alpha New Jersey mill No.2 reported inactive 1918-1919.
(b) Penn figures do not include Cayuga.

Govt. Ex. No. 875 A

STATEMENT-Showing amount of business transacted by all cement companies reporting to the Cement Manufacturers' Protective Association on Form 12, 1916-20, inclusive, as reflected in the relative percentage of cement produced by each company as compared to the total cement produced by all companies as computed by the Government.

COMPANIES	1915 Percent of total	1916 Percent of total	1917 Percent of total	1918 Percent of total	1919 Percent of total	1920 Percent of total	Average total 5 years 1916-19-20-inc.
ALLENTOWN	2.88	2.77	2.57	1.78	2.34	1.94	2.30
ALPHA (a)	14.64	12.26	12.88	11.91	10.29	12.43	12.00
ATLAS	21.57	20.97	22.61	24.60	24.20	24.67	23.35
BATH	2.15	2.02	1.98	2.16	3.11	2.79	2.41
CAYUGA	-	1.12	1.00	(none)	1.14	1.68	.82
CLINCHFIELD(c)	2.39	2.42	(c)	(c)	(c)	(c)	.52
COPLAY	5.75	4.53	4.04	4.36	3.82	3.78	4.10
DEXTER	2.92	2.71	2.60	3.25	3.24	2.41	2.81
EDISON (g)	-	2.98	4.81	5.04	5.44	5.06	4.64
GIANT (L.V.)	2.76	2.95	2.96	3.07	3.37	3.65	3.21
GIANT(NORF)(b)	-	(none)	.52	.52	(b)	(b)	.20
GLENS FALLS	2.40	2.33	1.86	2.22	2.10	.79	1.84
HERCULES	-	(none)	.56	1.75	2.31	1.80	1.24
KNICKERBOCKER	3.58	3.44	3.34	3.63	3.06	3.20	3.35
LAWRENCE	4.51	4.62	4.86	4.74	4.82	4.94	4.80
LEHIGH	14.13	12.01	13.37	14.66	13.51	12.78	13.12
MILLEN (d)	.68	.63	(d)	(d)	(d)	(d)	.14
NAZARETH	3.40	4.16	3.42	3.50	3.56	3.30	3.58
PENN ALLEN	2.14	2.33	2.40	1.95	2.29	2.10	2.22
PENNSYLVANIA	3.77	3.97	4.03	4.21	4.42	3.92	4.32
PHOENIX (e)	2.00	1.85	1.93	.01	.50	2.19	1.38
SECURITY	1.99	2.14	2.48	2.57	2.69	2.60	2.50
VIRGINIA (f)	2.80	2.84	2.10	-	-	-	1.05
VULCANITE	3.64	4.95	3.68	4.08	3.77	4.09	4.12
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00	100.00

(a) Alpha New Jersey mill No.2 reported inactive for 1917-18.
(b) Giant mill at Norfolk shut down August 23,1918.
(c) Clinchfield not reporting in this district since 1916.
(d) Millen mill bought by Alpha in 1917.
(e) Phoenix reported closed January 31,1918 to Sept. 1st, 1919.
(f) Virginia mill bought by Lehigh in 1919 and not reporting in this district since that time.
(g) Edison reported closed January, February, March - 1916.

Govt. Ex. No. 877

PRODUCTION RATIOS

STATEMENT showing amount of business transacted by each defendant cement company from all mills reporting to the Cement Manufacturers' Protective Association, 1916-1920, inclusive, as reflected in the relative percentage of cement produced by each company, as compared to the total cement produced by all companies as computed by the Government.

COMPANIES	1916 Percent of total	1917 Percent of total	1918 Percent of total	1919 Percent of total	1920 Percent of total	Average 5 years.
Allentown	2.98	2.66	1.80	2.38	1.97	2.37
Alpha (a)	13.18	13.36	11.97	10.42	12.65	12.36
Atlas	22.55	23.44	24.74	24.51	25.09	24.05
Bath	2.16	2.06	2.16	3.15	2.84	2.48
Copley	4.67	4.19	3.37	3.87	3.84	4.23
Dexter	2.91	2.70	3.27	3.27	2.45	2.89
Edison(b)	3.21	4.99	5.07	5.51	5.15	4.77
Giant(Egypt, Pa.)	3.20	3.07	3.08	3.31	3.72	3.29
Glens Falls	2.50	2.00	2.23	2.13	181	1.90
Hercules(c)	(c)	0.57	1.76	2.34	1.83	1.28
Knickerbocker	3.70	3.46	3.65	3.10	3.25	3.42
Lawrence	4.97	5.04	4.77	4.89	5.03	4.95
Lehigh	12.91	13.86	14.74	13.70	12.97	13.60
Nazareth	4.47	3.55	3.52	3.61	3.25	3.68
Penn Allen	2.51	2.49	1.96	2.32	2.13	2.29
Pennsylvania	4.26	4.18	4.23	4.46	3.98	4.21
Phoenix (d)	1.99	2.00	-	.50	2.23	1.41
Security	2.31	2.58	2.58	2.72	2.65	2.57
Vulcanite	5.32	3.81	4.10	3.81	4.16	4.25
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00

(a) Alpha New Jersey mill reported inactive 1918-1919.
(b) Edison reported closed January , February, March-1916.
(c) Hercules did not begin operations until August 1917.
(d) Phoenix reported closed January 31, 1918 to September 1st 1919.

Govt. Ex. No. 378

STATEMENT-showing cement shipped by all companies reporting to the Cement Manufacturers' Protective Association, 1915-17, inclusive, as shown on Form 12, and the amount of business transacted by each company as reflected in the relative percentage of shipments made by each company, as compared to the total shipments as computed by the Government.

COMPANY	1915		1916		1917	
	Total (units 1000 barrels)	Percent of total	Total (units 1000 barrels)	Percent of total	Total (units 1000 barrels)	Percent of total
ALLENTOWN	901	3.04	793	2.60	695	2.41
ALPHA	4380	14.76	3815	18.51	3684	12.76
ATLAS	5718	19.28	6816	22.36	6836	23.69
BATH	620	2.09	582	1.91	588	2.04
CAYUGA	60	.20	297	.97	249	.86
CLINCHFIELD(b)	755	2.53	645	2.12	(b)	(b)
COPLAY	1688	5.69	1358	4.45	1138	3.94
DEXTER	919	3.10	809	2.65	747	2.59
EDISON	221	.75	771	2.53	1300	4.50
GIANT(L.V.)	848	2.86	962	3.16	862	3.00
GIANT(NORFOLK)	(None)	(none)	(none)	(none)	168	.58
GLENS FALLS	660	2.22	636	2.09	561	1.94
HERCULES	(None)	(none)	(none)	(none)	114	.40
KNICKERBOCKER	1080	3.64	913	3.00	963	3.33
LAWRENCE	1452	4.89	1307	4.29	1342	4.65
LEHIGH	4097	13.81	4115	13.50	3787	13.12
MILLER (a)	215	.72	177	.58	(a)	(a)
NAZARETH	1066	3.59	1143	3.75	1001	3.47
PENN ALLEN	628	2.12	720	2.36	638	2.21
PENNSYLVANIA	1133	3.82	1111	3.64	1186	4.11
PHOENIX	619	2.09	531	1.74	626	1.82
SECURITY	613	2.07	635	2.08	698	2.42
VIRGINIA	820	2.77	916	3.00	691	2.40
VULCANITE	1175	3.96	1437	4.71	1086	3.76
TOTAL	29666	100.00	30489	100.00	28860	100.00

(a) Purchased by Alpha.

(b) Not reporting in this district for 1917

Govt. Ex. No. 379

CEMENT SHIPPED BY ALL COMPANIES REPORTING 1918-1920, INC.

STATEMENT-showing cement shipped by all companies reporting to the Cement Manufacturers' Protective Association, 1918-1920, inclusive, as shown on Form 12, and the amount of business transacted by each company as reflected in the relative percentage of shipments made by each company as compared with the total shipments as computed by the Government.

COMPANIES	1918		1919		1920	
	Total units 1000 barrels)	Percent of total	Total units 1000 barrels)	Percent of total	Total units 1000 barrels)	Percent of total
ALLENTOWN	424	1.88	651	2.42	543	1.86
ALPHA	2670	11.82	2786	10.35	3684	12.63
ATLAS	5291	23.43	6716	24.95	6928	23.75
BATH	450	2.00	862	3.20	772	2.65
CAYUGA (a)	(none)		(b)		503	1.72
COPLAY	992	4.39	1037	3.85	1095	3.75
DEXTER	707	3.13	873	3.24	691	2.37
EDISON	1160	5.14	1507	5.60	1378	4.73
GIANT (L.V.)	701	3.10	878	3.26	1034	3.54
GIANT(NORFOLK)	158	.70	(None)	(none)	(none)	(none)
GLENS FALLS	580	2.57	497	1.85	387	1.33
HERCULES	441	1.95	583	2.18	518	1.78
KNICKERBOCKER	830	3.68	797	2.96	967	3.32
LAWRENCE	1155	5.11	1243	4.62	1472	5.05
LEHIGH	3096	13.71	3748	13.92	3825	13.11
NAZARETH	830	3.67	812	3.02	1087	3.73
PENN ALLEN	496	2.18	649	2.41	596	2.04
PENNSYLVANIA	1028	4.55	1448(c)	(c) 5.38	1165	4.00
PHOENIX	84	.37	118	.44	623	2.13
SECURITY	600	2.66	708	2.63	729	2.50
VULCANITE	894	3.96	1005	3.72	1170	4.01
TOTAL	22587	100.00	26918	100.00	29167	100.00

(a) Cayuga bought by Pennsylvania in 1920.
(b) Cayuga shipped 340,000 barrels in 1919 which is included in Penn figures shown on December 1920 form.
(c) With Cayuga off this percentage only amounts to 4.13.per cent.

Govt. Ex. No. 380

SHIPPING RATIOS

STATEMENT-showing the amount of business transacted by all companies from mills reporting to the Cement Manufacturers' Protective Association, 1915-1920, inclusive, as reflected in the relative percentage of shipments made by each company with the total shipments made by all companies as computed by the Government.

COMPANY	1915 Percent of total	1916 Percent of total	1917 Percent of total	1918 Percent of total	1919 Percent of total	1920 Percent of total	Verage total 5 years, 1916-1920 inclusive
ALLENTOWN	3.04	2.60	2.41	1.88	2.42	1.86	2.25
ALPHA	14.76	12.51	12.76	11.82	10.35	12.63	12.06
ATLAS	19.28	22.36	23.69	23.43	24.95	23.75	23.61
BATH	2.09	1.91	2.04	2.00	3.20	2.65	2.36
CAYUGA	.20	.97	1.86	(None)	1.25	1.72	.76
CLINCHFIELD(a)	2.53	2.12	(a)	(a)	(a)	(a)	.47
COPLAY	5.69	4.45	3.94	4.39	3.85	3.75	4.07
DEXTER	3.10	2.65	2.59	3.13	3.24	2.37	2.77
EDISON	.75	2.53	4.50	5.14	5.60	4.73	4.43
GIANT(LV)	2.86	3.16	3.00	3.10	3.26	3.54	3.21
GIANT(NOR)(b)	(None)	(none)	.58	.70	(none)	(none)	.24
GLENS FALLS	2.22	2.09	1.94	2.57	1.85	1.33	1.93
HERCULES(c)	(None)	(none)	.40	1.95	2.18	1.78	1.20
KNICKERBOCKER	3.64	3.00	3.33	3.68	2.96	3.32	3.24
LAWRENCE	4.89	4.29	4.65	5.11	4.62	5.05	4.72
LEHIGH	13.81	13.50	13.12	13.71	13.92	13.11	13.46
MILLEN (d)	.72	.58					.13
NAZARETH	3.59	3.75	3.47	3.67	3.02	3.73	3.53
PENN ALLEN	2.12	2.36	2.21	2.18	2.41	2.04	2.25
PENNSYLVANIA	3.82	3.64	4.11	4.55	4.13	4.00	4.30
PHOENIX	2.09	1.74	1.82	.37	.44	2.13	1.36
SECURITY	2.07	2.08	2.42	2.66	2.63	2.50	2.44
VIRGINIA (e)	2.77	3.00	2.40	(None)	(none)	(none)	1.16
VULCANITE	3.96	4.71	3.76	3.66	3.72	4.01	4.05
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00	100.00

(a) Clinchfield not reporting in this district since 1916.
(b) Giant mill at Norfolk closed August 23, 1918.
(c) Hercules did not begin operations until August, 1917.
(d) Millen mill bought by Alpha in 1917.
(e) Virginia bought by Lehigh in 1919, and not reporting on this form.

Govt. Ex. No. 381

CEMENT SHIPPED BY DEFENDANT COMPANIES 1916-1920 INCL.

STATEMENT showing total business transacted by defendant cement companies from mills reporting to the Cement Manufacturers Protective Association 1916-1920 inclusive, as reflected in the cement shipped as shown on Form 12.

COMPANIES	1916 Shipped (Units 1000 bbls)	1917 Shipped (Units 1000 bbls)	1918 Shipped (Units 1000 bbls)	1919 Shipped (Units 1000 bbls)	1920 Shipped (Units 1000 bbls)	
ALLENTOWN	793	695	424	651	543	
ALPHA (a)	3815	3684	2670	2786	3684	
ATLAS	6816	6836	5291	6716	6928	
BATH	582	588	450	862	772	
COPLAY	1358	1138	992	1037	1095	
DEXTER	809	747	707	873	691	
EDISON	771	1300	1160	1507	1378	
GIANT (Egypt, Pa)	962	862	701	878	1034	
GLENS FALLS	636	561	580	497	387	
HERCULES (c)	(c)	114	441	583	518	
KNICKERBOCKER	913	963	830	797	967	
LAWRENCE	1307	1342	1155	1243	1472	
LEHIGH	4115	3787	3096	3748	3825	
NAZARETH	1143	1001	850	812	1087	
PENN ALLEN	720	638	496	649	596	
PENNSYLVANIA(b)	1111	1186	1028	1109	1165	
PHOENIX	531	526	84	118	628	
SECURITY	635	698	600	708	729	
VULCANITE	1437	1086	894	1005	1170	
Total	28454	27752	22429	26579	28664	

(a) Alpha, New Jersey mill reported inactive in 1918 & 1918
(b) Penn figures do not include Cayuga.
(c) Hercules did not begin operation until August, 1917.

Govt. Ex. No. 382

SHIPPING RATIOS

STATEMENT-showing amount of business transacted by each defendant cement company from mills reporting to the Cement Manufacturers' Protective Association, 1916-1920, inclusive, as reflected in the relative percentage of shipments made by each company, as compared with the total shipments made by all companies as computed by the Government.

COMPANIES	1916 per cent of total	1917 percent of total	1918 percent of total	1919 percent of total	1920 percent of total	Average total 5 years.
Allentown	2.80	2.51	1.89	2.45	1.90	2.32
Alpha	13.40	13.27	11.92	10.48	12.83	12.42
Atlas	24.00	24.61	23.60	25.30	24.18	24.34
Bath	2.04	2.13	2.00	3.24	2.70	2.43
Coplay	4.76	4.16	4.42	3.90	3.82	4.21
Dexter	2.84	2.73	3.15	3.25	2.41	2.86
Edison (a)	2.70	4.67	5.17	5.67	4.82	4.57
Giant(Egypt, Pa.)	3.37	3.10	3.12	3.30	3.61	3.31
Glens Falls	2.23	2.02	2.58	1.87	1.35	2.00
Hercules (b)	(b)	0.40	1.97	2.20	1.81	1.24
Knickerbocker	3.30	3.46	3.70	3.00	3.37	3.34
Lawrence	4.58	4.83	5.15	4.68	5.13	4.87
Lehigh	14.44	13.62	13.80	14.11	13.33	13.87
Nazareth	4.00	3.60	3.70	3.06	3.80	3.64
Penn Allen	2.52	2.30	2.21	2.44	2.08	2.31
Pennsylvania	4.00	4.27	4.58	4.17	4.07	4.18
Phoenix (c)	1.86	1.89	0.37	0.44	2.17	1.41
Security	2.22	2.52	2.67	2.66	2.54	2.51
Vulcanite	5.04	3.91	4.00	3.78	4.08	4.17
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00

(a) Edison reported closed January, February, March -1916.
(b) Hercules did not begin operations until August 1917.
(c) Phoenix reported closed January 31, 1918 to September 1, 1919.

Govt. Ex. No. 383

SHIPMENTS FOR OTHER MILLS

STATEMENT showing cement shipped by the following named mills for other mills (names not given) 1918-1920, inclusive, by months, as shown on Form 12, giving shipments of defendant companies, from mills reporting to the Cement Manufacturers' Protective Association.

MONTHS	Bath (bbls)	Dexter (bbls)	Edison (bbls)	Giant (bbls)	Knickerbocker (bbls)	Nazareth (bbls)	Penn Allen (bbls)	Penn (bbls)	Total (bbls)
1918									
May	-	29000	-	-	-	-	-	-	29000
June	-	26279	-	-	-	-	-	-	26279
August	-	28997	-	-	-	-	-	(a) 7594	36591
September	-	29422	-	-	-	-	-	463	29885
October	-	26799	-	-	-	-	-	-	26799
November	2690	25686	-	-	-	-	-	-	28376
December	-	19523	-	-	-	-	-	-	19523
TOTAL	2690	185906						8057	196653
(a) 1,617 barrels from Cayuga mills.									
1919									
January	1	15397	-	-	-	-	-	-	15397
February	-	12451	-	-	-	-	-	-	12451
March	-	20442	-	-	-	-	-	-	20442
April	-	32112	-	-	-	-	-	-	32112
May	-	34855	-	-	-	-	-	-	34855
June	-	25023	-	-	-	-	-	16508	41531
July	-	-	-	-	-	-	-	45692	45692
August	-	-	-	-	-	-	-	52287	52287
September	-	-	12348	8330	81414	-	3944	40238	116274
October	-	-	4569	-	40098	19359	33069	19976	116071
November	-	-	-	-	84804	-	16589	-	250394
December	-	-	-	-	173	36952	1212	-	38337
TOTALS		140280	16917	8330	1001654	56311	53764	174701	5504887
1920									
January	-		-	-	-	31773	-	-	31773
February	-	-	-	-	-	6937	-	-	6937
March		165				530		3095	2760
TOTAL		165				39230		3095	41490

Govt. Ex. No. 884

SHIPMENTS FROM OTHER MILLS FOR MILLS NAMED HEREIN.

STATEMENT showing cement shipped for the following named companies, 1916-1920 inclusive, by months, from other mills as shown by Reports of the Cement Manufacturers' Protective Association on Form 12.

YEAR	Allentown (Bbls)	Dexter (Bbls)	Giant (Bbls)	Hercules (Bbls)	Lehigh (Bbls)	Phoenix (Bbls)	Total (Bbls)
1916							
January	-	-	981	-	-	-	981
February	-	-	981	-	-	-	981
May	-	-	-	-	-	29000	29000
June	-	-	-	-	-	27218	27218
July	-	17040	-	4943	-	21349	43332
August	-	19807	-	-	-	29293½	49100½
September	-	-	-	-	-	29885	29885
October	-	8747	-	-	-	26799	35546
November	-	-	-	2690	-	25686	28376
December	-	-	-	-	-	19522	19522
TOTAL		45594	1962	7633		207869½	263941½
1919							
January	-	-	-	-	-	15403	15403
February	-	-	-	-	-	12451	12451
March	-	-	-	-	-	21136	21136
April	-	-	-	-	-	32436	32436
May	-	-	-	-	-	35282	35282
June	-	-	-	-	-	41531	41531
July	-	5693	-	-	-	40890	46583
August	-	8935	-	4184	-	45856	58915
September	11693	8265	-	-	-	45455	65413
October	54331	6941½	-	1919	45234	12040	120465½
November	17375	1809	-	-	8480½	5141	32805½
December	33093	7335	-	-	-	8378	48804
TOTAL	116492	38976½		6043	53714½	315999	531225
1920							
January	26957	4816	-	-	-	3523	35296
February	4784	2153	-	-	-	165	7102
March	580	1805½	-	-	-	-	2525½
April	-	5946	-	-	-	-	5946
May	-	173	-	-	-	-	173
June	619	693	-	-	-	-	1312
July	1270	1173	-	-	-	-	2443
August	3517	-	-	-	-	-	3517
September	6575	-	-	-	-	-	6575
October	5119	-	-	-	-	-	5119
November	977	-	-	-	-	-	977
December	-	-	-	-	-	-	-
TOTAL	50538	16759½				3688	70785½

Govt. Ex. No. 385

ANNUAL CAPACITIES JANUARY 1917

STATEMENT--showing annual capacities of all cement mills reporting to the Cement Manufacturers' Protective Association, as of January 1, 1917, and the annual capacities of mills belonging to defendant companies reporting to said association, as appears from the records of said association, and the maximum amount of business which each mill would receive on a relative capacity basis, as reflected by the percentage of capacity of each mill compared with the total capacity of all mills, as computed by the Government.

Companies	Annual finished cement capacity of all mills reporting to the Eastern Association		Annual finished cement capacity of mills belonging to defendant companies.	
	Total (1000 bbls)	Percent of total	Total (1000 bbls)	Percent of total
Allentown	950	2.01	950	2.12
Alpha:	6973	14.75	6973	15.58
Alpha, N.J. #2	6723	-	6723	-
Martins Creek, Pa. 3	-	-	-	-
do 4	-	-	-	-
Cementon, N.Y. 5	-	-	-	-
Millen, N.Y. 6	250	-	250	-
Atlas:	12000	25.39	12000	26.81
Northampton, Pa.	10000	-	10000	-
Coplay, Pa.	-	-	-	-
Hudson, N.Y.	2000	-	2000	-
Bath	1000	2.12	1000	2.23
Cayuga	500	1.06	-	-
Clinchfield (c)	1000	2.12	-	-
Coplay	2000	4.23	2000	4.47
Dexter	960	2.03	960	2.15
Edison	2000	4.23	2000	4.47
Giant, Pa. (a)	2160	4.57	2160	4.83
Glens Falls	720	1.52	720	1.61
Hercules (b)	-	-	-	-
Knickerbocker	1600	3.39	1600	3.57
Lawrence	1643	3.47	1643	3.67
Lehigh:	5400	11.43	5400	12.07
Egypt, Pa. #1	720	-	720	-
do 2	1080	-	1080	-
do 3	900	-	900	-
Coplesville, Pa.	1800	-	1800	-
West Coplay, Pa.	900	-	900	-
Nazareth	1347	2.85	1347	3.01
Penn Allen	750	1.59	750	1.68
Pennsylvania (Bath)	1500	3.18	1500	3.35
Phoenix	750	1.59	750	1.67
Security	1000	2.12	1000	2.24
Virginia	1000	2.12	-	-
Vulcanite	2000	4.23	2000	4.47
TOTAL	47253	100.00	44753	100.00

(a) Giant at Norfolk 1240 not included. (b) Hercules did not begin operations until August 1917. (c) Clinchfield capacity obtained from carbon statement found in Security files.

Govt. Ex. No. 386

ANNUAL CAPACITIES 1920.

STATEMENT-showing annual and monthly capacities of ~~March 17, 1922~~ belonging to the defendant companies and reporting to the Cement Manufacturers' Protective Association, as revised by the Portland Cement Association as of July 1, 1920, and the maximum business each mill or company would receive on a relative capacity basis as reflected by the percent of capacity of each mill to the total capacity of all mills as computed by the Government.

COMPANIES	Annual finished cement capacity (1000 bbls)	Percent of total	Monthly finished cement capacity (1000 bbls)	Percent of total
Allentown	900	1.90	75	1.90
Alpha:	6800	14.33	541	14.33
Alpha, N. J. 1	5200	-	433	-
Martins Creek, P. 2	-	-	-	-
do 3	-	-	-	-
Cementon, N.Y.	1300	-	108	-
Millen, N.Y. 5	300	-	25	-
Atlas:	12000	25.32	1000	25.32
Northampton, Pa.	10000	-	833	-
Coplay, Pa.	-	-	-	-
Hudson, N.Y.	2000	-	167	-
Bath	1300	2.73	108	2.73
Coplay	1800	3.80	150	3.80
Dexter	1100	2.32	92	2.32
Edison	2250	4.76	188	4.76
Giant, Pa.	2160	4.56	180	4.56
Glens Falls	700	1.47	58	1.47
Hercules	2000	4.24	167	4.24
Knickerbocker	1400	2.94	117	2.94
Lawrence	1767	3.72	147	3.72
Lehigh:	5400	11.40	450	11.40
Egypt, Pa. 1	720	-	60	-
do 2	1080	-	90	-
do 3	900	-	75	-
Foglesville, Pa.	1800	-	150	-
West Coplay	900	-	75	-
Nazareth	1250	2.63	104	2.63
Penn-Allen	750	1.59	63	1.59
Pennsylvania:				
Bath, Pa.	1500	3.18	125	3.18
Cayuga, N.Y.	600	1.27	50	1.27
Phoenix	800	1.69	67	1.69
Security	1000	2.12	83	2.12
Vulcanite	1900	4.03	158	4.03
T.T.L	47377	100.00	3948	100.00

The report of the Portland Cement Association giving the above capacities, also states: "These figures are intended to represent as nearly as possible the maximum physical capacity of the plants throughout a twelve-month period allowing for ordinary and usual interruptions in operation and assuming a continuous and sufficient demand".

Govt. Ex. No. 387

STATEMENT-showing annual cement capacities of all mills belonging to defendant companies reporting to the Cement Manufacturers' Protective Association 1919-21, inclusive, based upon a 300-day run at maximum efficiency, as given by Mr. Archibald Cox, attorney for the companies, April 18, 1922 and the same capacities as corrected by him in memorandum of April 20, 1922.

COMPANIES	Finished cement capacities upon a 300-day run as given by Mr. A. Cox, April 18, 1922. (units 1000 bbls)	Finished cement capacities upon a 300-day run as corrected by Mr. A.Cox, April 20, 1922. (units 1000 bbls)
Allentown	810	810
Alpha	6060	6060
Atlas	10524	10164
Bath	798	648
Coplay	1566	1566
Dexter	774	774
Edison	1800	1800
Giant, Pa.	2472	2472
Glens Falls	675	675
Hercules	1080	720
Knickerbocker	1320	1320
Lawrence	1305	1305
Lehigh	6858	6858
Nazareth	1170	1170
Penn Allen	648	648
Pennsylvania	1305	1305
Phoenix	690	690
Security	888	888
Vulcanite	1596	1596
	TOTAL 42339	41469

It will be observed that the following reductions were made in the corrections given by Mr. Cox:

Atlas in 1919 and 1920	360,000 bbls.
Bath in 1919	150,000 bbls.
Hercules 1919 and 1920	360,000 bbls.
	870,000 bbls.

Govt. Ex. No. 388

CAPACITIES OF CEMENT MILLS AS GIVEN BY MR. COX AND RELATIVE CAPACITIES OF MILLS AS COMPUTED BY THE GOVERNMENT.

STATEMENT-showing annual cement capacities of all mills belonging to defendant companies reporting to the Cement Manufacturers' Protective Association, 1919-21, inclusive, based upon a 300-day run at maximum efficiency, as given by Mr. Archibald Cox, Attorney for the companies, on April the 18th 1922 and as corrected by him April 20, 1922; and the percentage of the capacity of each mill as compared to the total as computed by the Government, and the reduction of these capacities to a yearly basis of 360 days, and the percent of each to the total showing the maximum business each company would receive on a relative capacity basis as thereby reflected.

COMPANIES	1 Finished cement capacities 300-day run as given by Mr. A. Cox April 18,1922 (1000 bbls)	2 Percent of total computed by Mr.Allen	3 Finished cement capacities as corrected by Mr.A.Cox on April 20, 1922. (1000 bbls)	4 Percent of total computed by Mr. Allen	5 Column 3 reduced to annual capacity 360 days by Mr. Allen (1000 bbls)	6 Percent of total by Mr. Allen
Allentown	810	1.91	810	1.95	972	1.95
Alpha	6060	14.31	6060	14.61	7272	14.61
Atlas	10524	24.85	10164	24.51	12197	24.51
Bath	798	1.89	648	1.56	778	1.56
Coplay	1566	3.70	1566	3.78	1879	3.78
Dexter	774	1.83	774	1.87	929	1.87
Edison	1800	4.25	1800	4.34	2160	4.34
Giant, Pa.	2472	5.84	2472	5.96	2966	5.96
Glens Falls	675	1.60	675	1.63	810	1.63
Hercules	1080	2.55	720	1.74	864	1.74
Knickerbocker	1320	3.12	1320	3.18	1584	3.18
Lawrence	1305	3.08	1305	3.15	1566	3.15
Lehigh	6858	16,20	6858	16.53	8229	16.53
Nazareth	1170	2.76	1170	2.82	1404	2.82
Penn Allen	648	1.53	648	1.56	778	1.56
Pennsylvania	1305	3.08	1305	3.15	1566	3.15
Phoenix	690	1.63	690	1.67	828	1.67
Security	888	2.10	888	2.14	1066	2.14
Vulcanite	1596	3.77	1596	3.85	1915	3.85
TOTAL	42339	100.00	41469	100.00	49763	100.00

By comparing columns 5 and 6 with columns 3 and 4 it will be observed that the relative capacity of any one mill, as compared to the total capacity of all mills is in no way affected by the number of days a plant may be active, and is the same whether a plant is active for a day, a month, 300 days or 360 days.

Govt. Ex. No. 389

STATEMENT-showing business actually transacted by defendant companies from mills reporting to the Cement Manufacturers' Protective Association for 1930, as reflected by cement shipped, as compared to the business which each company would receive on a relative capacity basis.

Company	Amount of total business each Co. would receive on a relative capacity basis for 1930.	Percent of total business actually received by each Co. as reflected by shipments for 1930.
Allentown	1.90	1.90
Alpha	14.33	12.83
Atlas	25.32	24.18
Bath	2.73	2.70
Coplay	3.80	3.82
Dexter	2.32	2.41
Edison	4.76	4.82
Giant, Pa.	4.56	3.61
Glens Falls	1.47	1.35
Hercules	4.34	1.81
Knickerbocker	2.94	3.37
Lawrence	3.72	5.13
Lehigh	11.40	13.33
Nazareth	2.63	3.80
Penn Allen	1.59	2.08
Pennsylvania	(a) 4.45	4.07
Phoenix	1.69	2.17
Security	2.12	2.54
Vulcanite	4.03	4.08
TOTAL	100.00	100.00

(a) Includes Cayuga, N. Y., 1.27.

Govt. Ex. No. 390

STATEMENT-showing business actually transacted by defendant companies from mills reporting to the Cement Manufacturers' Protective Association, for 1917 and for the 5-year period 1916-1920, inclusive, as reflected by cement shipped, as compared to the business each company would receive on a relative capacity basis as computed by the Government.

Company	Amount of total business each Co. would receive on a relative capacity basis for 1917.	Percent of total business actually received by each Co. as reflected by shipments 1917.	Percent of total business actually received by each Co., as reflected by shipments 5-year period, 1916-20.
Allentown	2.12	2.51	2.32
Alpha	15.58	13.27	12.42
Atlas	26.81	24.61	24.34
Bath	2.23	2.13	2.43
Coplay	4.47	4.16	4.21
Dexter	2.15	2.73	2.86
Edison	4.47	4.67	4.57
Giant	4.83	3.10	3.31
Glens Falls	1.61	2.02	2.00
Hercules	.40 (a)	.40	1.24
Knickerbocker	5.87	3.46	3.34
Lawrence	3.67	4.83	4.87
Lehigh	12.07	13.62	13.87
Nazareth	3.01	3.60	3.64
Penn Allen	1.68	2.30	2.31
Pennsylvania	3.35	4.27	4.18
Phoenix	1.67	1.89	1.41
Security	2.24	2.52	2.51
Vulcanite	4.67	3.91	4.17
TOTAL	100.00	100.00	100.00

(a) Hercules did not begin operations until August, 1917.

Govt. Ex. No. 891

CEMENT PRODUCTION AS COMPARED TO CAPACITIES.

STATEMENT-showing ratio of finished cement produced 1916-1920, inclusive, by defendant cement companies. Compiled from the records of the Cement Manufacturers' Protective Association as indicated on Form 12, showing production and from other association records showing capacities.

COMPANY AND MILLS	1916 Ratio of cement produced to capacity (percent)	1917 Ratio of cement produced to capacity (percent)	1918 Ratio of cement produced to capacity (percent)	1919 Ratio of cement produced to capacity (percent)	1920 Ratio of cement produced to capacity (percent)
ALLENTOWN	85	76	43	64	63
ALPHA:	51	53	53	51	54
Alpha, N. J. #2	-	-	(b)	(b)	-
Martins Creek, Pa. #3	-	-	-	-	-
do do #4	-	-	-	-	-
Cementon, N. Y. #5	-	-	-	-	-
Jamesville, N. Y. #6	-	-	-	-	-
ATLAS:	51	54	47	52	61
Northampton, Pa.	-	-	-	-	-
Coplay, Pa.	-	-	-	-	-
Hudson, N. Y.	-	-	-	-	-
BATH	59	57	50	81	64
COPLAY	61	58	50	50	62
DEXTER	82	76	78	87	66
EDISON	43	69	58	71	66
GIANT	40	40	40	40	50
GLENS FALLS	94	74	70	76	32
HERCULES	(a)	(a)	30	30	27
KNICKERBOCKER	63	60	52	50	67
LAWRENCE	82	85	66	76	83
LEHIGH:	65	71	62	65	70
Foglesville, Pa.	-	-	-	-	-
West Coplay, Pa.	-	-	-	-	-
Ormrod 1, Egypt, Pa.	-	-	-	-	-
do 2, do	-	-	-	-	-
do 3, do	-	-	-	-	-
do 5, do	-	-	-	-	-
Lehigh, Fordwick, Va.	(c)	(c)	(c)	(c)	(c)
NAZARETH	90	73	60	69	76
PENN ALLEN	91	92	60	80	80
PENNSYLVANIA:					
Penn Bath, Pa. (d)	77	77	64	76	77
PHOENIX (b)	72	74	(b)	68	92
SECURITY	63	72	59	70	77
VULCANITE	72	53	47	49	64
TOTAL	60	62	53	60	61

(a) Hercules did not begin operations until August 1917.
(b) Reported inactive. Phoenix closed from Jan. 31, 1918 to Sept.1919.
(c) Virginia capacity not included.
(d) Does not include Cayuga.

Govt. Ex. No. 892

CURTAILMENT OF PRODUCTION

STATEMENT-showing total annual capacity of cement mills belonging to defendant companies reporting to the Cement Manufacturers' Protective Association in 1920, as shown by the records of the Portland Cement Association, quantity of cement actually produced by said companies, as shown on Form 12, and quantity and percent of curtailment of production to capacity, as computed by the Government.

Companies	Annual finished cement capacity (1000 bbls) 1920	Total cement produced in 1920 (1000 bbls)	Total curtailment of production in 1920 (1000 bbls.)	Percent of curtailment of production in 1920.
Allentown	900	574	326	36
Alpha	6800	3686	3114	46
Atlas	12000	7312	4688	39
Bath	1300	828	472	36
Coplay	1800	1120	680	37
Dexter	1100	715	385	35
Edison	2250	1500	750	33
Giant, Pa.	2160	1083	1077	49
Glens Falls	700	234	466	66
Hercules	2000	535	1465	73
Knickerbocker	1400	949	451	32
Lawrence	1767	1465	302	17
Lehigh	5400	3782	1618	29
Nazareth	1250	948	302	24
Penn Allen	750	620	130	17
Pennsylvania (a)	2100	1159	941	(a) 44
Phoenix	800	649	151	19
Security	1000	772	228	22
Vulcanite	1900	1213	687	36
TOTAL	47377	29144	18233	38

(a) Including Cayuga the per cent of curtailment is only 23.

Govt. Ex. No. 393

COMMITMENTS

STATEMENT-showing commitments or unshipped balances on contract of defendant companies, from mills reporting to the Cement Manufacturers' Protective Association, as shown on Form 11 of December 1st, 1919, September 1st, 1920 and December 1st, 1920.

COMPANIES	December 1, 1919 Amount barrels	September 1, 1920 Amount barrels	December 1, 1920 Amount barrels
Allentown	425,344	616,292	187,945
Alpha	1,012,365	1,919,777	1,055,875
Atlas	2,122,228	3,260,164	2,261,478
Bath	448,348	296,129	184,255
Coplay	464,295	523,607	319,074
Dexter	291,195	446,035	313,928
Edison	807,429	702,030	375,934
Giant	455,697	705,028	429,364
Glens Falls	(a)	(a)	(a)
Hercules	397,487	489,422	214,421
Knickerbocker	199,898	475,177	174,297
Lawrence	842,798	1,379,892	898,126
Lehigh	1,539,631	2,357,933	1,562,208
Nazareth	567,234	1,206,930	832,446
Penn Allen	233,405	157,311	68,776
Pennsylvania	728,288	1,351,801	1,060,754
Phoenix	342,562	288,635	147,150
Security	(a)	(a)	(a)
Vulcanite	499,559	606,280	362,489
TOTAL	11,377,708	16,822,443	10,448,520

Govt. Ex. No. 394

STATEMENT-showing total cement shipped by defendant companies from mills reporting to the Cement Manufacturers' Protective Association, for first 8 months in 1920; for September, October and November, 1920; and for first 11 months in 1920, as shown on Form 12.

Company	Cement shipped first 8 months in 1920. (1000 barrels)	Cement shipped in Sept. 1920 (1000 barrels)	Cement shipped in October 1920 (1000 bbls)	Cement shipped in November 1920. (1000 bbls)	Cement shipped first 11 months in 1920 (1000 bbls)
	1	2	3	4	5
Allentown	(a) 340	(b) 65	(c) 65	(d) 57	528
Alpha	2460	412	474	277	3624
Atlas	4557	773	731	651	6712
Bath	442	122	130	62	757
Coplay	651	128	142	121	1041
Dexter	(e) 420	85	78	72	656
Edison	919	163	155	114	1351
Giant (L.V.)	667	105	136	93	1001
Glens Falls	304	29	27	20	379
Hercules	327	71	64	35	497
Knickerbocker	617	104	118	86	927
Lawrence	897	185	167	158	1407
Lehigh	2609	388	459	288	3744
Nazareth	(i) 635	135	158	130	1058
Penn Allen	393	72	59	55	579
Pennsylvania	(j) 688	146	142	109	1086
Phoenix	(L) 393	80	74	61	607
Security	515	80	76	44	715
Vulcanite	712	142	152	124	1130
TOTAL	18546	3285	3407	2559	27799

(a) In addition 37,147 bbls were shipped by other mills.
(e) In addition 16,759½ bbls were shipped by other mills and included are 165 bbls shipped for another mill.
(i) Includes 39,230 shipped for other mills.
(j) Includes 2,095 bbls shipped for another mill.
(L) In addition 3,688 bbls were shipped by other mills.
(b) In addition 6,575 bbls were shipped by other mills.
(c) In addition 5,119 bbls were shipped by other mills.
(d) In addition 977 bbls were shipped by other mills.

Govt. Ex. No. 395

STATEMENT-showing number of new contracts written and cancelled from September 1st to December 31, 1920, inclusive, by defendant companies, from mills reporting to the Cement Manufacturers' Protective Association, as compiled from Form 9.

COMPANIES	Contracts written (New business)					Contracts cancelled (total business)				
	Sept No.	Oct. No.	Nov No.	Dec No.	Total number	Sept. No.	Oct. No.	Nov. No.	Dec No.	Total number
	1	2	3	4	5	6	7	8	9	10
Allentown	1	1	(none)	2	4	55	69	29	53	206
Alpha	2	2	3	4	11	89	63	97	52	271
Atlas	21	33	43	16	113	92	109	55	33	289
Bath	(none)	2	3	9	14	8	2	2	4	16
Coplay	4	1	4	5	14	49	29	24	21	123
Dexter	4	1	1	2	8	18	19	8	12	57
Edison	(none)	1	(none)	(none)	1	18	26	20	21	85
Giant	(none)	1	2	4	7	9	16	6	5	36
Glens Falls	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Hercules	(none)	1	1	1	3	104	44	27	6	181
Knickerbocker	(none)	1	(none)	(none)	1	(none)	95	25	26	146
Lawrence	6	1	2	(none)	9	18	28	42	150	238
Lehigh	5	11	14	6	36	71	78	75	24	248
Nazareth	(none)	(none)	(none)	(none)	(none)	15	39	20	58	132
Penn Allen	2	2	5	2	11	11	3	11	(none)	25
Pennsylvania	5	8	7	2	22	23	2	42	75	142
Phoenix	(none)	1	4	1	6	16	(none)	13	(none)	29
Security	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)
Vulcanite	14	13	2	4	33	33	34	39	51	157
TOTAL	64	80	91	58	293	599	656	535	591	2381

(a) Not reporting for this form.

Govt. Ex. No. 396 A

STATEMENT-Showing new contracts made including increases and reinstatements by defendant cement companies from mills reporting to the Cement Manufacturers' Protective Association, from September 1st, to December 31st, 1920, inclusive, as compiled from Form 9.

COMPANIES	New Contracts & increases for Sept. (barrels)	October 1920 new contracts & increases (barrels)	November 1920, new contracts & increases (barrels)	December 1920; new contracts & increases (barrels)	Total new contracts Sept.Oct. Nov. and Dec.1920. (barrels)
	1	2	3	4	5
Allentown	600	15000	(None)	2500	18100
Alpha	12981	4400	36700	14100	67181
Atlas	162536	131250	98738	49050	441574
Bath	(None)	7500	5100	14819	27419
Coplay	6500	11000	8763	9000	35263
Dexter	14850	900	10000	34595	60645
Edison	(None)	5500	(none)	(none)	5500
Giant	(None)	3500	3100	45500	52100
Glens Falls	(a)	(a)	(a)	(a)	-
Hercules	(None)	(c) 52794	23000	1500	77294
Knickerbocker	(None)	7000	(b) 4500	(none)	11500
Lawrence	38500	5000	8500	(none)	52000
Lehigh	58800	59150	31650	7896	157696
Nazareth	(none)	(none)	(none)	(none)	-
Penn Allen	3200	3912	9400	3200	19712
Pennsylvania	24500	26500	34000	6000	91000
Phoenix	(None)	2500	14000	12000	28500
Security	(a)	(a)	(a)	(a)	-
Vulcanite	63308	22225	3500	7800	96833
TOTAL	385775	352131	290171	208260	1242337

(a) Not reporting for this form.
(b) Reinstatement. Only one contract written September 1st - December 31st.
(c) 32,794 increases and reinstatements.

Govt. Ex. No. 397 A

STATEMENT-Showing cancellation of contracts, including decreases by defendant companies reporting to the Cement Manufacturers' Protective Association, from September 1st, to December 31st, 1920, by months, as compiled from Form 9.

COMPANIES	1920 September cancellations and decreases (bbls)	1920 October cancellations and decreases (bbls)	1920 November cancellations and decreases (bbls)	1920 December cancellations and decreases (bbls)	Total 4 months Amount (bbls)
	1	2	3	4	5
Allentown	169,533	116,285	63,171	120,357	469,346
Alpha	58,985	109,531	188,380	213,436	570,332
Atlas	156,206	147,978	131,088	81,091	516,363
Bath	15,609	7,140	2,593	17,286	42,728
Coplay	54,751	28,864	46,544	29,851	159,010
Dexter	24,284	21,817	7,537	32,085	85,722
Edison	66,280	28,512	55,293	91,001	241,086
Giant	62,663	41,513	30,492	6,312	130,980
Glens Falls	-	-	-	-	-
Hercules	106,473	51,629	29,834	26,462	214,388
Knickerbocker	-	127,586	27,600	40,402	195,588
Lawrence	58,666	29,601	74,876	252,222	415,365
Lehigh	55,698	217,650	64,364	23,100	360,812
Nazareth	30,377	48,379	21,059	146,788	236,603
Penn Allen	23,606	5,884	21,581	-	51,070
Pennsylvania	86,901	6,816	102,323	229,543	425,583
Phoenix	50,589	-	32,038	-	82,627
Security	-	-	-	-	-
Vulcanite	46,344	35,131	24,485	67,767	173,727
TOTAL	1,051,964	1,024,316	912,248	1,482,803	4,471,331

Govt. Ex. No. 898

STATEMENT-showing summary of contracts for first 11 months of 1920 of defendant companies, from mills reporting to the Cement Manufacturers' Protective Association, as appears on Form 9.

Companies	New contracts to date		Contracts cancelled to date		Reinstatements and increases	Decreases
	No	Barrels	No.	Barrels		
Allentown	197	864,390	286	483,653	19,638	102,788
Alpha	557	1,984,694	764	1,040,869	67,570	80,238
Atlas	903	3,056,066	863	1,086,942	78,934	516,283
Bath	77	190,600	151	224,497	800	9,671
Coplay	283	515,489	348	375,296	10,101	46,475
Dexter	291	598,868	153	230,834	4,700	21,241
Edison	141	635,427	333	582,838	40,142	200,480
Giant	116	583,329	114	234,426	2,812	106,757
Hercules	363	629,887	415	414,783	38,952	79,580
Knickerbocker	234	730,881	184	324,357	8,000	52,399
Lawrence	813	1,286,943	214	369,629	23,260	100,896
Lehigh	800	2,306,089	994	1,264,829	86,847	162,929
Nazareth	238	1,041,971	247	408,557	12,138	15,850
Penn Allen	114	235,777	127	200,249	17,750	58,820
Pennsylvania	254	974,500	115	430,060	27,553	3,000
Phoenix	74	340,180	150	383,130	4,614	7,442
Vulcanite	296	665,460	366	359,034	14,457	154,748
TOTAL	5191	16,222,921	5704	8,433,983	458,257	1,719,297
		458,257		1,719,297		
		15,681,178		10,153,280		

Govt. Ex. No. 899

STATEMENT-showing annual finished cement capacity as obtained from the records of the Portland Cement Association for 1920, capacity for 8 months as computed by the Government, shipments to August 31, 1920, as reported on Form 12, unshipped balances on contracts as of Sept. 1, 1920 as shown on Form 11, and total shipments and unshipped balances as of September 1, 1920.

COMPANIES and MILLS	Annual finished cement capacity (unit 1000 bbls)	Capacity for 8 months or 2/3 of annual capacity (units 1000 bbls)	Shipments to August 31,1920: (units 1000 bbls)	Unshipped balances on contracts Aug. 31 1920 units 1000 bbls	Total shipments & unshipped balances Aug 31,1920 (units 1000 bbls)
	1	2	3	4	5
Allentown	900	600	(a)340	616	956
Alpha	6800	4532	2460	1920	4380
Alpha, N. J.	1660	1106	-	-	-
Martins Ck., Pa.	1440	960	-	-	-
do	2100	1400	-	-	-
Cementon, N.Y.	1300	866	-	-	-
Jamesville, N.Y.	300	200	-	-	-
Atlas:	12000	8000	4557	3260	7817
Northampton, Pa.	10000	-	-	-	-
Coplay	-	-	-	-	-
Hudson, N. Y.	2000	1333	-	-	-
Bath	1300	867	442	296	738
Coplay	1800	1200	651	624	1275
Dexter	1100	733	(b) 420	446	866
Edison	2250	1500	919	702	1621
Giant	2160	1440	667	705	1372
Glens Falls	700	467	304	No report	304
Hercules	2000	1333	327	489	816
Knickerbocker	1400	933	617	475	1092
Lawrence	1767	1178	897	1380	2277
Lehigh	5400	3600	2609	2358	4967
Ormrod #1, Pa.	720	480	-	-	-
do #2, Pa.	1080	720	-	-	-
do #3, Pa.	900	600	-	-	-
Pogiesville	1800	1200	-	-	-
West Coplay	900	600	-	-	-
Nazareth	1250	833	(c) 635	1207	1842
Penn Allen	750	500	393	157	550
Penn:	1500	1000	(d) 688	1352	2040
Bath, Pa.	600	400	336	-	336
Cayuga, N.Y.	800	534	(e) 393	229	622
Phoenix	1000	667	515	No report	515
Security	1900	1267	712	606	1318
Vulcanite	47377	31584	18882	16822	35704
TOTAL					

(a) In addition 37,147 were shipped by other mills.
(b) In addition 16759½ shipped by other mills incl. and 165 shipped for other mills.
(c) Includes 39,220 shipped for other mills.
(d) Includes 3095 shipped for another mill.
(e) In addition, 3688 were shipped by other mills.

Govt. Ex. No. 400

STATEMENT-showing total cement shipped by defendant companies from mills reporting to the Cement Manufacturers' Protective Association, for first 8 months in 1919; for September, October and November, 1919; and for first 11 months 1919, as shown on Form 12.

Company	Cement shipped first 8 months in 1919 (1000 bbls)	Cement shipped in Sept. 1919 (1000 bbls)	Cement shipped in Oct.1919 (1000 bbls)	Cement shipped in Nov. 1919 (1000 bbls)	Cement shipped first 11 months in 1919 (1000 bbls)
	1	2	3	4	5
Allentown	483	75	69	62	628
Alpha	1573	416	355	346	2590
Atlas	3658	983	902	641	6184
Bath	520	119	98	84	810
Coplay	613	119	108	104	944
Dexter	(d) 570	(i) 90	(j) 91	(n) 65	816
Edison	771	241	249	153	1414
Giant (L.V.)	494	130	106	88	808
Glens Falls	273	76	92	33	474
Hercules	352	61	66	62	541
Knickerbocker	400	161	122	70	762
Lawrence	622	166	202	140	1141
Lehigh	2175	486	416	368	3445
Nazareth	446	98	112	71	727
Penn Allen	318	103	110	74	605
Pennsylvania	637	185	142	103	1018
Phoenix	(k)	(l) 8	(m) 48	(o) 47	104
Security	414	88	110	65	678
Vulcanite	543	144	130	106	924
TOTAL	14802	3689	3528	2582	24603

(k) In addition 243,366 bbls shipped for their account by other mills.
(d) Includes 140,262½ bbls shipped for other mills and in addition 14,628 bbls were shipped for them by other mills.
(f) In addition 8,265 bbls were shipped by other mills.
(L) In addition 45,455 bbls were shipped by other mills.
(g) In addition 6,941½ bbls shipped by another Company.
(m) In addition 12,040 bbls were shipped by other mills.
(n) In addition 1,809 bbls were shipped for them by other mills.
(o) In addition Phoenix had 5,141 bbls shipped by other mills.

Govt. Ex. No. 403 A

STATEMENT-Showing commitments-on unshipped balances of September 1st, 1920, as shown on Form 11; cancellations, including decreases from September 1, to November 30, 1920, as shown on Form 9; net business; new business including increases from September 1 to November 30, 1920, and total balance and new business outstanding as of November 30, 1920.

COMPANIES	Unshipped balances Sept. 1 1920. Form 11 (1000 bbls)	Deduct cancellations and decreases Sept. 1 to Nov.30,1920 Form 9 (1000 bbls)	Net unshipped balances in force Column 1 minus column 2 (1000 bbls)	New business and increases Sept. 1 - Nov. 30, 1920. Form 9 (1000 bbls)	Total balance and new business column 3 plus column 4 (1000 bbls)
	1	2	3	4	5
Allentown	616	349	267	16	283
Alpha	1920	352	1568	53	1621
Atlas	3260	435	2825	392	3217
Beth	296	25	271	13	284
Coplay	694	129	495	26	521
Dexter	446	54	392	26	418
Edison	702	150	552	5	557
Giant	706	125	580	6	586
Glens Falls	-	-	-	-	-
Hercules	489	188	301	76	377
Knickerbocker	475	185	290	11	331
Lawrence	1380	163	1217	52	1269
Lehigh	2358	338	2020	150	2170
Nazareth	1107	90	1117	-	1117
Penn Allen	157	51	106	17	123
Pennsylvania	1352	196	1156	85	1241
Phoenix	289	83	146	17	163
Security	-	-	-	-	-
Vulcanite	606	106	500	89	589
TOTAL	16922	2949	13888	1034	14867

Govt. Ex. No. 404 A

STATEMENT-Showing commitments or unshipped balances as of Sept.1, 1920, with cancellations deducted and net new business transacted from Sept. 1 to November 30, inclusive, 1920, as shown on forms 11 and 9; shipments on contracts; commitments or unshipped balances on November 30, 1920; shipments to dealers and others not contractors, and total shipments as shown on Form 12.

COMPANIES	Total business outstanding and net business Sept-Dec. 1920 added Column 5 (1000 bbls)	Cement shipped on contracts for Sept. Oct.and Nov. 1920 (1000 bbls) Column 6 minus column 8	Commitments or unshipped balances as of Dec. 1, 1920, Form 11 (1000 bbls)	Shipments to dealers or others not contractors Sept.Dec. (1000 bbls) column 10 minus col	Total Shipments Sept-Oct. and Nov. 1920, Form 12 1000 bbls)
	6	7	8	9	10
Allentown	283	95	188	92	187
Alpha	1621	565	1056	598	1163
Atlas	5217	955	2262	1200	2155
Bath	284	100	164	214	314
Copley	521	302	519	189	391
Dexter	418	104	314	131	235
Edison	557	181	376	251	432
Giant	586	157	429	177	334
Glens Falls (b)	-	-	-	(B) 76	76
Hercules	377	163	214	7	170
Knickerbocker	331	157	174	153	310
Lawrence	1269	371	898	139	510
Lehigh	2170	608	1562	527	1135
Nazareth	1117	284	833	139	423
Penn Allen	123	54	69	132	186
Pennsylvania	1241	180	1061	217	397
Phoenix	163	16	147	199	215
Security (b)	-	-	-	(b) 200	200
Vulcanite	589	226	363	192	418
	14867	4418	10449	4833	5251

(b) no report-included in this column to balance.

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST TWO MONTHS,1919.

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TO DATE	CANCELLED CONTRACTS NO.TO DATE	BBLS.TO DATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	1	5000	3	10854	307	....
ALPHA	2	2300	5	23905	10993	....
ATLAS	21	30223	101	244730	1160	3063
BATH	4	6000	13	35891	2046	....
COPLAY	3	2000	41	73074	....	....
DEXTER	....	....	27	22220	23116	15000
EDISON	7	7000	28	50376	5000	....
GIANT	3	7500	4	47355	15000	....
HERCULES	2	43000	59	110493	500	....
KNICKERBOCKER	....	....	6	15115	1077	3029
LAWRENCE	1	2500	90	230386	5515	480
LEHIGH	11	12864	30	285148	37436	....
NAZARETH	1	1000	99	348021	....	....
PENN ALLEN	4	16500	3	7124	....	....
PENNSYLVANIA	3	6300	110	291879	18250	....
PHOENIX	....	....	21	47389	2000	9900
VULCANITE	6	15493	20	39316	....	1481
TOTAL	69	157600 137063 294663	660	1620127 126443 1746570	127001	32953

FORM 9

Govt. Ex. No. 406

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS FOR FIRST THREE MONTHS 1919.

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	3	6032	23	65978	307	21646
ALPHA	9	22450	6	24692	17058	....
ATLAS	29	51849	114	261697	1391	3063
BATH	6	7750	23	43944	2046	....
COPLAY	3	2000	44	74989	1250	....
DEXTER	1	3000	43	33788	28516	15000
EDISON	10	14200	37	61711	5200	200
GIANT	5	8850	5	50855	15000	....
HERCULES	6	62300	62	114929	500	....
KNICKERBOCKER	....	....	10	20410	1077	3029
LAWRENCE	1	2500	92	233222	5516	480
LEHIGH	19	35764	34	23221	49743	1007
NAZARETH	1	1000	100	348097	....	....
PENN ALLEN	5	17100	3	7124	....	....
PENNSYLVANIA	7	20600	130	291879	18850	....
PHOENIX	2	3550	21	47389	2000	9900
VULCANITE	7	12293	22	42486	2160	2481
TOTAL	114	309436 150552 459990	749	1746591 56809 1803397	130552	56806

Govt. Ex. No. 407

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS FOR FIRST FOUR MONTHS 1919.

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TO DATE	CANCELLED CONTRACTS NO. TO DATE	BBLS. TO DATE	REINSTATEMENTS & INCREASES TO DATE	DECREASE TO DATE
ALLENTOWN	7	34332	23	65978	307	21646
ALPHA	29	48200	8	31302	55322	2172
ATLAS	69	354289	136	286961	1391	3063
BATH	9	35250	33	54668	2046	....
COPLAY	6	3650	48	78371	1250	....
DEXTER	2	5000	43	33788	28516	15000
EDISON	25	59450	53	94237	5200	6496
GIANT	12	24650	5	50855	15000	....
HERCULES	17	106277	65	118714	500	....
KNICKERBOCKER	1	1500	12	21569	1077	3029
LAWRENCE	16	39880	94	241193	5516	480
LEHIGH	44	84510	47	46904	51487	9099
NAZARETH	4	18500	109	351425	....	769
PENN ALPS	8	22100	7	11569	....	....
PENNSYLVANIA	13	51800	110	291879	43850	....
PHOENIX	4	4050	25	54746	2000	9300
VULCANITE	11	40793	23	47486	2100	2481
TOTAL	379	718833 280562 999395	637	1884345 74135 1958480	220562	74135

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST FIVE MONTHS, 1919

Govt. Ex. No. 408

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TO DATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREA TODATE
ALLENTOWN	17	69682	28	74507	307	21646
ALPHA	77	160140	8	31302	78435	2172
ATLAS	135	370440	149	297327	1391	3063
BATH	21	101000	35	54796	2046	....
COPLAY	15	49250	54	90685	1250	....
DEXTER	7	19300	51	40937	28516	15000
EDISON	57	121710	60	105437	5200	8596
GIANT	18	41250	6	52855	15000	....
HERCULES	25	129632	65	118714	500	....
KNICKERBOCKER	6	18500	12	21569	1077	3029
LAWRENCE	31	92180	95	243133	5516	480
LEHIGH	96	225620	55	53529	53736	9099
NAZARETH	19	63000	107	359356	3000	769
PENN ALPS	14	45000	8	11733	....	....
PENNSYLVANIA	35	127500	113	296269	43850	....
PHOENIX	4	4050	25	54746	2000	9300
VULCANITE	25	110913	22	51515	2100	2481
TOTAL	800	1747967 248925 1996792	899	1960470 75235 2035705	248925	76235

Govt. Ex. No. 409

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST SIX MONTHS, 1919.

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE.
ALLENTOWN	44	101594	32	90427	307	21646
ALPHA	187	404870	11	36171	53338	13172
ATLAS	246	725816	162	311870	1391	25063
BATH	31	139050	40	60735	2046	....
COPLAY	21	106550	61	94074	1250	....
DEXTER	19	33950	54	112600	28516	15000
EDISON	94	316110	68	116652	5200	8956
GIANT	30	135550	10	87627	15000	....
HERCULES	48	155202	70	120157	500	....
KNICKERBOCKER	12	68550	14	24556	1077	3029
LAWRENCE	69	271580	106	262670	5516	420
LEHIGH	201	430550	86	93671	55586	9099
NAZARETH	39	116500	112	341704	3000	769
PENN ALLEN	25	78850	9	12002	....	....
PENNSYLVANIA	72	265300	115	303981	48850	....
PHOENIX	12	42150	39	86736	2000	9900
VULCANITE	42	162963	30	51617	4100	8461
TOTAL	1194	3555135 251677 3612812	1019	2250052 109587 2359639	257677	109597

FORM 9

Govt. Ex. No. 410

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS FOR FIRST SEVEN MONTHS 1919.

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	67	220925	33	110325	307	21646
ALPHA	297	598407	14	40671	53838	15672
ATLAS	465	1247156	172	345966	27206	25063
BATH	63	228050	41	60892	2846	....
COPLAY	70	184980	62	94674	1250	....
DEXTER	55	114060	57	138911	33516	15000
EDISON	162	541955	75	135639	8400	8956
GIANT	48	228875	12	88591	15000	....
HERCULES	71	197195	75	124649	500	....
KNICKERBOCKER	23	102450	14	24556	1977	3029
LAWRENCE	125	453780	109	264480	5516	480
LEHIGH	343	783733	97	105198	63586	9099
NAZARETH	76	186459	120	416148	3000	769
PENN ALLEN	45	186350	10	13002	....	....
PENNSYLVANIA	107	409500	129	328564	48850	....
PHOENIX	29	85450	40	85236	2000	9900
VULCANITE	95	253402	35	59261	4100	8461
TOTAL	2143	6024647 301892 6326679	1095	2434767 111897 2546664	301892	112097

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS FOR FIRST EIGHT MONTHS 1913.

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TO DATE	CANCELLED CONTRACTS NO. TO DATE	BBLS. TO DATE	REINSTATEMENTS & INCREASES TO DATE	DECREASES TO DATE
ALLENTOWN	127	400703	33	110325	307	21646
ALPHA	413	637017	15	41440	83838	15672
ATLAS	714	1690890	187	378143	48033	26063
BATH	141	480130	45	69487	2846	....
COPLAY	147	277245	63	96674	1850	....
DEXTER	91	206867	58	132930	33516	15000
EDISON	235	898097	84	148648	9400	8958
GIANT	87	375091	15	98695	15000	....
HERCULES	171	305707	75	124649	500	10000
KNICKERBOCKER	49	222500	14	26958	1977	3029
LAWRENCE	218	718936	114	270906	5516	480
LEHIGH	577	1177302	101	119423	70309	9099
NAZARETH	151	455417	130	439047	5500	769
PENN ALLEN	83	277690	10	13002	....	....
PENNSYLVANIA	148	631850	180	338564	48850	....
PHOENIX	83	251000	42	99438	8000	9900
VULCANITE	207	526672	42	156895	7600	5231
TOTAL	3642	9713074 330442 10043516	1158	2648818 125847 2774665	330442	125847

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST NINE MONTHS 1913.

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TO DATE	CANCELLED CONTRACTS NO. TO DATE	BBLS. TO DATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	148	456103	33	110325	307	21646
ALPHA	514	1037271	15	41440	84838	15672
ATLAS	844	2128672	202	396687	42833	32363
BATH	162	567347	50	77342	2846	....
COPLAY	209	377049	78	174025	1850	....
DEXTER	118	254966	60	133446	33516	15000
EDISON	260	975475	89	158048	9400	8958
GIANT	107	463022	18	127793	15000	....
HERCULES	196	341266	82	136704	509	10000
KNICKERBOCKER	59	242300	14	26958	1977	3029
LAWRENCE	332	836435	116	392906	5516	480
LEHIGH	899	1489328	119	152861	76109	11502
NAZARETH	173	501079	131	439203	5500	2269
PENN ALLEN	92	328150	17	35161	....	....
PENNSYLVANIA	164	701800	132	341505	48850	....
PHOENIX	96	354000	45	107421	8000	9900
VULCANITE	235	588472	48	172436	8800	11031
TOTAL	4310	11630859 341951 11972810	1249	3924022 141850 4065872	341951	141850

Govt. Ex. No. 413

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
SUMMARY OF CONTRACTS FOR FIRST TEN MONTHS 1919.

COMPANY	NEW CONTRACTS NO. TODATE	NEW CONTRACTS BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	CANCELLED CONTRACTS BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	INCREASES TODATE
ALLENTOWN	180	585303	49	127071	307	21646
ALPHA	616	1313793	84	149371	67836	18178
ATLAS	958	2472691	231	418483	57033	38363
BATH	172	597897	71	188775	2896	....
COPLAY	238	551539	88	494039	2450	....
DEXTER	150	358015	63	137862	34516	15000
EDISON	290	1061348	108	184454	10000	12858
GIANT	132	548282	19	188798	15000	....
HERCULES	219	456266	86	149139	779	11800
KNICKERBOCKER	65	265500	21	30308	1977	3089
LAWRENCE	261	935836	117	296906	7216	480
LEHIGH	782	1648109	157	187514	78455	11508
NAZARETH	209	622089	133	439978	10500	2269
PENN ALLEN	98	363850	17	35161	....	....
PENNSYLVANIA	183	822900	160	376191	46850	.....
PHOENIX	100	367000	45	107421	2000	9900
VULCANITE	263	699972	78	217809	8800	16433
TOTAL	4916	13687530	1467	3413468	368067	154950
		368067		140000		
		13995597		3553468		

Govt. Ex. No. 414

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST ELEVEN MONTHS 1919.

COMPANY	NEW CONTRACTS NO. TODATE	NEW CONTRACTS BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	CANCELLED CONTRACTS BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	INCREASES TODATE
ALLENTOWN	202	589003	53	136071	307	21646
ALPHA	670	1460149	88	511461	90588	18178
ATLAS	1070	2816389	289	457673	60306	34863
BATH	178	619397	79	125443	27846	....
COPLAY	255	571089	107	409910	2450	....
DEXTER	155	358015	69	146119	35016	15000
EDISON	321	1212108	124	217003	13100	14358
GIANT	139	591916	22	130055	15000	....
HERCULES	242	553816	114	167074	779	11900
KNICKERBOCKER	72	339800	35	39782	1977	3029
LAWRENCE	297	1034736	130	322896	7216	5480
LEHIGH	865	1874084	188	229934	84372	13671
NAZARETH	222	677729	140	442480	10500	2269
PENN ALLEN	104	400850	40	68111	.....	....
PENNSYLVANIA	199	869100	162	382155	46850	....
PHOENIX	105	396300	45	107421	2000	9900
VULCANITE	277	737422	99	231238	8504	34319
TOTAL	5373	15193843	1724	3666648	409811	184607
		409811		184607		
		15603654		3851255		

Govt. Ex. No. 415

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR 12 MONTHS, 1919

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TO DATE	CANCELLED CONTRACTS NO. TO DATE	BBLS. TO DATE	REINSTATEMENTS & INCREASES TO DATE	DECREASES TO DATE
ALLENTOWN	245	673843	80	176677	307	21646
ALPHA	900	2309140	45	68308	92233	20422
ATLAS	1509	4337269	357	535816	61666	49674
BATH	194	701947	103	164509	27046	....
COPLAY	345	823589	122	416187	8450	....
DEXTER	189	432875	85	160801	36516	15000
EDISON	461	1636959	157	257526	28753	24235
GIANT	196	969816	22	130055	15000	100
HERCULES	260	592516	142	183744	6898	11900
KNICKERBOCKER	97	395562	37	40901	6977	3089
LAWRENCE	405	1291211	167	405121	8216	10544
LEHIGH	1161	2703600	231	278109	98565	17727
NAZARETH	307	952401	149	447112	15500	2769
PENN ALLEN	171	467349	52	95530	....	....
PENNSYLVANIA	290	1168547	198	432337	55130	....
PHOENIX	133	479700	53	118454	2000	9900
VULCANITE	373	1008416	110	238615	15704	38619
TOTAL	7236	20963736 476217 21439953	2119	4147802 225565 4373367	476217	225565

Govt. Ex. No. 416

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST TWO MONTHS, 1920.

COMPANY	NEW CONTRACTS NO. TO DATE	BBLS. TO DATE	CANCELLED CONTRACTS NO. TO DATE	BBLS. TO DATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	93	293420	10	22385	1900	4600
ALPHA	375	1031406	226	303209	36922	35442
ATLAS	468	1367922	141	189272	22093	60142
BATH	42	82500	12	19604	....	4700
COPLAY	180	425298	44	116007	7401	728
DEXTER	158	245328	28	32524	4500	....
EDISON	46	230580	35	81918	15842	11698
GIANT	84	505279	23	42275	....	36171
HERCULES	343	549087	46	65315	5538	2693
KNICKERBOCKER	169	394631	4	3428	1500	....
LAWRENCE	190	624368	31	38162	12500	500
LEHIGH	476	1115467	208	295624	40964	7200
NAZARETH	165	542069	46	84034	9350	300
PENN ALLEN	65	108195	13	11755	4000	5668
PENNSYLVANIA	145	438490	23	125784	10750	....
PHOENIX	60	195049	32	44662	4614	6192
VULCANITE	148	278427	53	65840	5413	14951
TOTAL	3213	8827446 182487 9010333	982	1541820 255005 1796825	182887	255005

Govt. Ex. No. 417

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST THREE MONTHS 1920

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASE TODATE
ALLENTOWN	132	343685	20	25385	5900	9000
ALPHA	433	1136212	850	358707	42722	54188
ATLAS	636	1872872	211	333562	26056	256176
BATH	56	108800	19	24425	....	6271
COPLAY	186	438965	59	161151	9101	1566
DEXTER	188	322461	29	38524	4500	....
EDISON	76	328631	40	84918	19142	12698
GIANT	107	389729	38	79903	....	36571
HERCULES	353	965487	68	77328	5538	12866
KNICKERBOCKER	186	472131	4	3428	3500	5000
LAWRENCE	229	750568	54	94628	18269	70070
LEHIGH	607	1462256	254	360666	50094	8894
NAZARETH	183	705069	47	85034	9850	300
PENN ALLEN	73	113565	15	28756	4000	10988
PENNSYLVANIA	162	573250	30	169939	10750	3000
PHOENIX	64	205749	32	44662	4614	6192
VULCANITE	177	336727	61	74461	9957	79052
TOTAL	3868	10316106 223951 10540059	1285	2035471 571231 2606702	223953	571231

Govt. Ex. No. 418

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST FOUR MONTHS 1920

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	153	443460	34	46092	5900	13500
ALPHA	496	1529241	300	410712	43222	54688
ATLAS	691	2234042	242	37[illegible]990	31356	232008
BATH	70	166200	40	34605	....	6271
COPLAY	196	451615	61	162709	9101	1566
DEXTER	203	363072	30	32770	4500	8500
EDISON	115	567577	57	108420	39842	11817
GIANT	110	561729	39	82903	900	36571
HERCULES	360	963887	70	82228	5538	14866
KNICKERBOCKER	223	642881	4	3428	3500	5000
LAWRENCE	259	966218	60	104117	22259	73870
LEHIGH	700	1894091	299	441727	68347	20865
NAZARETH	220	891340	50	50583	9850	300
PENN ALLEN	84	149065	17	29756	4000	14988
PENNSYLVANIA	213	765500	32	169939	10750	3000
PHOENIX	69	273660	32	44662	4614	6192
VULCANITE	219	[illegible]	79	91591	11307	84601
TOTAL	4358	13644548 [illegible] [illegible]	1440	[illegible] [illegible] 2849931	P76096	638603

Govt. Ex. No. 419

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FIRST FIVE MONTHS, 1920.

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CONTRACTS CANCELLED NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	INCREASES TODATE
ALLENTOWN	179	642160	46	57300	17936	55700
ALPHA	544	1719694	338	444167	56016	70468
ATLAS	713	2098128	333	433228	46356	299308
BATH	10	166200	43	35088	....	6271
COPLAY	212	487606	76	187450	9101	3416
DEXTER	841	467097	35	69097	4700	10200
EDISON	130	592727	69	157638	40142	32217
GIANT	113	576729	44	103456	1844	3442
HERCULES	361	986857	83	98237	6038	33962
KNICKERBOCKER	229	692861	5	6947	3500	5000
LAWRENCE	287	1210943	84	107810	12269	72670
LEHIGH	735	1944986	338	527347	77193	32758
NAZARETH	227	924872	56	97402	9650	300
PENN ALLEN	56	184565	18	32432	17750	14988
PENNSYLVANIA	216	600900	35	69439	20553	3000
PHOENIX	69	223680	44	63345	4614	7442
VULCANITE	239	483827	93	143023	12557	48501
TOTAL	4661	13559465 350788 13910274	1719	2700540 774942 3475482	350789	774540

Govt. Ex. No. 420

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST SIX MONTHS 1920

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	INCREASES TODATE
ALLENTOWN	188	516090	60	63161	17930	61400
ALPHA	549	1930044	397	538197	58629	71238
ATLAS	746	2294078	421	539955	50644	301008
BATH	72	178200	73	86219	800	9671
COPLAY	214	499206	82	196490	10101	3416
DEXTER	278	564018	73	71484	4700	10200
EDISON	134	601127	119	217061	40142	53986
GIANT	113	576729	51	109949	2812	36421
HERCULES	361	986857	148	169270	6138	46922
KNICKERBOCKER	233	723681	13	37874	3500	13669
LAWRENCE	296	1166843	84	127833	23269	84986
LEHIGH	752	2010909	452	614995	80426	52540
NAZARETH	229	932371	67	135224	12619	300
PENN ALLEN	101	208265	49	62702	17750	29386
PENNSYLVANIA	219	646500	38	137696	24553	3000
PHOENIX	69	223680	49	70168	4614	7442
VULCANITE	254	534927	244	183500	13057	101433
TOTAL	4807	14345355 369812 14715167	2326	3468774 810618 4279392	369812	889418

[illegible]

Govt. Ex. No. 421

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST SEVEN MONTHS 1920

COMPANY	NEW CONTRACTS NO.	NEW CONTRACTS TONAGE	[illegible] TONAGE	CANCELLED CONTRACTS NO.	CANCELLED CONTRACTS TONAGE	[illegible] & SHIPMENTS TONAGE	INCREASES TONAGE
ALLENTOWN	134	540090	63	85562	17933		61100
ALPHA	550	1935794	474	629115	64189		71238
ATLAS	754	2526478	512	637807	95844		361235
BATH	72	178200	95	109700	600		9671
COPLAY	214	469206	98	201735	10101		5916
DEXTER	283	569118	86	120218	4700		10200
EDISON	136	609527	211	324786	40142		178210
GIANT	113	576709	63	119694	8812		40547
HERCULES	361	586687	198	812903	6138		62212
KEYSTONE	833	723681	21	47600	3500		13669
LAWRENCE	301	1251443	110	199122	23269		91190
LEHIGH	761	2053409	660	849253	80446		82252
NAZARETH	236	1088971	122	181302	20619		38550
PENN ALLEN	104	217265	88	116262	17750		44[illegible]9
PENNSYLVANIA	220	851500	41	191596	84553		3000
PHOENIX	69	273680	118	275340	4834		7642
VULCANITE	863	558427	421	846997	13057		120363
TOTAL	4856	14878303 350812 15229115	3181	4956662 1116348 5795004	380812		1168320

Govt. Ex. No. 422

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST EIGHT MONTHS 1920

COMPANY	NEW CONTRACTS NO.	NEW CONTRACTS TONAGE	CANCELLED CONTRACTS NO.	CANCELLED CONTRACTS TONAGE	RETURN SHIPMENTS & ORDINARY TONAGE	INCREASES TONAGE
ALLENTOWN	155	594750	113	175650	19638	61100
ALPHA	550	1954[illegible]9	545	697853	66589	71238
ATLAS	806	2662878	807	778046	74958	361235
BATH	78	178200	139	199200	600	9671
COPLAY	234	469206	146	284755	10101	43057
DEXTER	285	573118	106	188237	4700	16200
EDISON	140	622527	269	483280	40142	269253
GIANT	113	576709	83	163[illegible]3	8812	52761
HERCULES	361	586687	240	8[illegible]205	6138	62212
KEYSTONE	833	723681	44	176767	3500	44807
LAWRENCE	304	1254963	126	231858	23269	98198
LEHIGH	770	2080909	770	986969	81137	103877
NAZARETH	238	1041971	173	329762	12138	38550
PENN ALLEN	105	219265	108	163300	17750	44059
PENNSYLVANIA	234	858500	42	83000	84553	3000
PHOENIX	69	283680	121	300503	4834	7642
VULCANITE	867	568427	260	875638	13057	134358
TOTAL	4956	15841135 [illegible] [illegible]	3934	5841650 [illegible] [illegible]	429996	1341052

Govt. Ex. No. 423

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST NINE MONTHS 1920

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	196	549390	168	307197	19638	99788
ALPHA	552	1964754	604	742958	67570	80238
ATLAS	827	2826078	699	881120	78934	443039
BATH	72	176200	147	214764	800	9671
COPLAY	218	495706	195	305206	10101	42157
DEXTER	289	587362	126	204502	4700	18219
EDISON	140	622527	287	504860	40142	194657
GIANT	113	336729	92	183621	2812	95557
HERCULES	362	586687	344	339375	6138	73535
KNICKERBOCKER	233	723841	60	176767	3500	44203
LAWRENCE	310	1273643	144	290558	23269	95190
LEHIGH	775	2219209	661	1031852	81697	113892
NAZARETH	258	1041971	169	339119	12138	15850
PENN ALLEN	107	225463	113	172784	17750	56820
PENNSYLVANIA	239	814000	71	320921	27553	3000
PHOENIX	69	223600	137	351092	4614	7442
VULCANITE	261	630735	253	310575	13457	143581
TOTAL	5080	19618063 534811 19083876	4513	6677271 1539445 5216716	414813	1539445

Govt. Ex. No. 424

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST TEN MONTHS 1920

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	197	584390	237	423442	13638	99788
ALPHA	558	1990194	667	852489	67570	80238
ATLAS	860	2957328	804	986038	78934	486099
BATH	74	185200	149	221904	800	9671
COPLAY	219	506706	224	334070	10101	42157
DEXTER	290	588862	145	214719	4700	19819
EDISON	141	626427	313	507545	40142	200480
GIANT	114	340229	100	217134	2812	103557
HERCULES	362	606687	344	384959	38932	79580
KNICKERBOCKER	234	730441	159	496757	3500	52399
LAWRENCE	311	1278043	192	334753	23269	102---
LEHIGH	786	2274359	549	1383537	85697	139857
NAZARETH	258	1041971	427	347498	12138	15850
PENN ALLEN	109	226377	116	178668	17750	56820
PENNSYLVANIA	247	840500	71	327737	27553	3000
PHOENIX	70	226180	137	351092	4614	7442
VULCANITE	264	652980	327	338923	13457	150374
TOTAL	5080	19[illegible] [illegible] [illegible]	5[illegible]	7[illegible] [illegible] [illegible]	451607	1649727

Govt. Ex. No. 425

FORM 9

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST ELEVEN MONTHS 1920.

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASE TODATE
ALLENTOWN	197	564390	266	483653	19638	102788
ALPHA	557	1958894	764	1040869	67570	80238
ATLAS	903	3056066	863	1086942	78934	516283
BATH	77	190800	151	284497	800	9671
COPLAY	223	515469	248	375296	10101	46475
DEXTER	291	598868	153	230834	4700	21241
EDISON	141	628427	333	582738	40142	200480
GIANT	116	543329	114	234426	2812	106757
HERCULES	363	629867	415	414783	38932	79580
KNICKERBOCKER	234	730881	184	324357	8000	52399
LAWRENCE	313	1286943	214	389629	23269	100596
LEHIGH	800	2305059	954	1264829	86847	162929
NAZARETH	238	1041971	247	408557	12138	15850
PENN ALLEN	114	235777	127	200249	17750	58830
PENNSYLVANIA	254	974500	115	430060	27553	3000
PHOENIX	74	240180	150	383130	4614	7442
VULCANITE	296	655460	366	359034	14457	154748
TOTAL	5131	16222921 458257 16681178	5704	8433983 1719297 10153280	458257	1719297

FORM 9

Govt. Ex. No. 426

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR LAST TWELVE MONTHS 1920

COMPANY	NEW CONTRACTS NO. TODATE	BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	199	565890	319	996010	20638	110788
ALPHA	561	1998894	816	1255305	67570	84234
ATLAS	919	3105116	896	1143783	78934	540533
BATH	86	209619	155	241883	800	9671
COPLAY	228	523563	269	405147	11001	46475
DEXTER	293	633763	165	262919	4700	21241
EDISON	141	628427	334	673833	40142	200480
GIANT	120	628829 ✓	119	240738	2812	106757
HERCULES	364	631387	421	441245	38932	79580
KNICKERBOCKER	234	730881	210	364759	8000	52399
LAWRENCE	313	1286943	364	741651	23269	100796
LEHIGH	805	2312955	1018	1285250	86847	165608
NAZARETH	238	1041971	305 ✓	552378	12138	18817
PENN ALLEN	116	238977	127	200249	17750	58830
PENNSYLVANIA	256	978500	190	632878	29553	29725
PHOENIX	75	252180	150	383130	4614	7442
VULCANITE	300	663260	417	426801	14457	154748
TOTAL	5349	16427281 462157 16889438	6295	9847965 1768118 11616083	462157	1768118

FORM 9

Govt. Ex. No. 427

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST TWO MONTHS 1921

COMPANY	NEW CONTRACTS NO.	NEW CONTRACTS BBLS. TODATE	CANCELLED CONTRACTS NO.	CANCELLED CONTRACTS BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	DECREASES TODATE
ALLENTOWN	3	4100	1	1292	....	...
ALPHA	17	59250	79	446485	33243	....
ATLAS	80	204790	52	134339	....	2800
BATH	10	55450	20	133396	....	....
COPLAY	12	109036	82	104596	....	....
DEXTER	2	14500	25	62436	2100	....
EDISON	3	4200	12	72223	....	....
GIANT	24	136400	32	137082	....	....
HERCULES	4	6400	20	57739	17000	34085
KNICKERBOCKER	4	20750	1	3111	13852	29535
LAWRENCE	6	20000	5	14664	....	....
LEHIGH	49	113335	146	534591	2850	21585
NAZARETH	13	107500	57	142761	....	400
PENN ALLEN	10	14350	10	10646	....	....
PENNSYLVANIA	14	65000	100	297193	9284	32152
PHOENIX	....	....	16	49215	2000	....
VULCANITE	18	72483	19	66611	11322	....
TOTAL	269	1004544 91657 1096201	677	2268280 116586 2384866	91657	116586

FORM 9

Govt. Ex. No. 428

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
MONTHLY SUMMARY OF CONTRACTS FOR FIRST THREE MONTHS 1921

COMPANY	NEW CONTRACTS NO. TODATE	NEW CONTRACTS BBLS. TODATE	CANCELLED CONTRACTS NO. TODATE	CANCELLED CONTRACTS BBLS. TODATE	REINSTATEMENTS & INCREASES TODATE	INCREASES TODATE
ALLENTOWN	11	36800	3	2100	5096	....
ALPHA	72	199035	83	460322	66446	....
ATLAS	142	352638	58	150792	2000	2800
BATH	17	98400	20	133296	....	....
COPLAY	21	116586	87	107364	....	....
DEXTER	6	54000	30	83175	2100	4000
EDISON	12	55586	26	133746	3000	....
GIANT	31	158425	34	160082	....	....
HERCULES	6	7900	20	57739	17000	34085
KNICKERBOCKER	11	58081	1	3111	13852	29535
LAWRENCE	18	74597	40	77018	....	....
LEHIGH	119	285273	151	542095	51171	26166
NAZARETH	17	122600	65	154763	....	400
PENN ALLEN	22	30950	10	10646	5061	1015
PENNSYLVANIA	33	166075	138	421280	27284	34381
PHOENIX	5	5400	14	49215	2000	....
VULCANITE	31	104447	35	87165	14099	....
TOTAL	576	1966733 [illegible] [illegible]	817	2634509 [illegible] [illegible]	209109	126548

Govt. Ex. No. 429

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
COMPILED FROM ASSOCIATION'S REPORT OF CONTRACTS
AS OF JANUARY 31ST, 1927:

	NEW YORK	PENNSYLVANIA	NEW JERSEY	MASSACHUSETTS	CONNECTICUT	OHIO	WEST VIRGINIA	VIRGINIA	DISTRICT OF COLUMBIA	RHODE ISLAND	MARYLAND	NORTH CAROLINA	MAINE	FLORIDA	DELAWARE	SOUTH CAROLINA & MISCELLANEOUS	VERMONT & NEW HAMPSHIRE	CONNECTICUT GEORGIA & TENNESSEE	FOREIGN	TOTAL
ALLENTOWN	157,823	129,014	52,377	159,470	30,150	930	850			10,000			700				1,200			500,934
ALPHA	619,170	520,134	96,700	73,056	66,393	306,029	61,845	4,953	6,500	26,016	208,951	7,065	77,151	63,673	6,580		4,070	500	9,850	2,080,536
ATLAS	1,064,483	850,807	179,576	149,953	40,522		109,500	30,994	10,262	11,434	61,845	8,667	43,787	17,835	4,805		10,220	15,695	111,100	2,156,731
BATH	112,395	139,587	858,851	81,730	3,680										12,355		800			491,858
BATTLE	69,200																			69,200
BLUEGRASS						6,854	2,183	85,179				58,825				4,491		37,758		136,704
BOWLEY	272,552	624,805	78,784	85,630	31,400	32,310		4,568	33,050		9,850			9,134	49,400					277,903
BOYER	19,870	167,051	99,436	15,846	28,000	800		3,180	15,900	30,312	5,500								18,701	340,801
BUCKS	452,769	87,862	820,589	46,187	36,385	86,593	10,000		3,500	6,961	51,650	3,296	500	1,741	840	6,887				958,777
CLAYE	868,780	881,536	278,852	11,850	89,796	89,355		253,800	45,300		124,619	5,000	3,570				1,178			1,884,811
CRICKENBOCKER	183,368			128,350	37,382					1,000							16,900			327,100
LAWRENCE	462,740	160,046	121,883	127,507	28,825	7,850	2,216			15,580	15,618		20,633							906,707
LEHIGH	649,140	458,504	290,012	358,177	27,085		18,999	48,648	38,619	7,595	96,409	7,850	11,854	6,700	500	325	3,420	990	62,913	2,092,348
MILLER	126,339																			126,339
NAZARETH	67,889	345,831		140,710	97,770					23,860	32,540		1,850		15,368		1,400			727,198
PENN-ALLEN	18,145	156,473	29,610	2,176	9,210						19,850									229,064
PENNSYLVANIA	533,347	805,370	229,167	32,540	48,850				68,520	2,000									15,800	1,102,184
PHOENIX	118,589	133,053	14,786	38,786						2,000									12,991	313,805
VIRGINIA						29,235	51,063	139,666				62,345						1,400		283,749
VOLUNTEER	72,296	148,620	65,478	61,443	22,841			520	34,019	20,062	700			3,000	10,000		518			439,096
TOTAL	5,116,174	5,931,097	1,895,427	1,435,011	510,792	436,327	359,276	492,429	266,790	143,143	616,866	146,606	113,411	102,083	98,246	11,603	38,611	55,737	269,762	15,292,890

609-624

1469-1471

[fol. 1471½] Govt. Ex. No. 513

The Edison Portland Cement Co.

Stewartsville, N. J.

January 9, 1913.

Mr. John R. Morron, President Eastern Cement Association, 30 Broad St., New York, N. Y.

Dear Mr. Morron: Enclosed please find a copy of report made by our Statistical Committee, which I trust you will very carefully consider.

Yours very truly, (Signed) W. S. Mallory, Chairman Committee on Statistics.

P.S.—I have sent a duplicate of the above letter to every member of our Association, and also to the Companies who are not members, as I believe it is desirable to have them all thoroughly understand the danger of over-producing in Winter months. W. S. M.

[fol. 1472] Govt. Ex. No. 514

Eastern Cement Association

Stewartsville, N. J.

January 30, 1913.

Mr. John R. Morron, President Atlas Portland Cement Co., 30 Broad Street, New York.

Dear Mr. Morron: Since the last meeting of our Association, I have been going carefully into the question of compiling the monthly statistics for our Committee covering the last four years, as a basis of comparison with future figures, and find that with your permission, our Committee can obtain them from Mr. Percy H. Wilson, Statistician of the Association of American Portland Cement Manufacturers, and in this way it will save you the trouble of making up these past figures for our Committee.

Also with your permission, we can obtain from Mr. Wilson duplicates of the future figures on production shipments and stock on hand, and handling the matter in this way, it will only be necessary for your company to forward one set of figures, and the writer believes this will save some confusion.

[fol. 1472½] If this plan is satisfactory to you, I would appreciate it if you would so advise me, and I will turn your letter over to Mr. Wilson as authority for delivering to our Secretary, Mr. Kittrell, the past and future statistics.

At the next meeting of our Association, our Committee will present for your consideration the desirability of forwarding to the executive officer for each of the members of the Eastern Cement Association

a monthly typewritten sheet giving the production, shipments and stock on hand of each individual company, the desirability for such action being a matter of education to all of our members as to the exact statistical condition.

Trusting that you will cooperate with our Committee in permitting us to obtain the statistics from Mr. Wilson and will be prepared to consider the other question at our next meeting, I am

Yours very truly, (Signed) W. S. Mallory Chairman Committee on Statistics.

[fol. 1473] Govt. Ex. No. 515

July 22, 1913.

Dear Mr. Harding: Thank you very much for yours of the 21st, and the statistics you send me are very interesting. That ratio of shipments to production is just about right, and the percentage of operation as related to maximum was very well attended to in each instance.

I wish you would stop in and see me the next time you are here. I think conditions are looking quite a little better in some respects.

Yours very truly, Morron.

Mr. W. H. Harding, 1718 Land Title Bldg., Philadelphia, Pa.

[fol. 1473½] Govt. Ex. No. 516

Dec. 29, 1913.

Dear George: I thought perhaps it might be of interest to you to see a rather accurate account of a little informal talk which I made to the Cement Manufacturers at their annual dinner, as it, I think, expresses the Atlas opinion of conditions.

Yours very truly, Mr. George F. Baker, Jr., 2 Wall Street, York.

Above enclosure: memo.:

"The future first depends upon a careful inventory of conditions and knowledge of actual facts. A knowledge of proper depreciation. A correct sinking fund for depletion of rock. An accurate knowledge of cost per bbl. of all other factors which must be added to mill cost before real cost is properly understood. When these facts have been made clear, then it would seem each manfr. would realize the lowest minimum price at which he can afford to sell so as to make fair and reasonable return to stockholders or owners. The arbitrary increase of output in any territory will not mean, in the majority of cases, that the smaller Co. or Cos. would be unable to live, [fol. 1474] but an arbitrary will make the entire regional situation unsatisfactory as to profit, because each will think he must dispose

of his entire profit, and therefore will narrow difference between cost of production and selling price below a normal return. Good judgment in regard to output will be far more substantial than even the best distributing advantage and force which any Co. may have. In an industry which has shown a continued increase from its inception in this country, where amts. shipped each year for 10 yrs. has been greater than the preceding year, and where new usages are going to increase the demand, in spite of general present conditions, it would behoove each one of us, and not just some of us, to be cautious in not mfg. and carrying in stock the capacity of a mill, but to curtail according to what each may think is a normal condition, and realizing that should he continue to violate the 11th commandment, he will force others into the same position.

A careful and close watchfulness of costs will not result in a difference greater than a few cents between the Cos. who are today well organized and located. On the other hand, an ill-considered selling price will constantly narrow the difference between the cost and the selling price many times and amt. of any saving in operation. I therefore contend that future of cement business, more or less, lies in the process of digestion. I think the increase in usage will, before many yrs. enable each present operating Co. to run its maximum, and still be short of supplying the wants. Until that time to operate at maximum, out of proportion to the conditions, would result in about the same unsatisfactory results as oc-[fol. 1474½] curred the year before this last one. The Atlas Co. expects to observe this principle until some of the Cos. less patient force it to change the policy. Then it will do it vigorously and not temporarily.

Subterfuges and rebates of any kind, including blank (blanket—?) orders, are detrimental in practice to consumers, dealers and manfrs. These practices are hard to change when once inaugurated. They create competition against the manfr. himself, and do not belong to modern business methods, which should be public and above board. It is impossible to regulate the price of any commodity by agreement. The price of cement, fortunately or unfortunately, must always remain about the same with each living condition. Year before last, when competition rampant, prices of all brands about same, even at low level and in spite of vicous competition. If demand should increase and supply diminish, price will still remain about on a level for brands of equal quality, until such time as an individual will develops a local condition of congestion, which will be temporary.

Good business practices are based upon good morals. Good morals should come under head of moral law. Moral law, is conceded, in most cases, not to violate civil law, and it therefore seems to me that the principles cannot be attacked by any form of our Government, and that it is perfectly within our rights to discuss those practices of distribution which will be fair to the distributor and the consumer or dealer.

[fol. 1475] Govt. Ex. No. 517

Feb. 16, 1914.

Dear Mr. Hagar: I was just wondering in looking over your figures of January and the non-production at Pittsburgh, as to whether it meant that the plant was down, or that you were only manufacturing clinker and not finished product. This was drawn to my attention because Mr. Holman told me that you were very nice in saying to him that you thought our January shipments were good, and I told Mr. Holman that our January shipments were not anywhere near as good a percentage as yours, that you had shipped over 100% of the cement produced. In other words, that your stock on hand Feb. 1st was less than it was Jan. 1st, and it brought to my mind that perhaps the difference might be in clinker unreported. Am I right?

Yours very truly, —— ——.

Mr. E. M. Hagar, Prest. Universal Portland Cement Co., 72 W. Adams St., Chicago.

[fol. 1475½] Govt. Ex. No. 518

April 9, 1914.

Dear Mr. Hagar: Thank you very much for yours of the 7th, and I too have pleasant recollections of my call upon you, and look forward to seeing you when you are next here.

I note that the spring season had not opened with you, and that shipping instructions are bad, and they are simply awful with us this mont-, both east and west. The west has dropped off so there is nothing at all, not half per day of March up to this time, and, unlike you, our sales are not good. However, we hope for better things later on.

I am enclosing you our figures for March, and you will notice that we are far below our March of last year too.

Yours very truly, —— ——.

Mr. E. M. Hagar, President, Universal Portland Cement Co., 72 W. Adams St., Chicago, Ill.

[fol. 1476] Govt. Ex. No. 519

May 14, 1914.

Dear Mr. Hagar: Enclosed find our figures for April.

I enjoyed our little visit together in Philadelphia very much.

Yours very truly, Morron.

Mr. E. M. Hagar, President, Universal Portland Cement Co., 72 W. Adams St., Chicago, Ill.

[fol. 1476½] Govt. Ex. No. 520

May 19, 1914.

Dear Mr. Fuller: Thank you very much for yours of the 18th. Evidently Mr. Weaver must have misunderstood the remark which he refers to. The Atlas company has no right to criticise and does not want to criticise the prices that other people get for their product, but possibly the remark Mr. Weaver referred to was one that I made in which I stated that the Atlas company always had and always would have keen competition, that they did not care what anybody sold his product for, but that they were dead opposed to any concern's rebating or paying commissions or discounts, or subterfuges; that the thing to do was to sell its cement in a straightforward way at any price it wanted to, but have it in the open so that competitors can do just as they choose in regard to meeting it or not. But I, personally, have no use for anyone who tries to create evidence on any proposition, contrary to the real truth.

Thank you very much for the invitation to visit your plant, and I would like to do it. You know I never pretend to know much about cement or its manufacture, and the only thing I am giving real attention to is, widening the difference between cost of production and [fol. 1477] selling price; but I would like very much to stop in and see you, and I expect to do so.

As I understand it, we are giving consideration to a proposition to give one of your grinding mills a test, and I hope it will result in doing business.

I have been told that you have a very orderly and well run plant, and this letter gives me an opportunity of thanking you for allowing our representatives to go through, some few days ago; and at any time we can reciprocate your courtesy please let me know.

Yours very truly, —— ——.

Mr. J. W. Fuller, Manager Director, The Allentown Portland Cement Co., Allentown, Pa.

[fol. 1477½] Govt. Ex. No. 521

March 5, 1915.

Dear Mr. Affeck, Iam very glad to have your letter of the 3rd, and return you our figures for the month of February, and write particularly to congratulate you upon the curtailment of your output of both clinker and finished product. It is the science of merchandising to do this, and it will win in the end just as sure as night follows day.

It is true that the Edison Company expects to suspend business April 1st, and, confidentially, it is because of losses in the fire, and the fact that they do not feel able to compete with the present unsatisfactory conditions here in the east.

I am very optimistic myself about the western situation. There is only one thing I have in the back of my mind which I should

like to talk over with you one day. I am inclined to think, if conditions do not change in the east, that they cannot consistently remain as they are in the west.

I would be glad to see you when you are here next.

Yours very truly, Morron.

Mr. B. F. Affleck, President, Universal Portland Cement Co., 208 So. La Salle St., Chicago:

[fol. 1478] Govt. Ex. No. 522

Office of the President Universal Portland Cement Co., Chicago

March 11, 1915.

Mr. John R. Morron, President Atlas Portland Cement Co., 30 Broad Street, New York City.

Personal

My Dear Mr. Morron: Thank you for your kind note of the 5th with enclosure.

I have just received the Association statistics. It is pleasing to note a total curtailment in production in the country during the first two months of the year of 29%, against which we have a shrinkage in shipments of 4%. It is noted, however, that the production in Michigan for the first two months of 1915 was 15% greater than in 1914. In the No. 5 group, including our Pittsburgh plant, the production shows an increase of 4%. Our production of cement, however, was 4% less and of clinker about 50% less.

Our operations are continuing on a basis of about 50% and while our shipments will be much better than they were last month, they will be lighter than any previous March since 1912.

Yours truly, (Signed) B. F. Affleck.

[fol. 1478½] Govt. Ex. No. 523

Giving *Giving* out of any information of any character.

MacFarland and Kimball.

March 30th, 1915.

I notice that the Press quotes the Atlas Company's policy and prices in their issue of March 30th. I do not know where this came from, but please consider this as a notice to notify all your subordinates that the Atlas Company desires no information given to any newspaper whatsoever, or to any one else, on what it is doing, has done, or may do, on prices, policy or anything else.

Any information given out must be given through the President.

Yours very truly, Morron.

Copy H. E. H. W. W. K. A. O. S. W. Y.

[fol. 1479] Govt. Ex. No. 524

Personal Note, H. G. Trexler to Morron

Oct. 29/15.

Has arranged dinner at Lehigh Country Club, Tuesday Nov. 9, 7:30 with auto trip next morning and luncheon afterwards at Club. Invites Morron.

Govt. Ex. No. 525

October 29, 1915.

Harry C. Trexler, Allenton, Penna.

Dear Mr. MacFarland: I am anxious to have my friends among Cement Manufacturers see some of the beauties of nature near Allentown at this time of the year.

I have accordingly arranged a dinner at the Lehigh Country Club for Tuesday, November 9th at 7:30 P. M., an auto trip starting from Allentown the following morning to the game preserve and a luncheon afterward at the Lehigh Country Club.

I will be pleased to have you one of my guests for the program outlined and trust you will be able to be present.

Yours respectfully, (Signed) Harry C. Trexler.

D. H. MacFarland, New York, N. Y.

[fol. 1479½] Govt. Ex. No. 526

November 1st, 1915.

Dear Mr. Trexler: Thank you very much for your kind invitation of October 29th to see some of the beauties of nature near Allentown.

It will give me a great deal of pleasure to accept your dinner invitation at the Lehigh Country Club, Tuesday, November 9th, at 7:30 P. M.

With very kind regards, I am

Sincerely yours, MacFarland

Mr. Harry C. Trexler, Allenton, Penna.

[fol. 1480] Govt. Ex. No. 527

Bath Portland Cement Company,

Philadelphia, Pa.

Nov. 13, 1915.

Mr. D. H. MacFarland, Atlas Portland Cement Co., 30 Broad Street, New York City.

Dear Sir: Enclosed find copy of letter written on Nov. 8th to our representative, C. R. Buckley, Baltimore, Maryland. Mr. Buckley just recently came with us, and in sending him to Baltimore he misunderstood our instructions. We learned of this, and immediately took steps to correct same.

As per the attached copy of letter, you will note the lines under which Mr. Buckley is working, the same applying to all our representatives. If you should hear of anything to the contrary we would be pleased indeed to have you take up the matter with this office.

We are enclosing copy of one of Mr. Buckley's reports, which explains itself.

With very kindest regards, and assuring you of our hearty cooperation, remain

Very truly yours, Bath Portland Cement Company, per (Signed) John C. Larimer.

Bath Portland Cement Company

[fol. 1480½] November 9, 1915.

Called on the following concern November 9, 1915:
Name: National Supply Company.
Town: Baltimore, Md.
Dealer, contractor or consumer: Dealer.
Regarding what matter: ——.

Remarks

This was my second visit to these people. They considered Bath but came to the conclusion that they would not handle it this year. Security is the brand they shove.

Buying what brands? Security & a litle Alpha and Atlas.

C. R. Buckley, Salesman.

Copy

Philadelphia, —— 8, 1915.

C. R. Buckley, Baltimore, Md.

Dear Sir: We have your letter of the 6th also reports of visits to various concerns. We note your remarks regarding the Eastern [fol. 1481] Supply Co. Beg to advise that in view that we are not able to book these people prior to the advance, we will be unable to book their order less than $1.73.

Keep on as you are doing, getting acquainted with the trade, and quote not less than $1.00 and 1.05 mill. The opportunity will come later when you will be able to get in with these various concerns.

On account of increased cost of production, cement might possibly advance another ten cents between now and the first of the year and in consequence it will be easier to secure business.

Very truly yours, Bath Portland Cement Company.

[fol. 1481½] GOVT. EX. No. 528

J. A. Horner, Treas., Nazareth Co., to Morron

Nov. 15/15.

Has heard exaggerated reports on what Nazareth Co. has been doing last six months in mfg. and shipping. From Jan. 1st last to present time mill down tight within 3 days of six months, going down tight Dec. 1 and with proposed changes and repairs will not be operated till last of Jan. or 1st of Feb. 3 manfrs told me in last several days it was generally understood we had added two large kilns. This seems so unfair I wish you to know true condition. Hoped to close down mill Nov. 15 or at least part of it, but for reasons (as stated) must keep mill operating till Dec. 1.

[fol. 1482] GOVT. EX. No. 529

Morron to Horner

Nov. 16/15.

Thanks for yours of 15th. I never pay any attention to rumors. Am glad you are not to operate the extra two kilns, because if your Co. is run as ours, we find it much sounder to regulate mfg. in relation to our demand. There always has been a great temptation to run mills full, and I do not believe it is to interest of public policy to do it.

"We must not, of course, any of us, do anything that is without the spirit of the law, but good business sense is a thing each Co. should take into consideration; it is their duty to do it. As far as I am concerned, I expect to continue in this business, as I always have, in trying to regulate supply and demand, as far as this individual co. is concerned.

[fol. 1482½] GOVT. EX. No. 530

Coogan Secy. Alpha to MacFarland

Nov. 16/15.

Have arranged to meet some gentlemen at Raleigh, Washington, Friday, Nov. 19, at 11 A. M. As to arranging this day, thought

you gentlemen would be attending Phila. meeting on Thus. and could go down either Thursday night or Friday morning.

Attached to above are following:

Minutes of Meeting at Machinery Club, 50 Church St., Thursday, Nov. 4, 1 P. M.

Present: Erdell, Cope, Weaver, Griffith, Moyer, Alker, Miller, Hilles, Dutton, Brown, Swett, Gilkyneon, Horner, Beach, Coogan, Stradkey.

F. M. Coogan appointed Sec. Lists of outstanding contracts as sent to each member by Sec. discussed. From records and reports at hand would appear that number of contracts were duplicated by different dealers and number of contracts lodged with more than one Co. Investigation developed that cement for some jobs was furnished by another dealer with different brands of cement. Number of contracts shown on list were entirely completed and occupied by tenants and in some cases no such jobs as covered by contract existed. [fol. 1483] It was decided that secy. make up list of results of investigation so far made, and that copy be sent to each member where present with request that they check over their contracts and [were]* found to be not bona fide to have them cancelled, or if quantities were not in accordance with requirements of the job, quantities should be reduced. List of the results is attached hereto. These jobs are listed in order in which they are shown on original report sent by you after our meeting of Oct. 19. On original report you will find the full information regarding number of bbls. originally contracted for an- number shipped against each job.

Meeting adjourned at 5 P. M. On [investigation]* of R. W. Hilles, the gentlemen were invited to meeting at Union League Club, Phila., Thursday, Nov. 18, at 3 P. M. invitation

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[fol. 1483½] Govt. Ex. No. 531

Minutes of Meeting at Hotel Raleigh, Washington, Friday, Nov. 19/15, 11 A. M.

Nov. 19/15.

Present: Young, Chairman, Miller, Brown, Cover, Kelly, Scott, Swett, MacFarland, Moyer, Stapleton, Barbour, Law, Fetter, Harter, Dutton, Ford, Griffith, McCante, Dalbey, Coogan.

Matter of sale, methods and trade practices in South talked over in detail. There seem to be great difficulty and misunderstanding as between Southern Mills and those located in Baltimore District

[*Words and figures enclosed in brackets erased in copy.]

and Lehigh Valley in regard to new method of discount and also method of sales to railroads, etc. After discussion these matters thoroughly discussed by all and it was decided there should be frequent meetings for dissemination of information regarding trade practices as they might affect the different producing districts.

Unanimously decided next meeting be held in N. Y. Tuesday, Dec. 14, 10 A. M. at Hotel Biltmore.

F. M. Coogan, Secy.

[fol. 1484] GOVT. EX. No. 532

The Atlas Portland Cement Company

New York

Subject: Meetings.
Mr. MacFarland, New York.

St. Louis-New York, Nov. 28th, 1915.

DEAR MR. MACFARLAND: As you know, I have been at Hannibal, and came down here to St. Louis to have a talk with Mr. Conrades, and it would seem to me that he will put some life into this situation, so that we will be more aggressive. There is hard competition here, but we have got to get more business, that is all there is to it.

The main reason for my writing you this letter is because in a talk which Mr. McConell had with me yesterday afternoon he related having been shown a memorandum of what he called some meeting held in Washington of the Southern Manufacturers of cement, and some others as I recall it, in which your name appears, and Mr. McConnell stated to me that the record of that meeting as it had been shown to him was one that he felt sure I would not approve of, and that brought up to my mind a condition on which I have spoken to you a great many times, and which I feel sure you fully appreciate, [fol. 1484½] but I want to emphasize it again. The Atlas Company wants to do anything it can legitimately to improve trade ethics. We have made changes in our terms to 5c a barrel so as to make it an inducement for dealers to handle cement as against other building materials. We are willing to do anything that is within the spirit of the law to straighten out bad customs, but the Atlas Company will not and must not, take part in any conferences which might be misinterpreted.

I know that you feel just as I do on this, but it is a good deal like an automobile; it is not what you do yourself when you drive, but you have got to be on the lookout for what the other fellow does, and while you might not have any intention of entering into any conference that would touch upon any matters other than those which we believe in, still if you take four, five, six, or a dozen men and put them together, somebody is liable to misinterpret it, and the Atlas Company is so staunch in its policy that I feel it necessary to write you this letter again, so that you may be guided thereby. Now do not misunderstand me; I do not think you have done a thing you

should not have done, but in the enthusiasm of some of these other fellows you cannot tell what they will report, and I do not want you to take part in any conferences of any kind that are not strictly in accord with our policy. Furthermore, it seems to me that it would be the safest thing, even when you are talking over these ethics which we have a right to discuss as I understand it, that you should have Mr. Cox, or some lawyer there to take down the record of the [fol. 1485] meeting, so that there can be no misunderstanding, or that no one after it is all over can say that you were trying to do something which you really did not intend to do.

At the time of the investigation about a year ago of our company and others in the industry, I was perfectly frank in showing them everything, and telling them the exact conditions, and the only danger that we were in at any time was what some other fellow said we were trying to do, not what we were really trying to do, and the strength of our position was that I had a record of our intentions, and we were not dependent upon somebody else's memory as to what was done.

This must have your very careful attention, and you must handle the matter on those lines always, and without exception.

Yours truly, (Signed) J. R. M.

[fol. 1485½] Govt. Ex. No. 533

Memorandum

December 1, 1915.

At an informal meeting of various Eastern manufacturers at the Railroad Club, held November 30th, I made the statement that from two recent letters I had received I felt there might be a misapprehension as to the exact position of the Atlas Company in connection with the handling of its business and, therefore, wanted to state that we were always glad to furnish and receive statistical information of past performances, and that we would be willing to do anything that was within the spirit, as well as the letter of the law, to correct bad customs, but that we would under no circumstances be a party to any arrangement that might be construed as having at any time a price understanding or agreement, and to illustrate to those present—without mentioning the names of the Companies from which I had received letters that might be misconstrued—I read the substance of my reply to a letter I wrote November 30th to Mr. J. C. Lorimer of the Bath Portland Cement Company, and another letter I wrote Mr. W. B. Dutton, General Sales Manager of the Coplay Cement Manufacturing Company.

(Signed) D. H. MacFarland.

[fol. 1486] Govt. Ex. No. 534

Memorandum

Telephone conversation between President John R. Morron and W. S. Malory between eleven and eleven-thirty o'clock Saturday, December fourth, 1915, there being present in the president's office, at 30 Broad street, at that time Mr. W. E. Miner and Mr. D. H. MacFarland.

The conversation related to statistical information compiled by Mr. Mallory of the cement business.

President Morron stated to Mr. Mallory that it was his understanding that the statistics compiled by Mr. Mallory showed the production in past years of the various plants, and that wherever he showed a minus sign it would indicate that the Atlas Company's average production for this year was less than its average production for the three years; and that wherever he showed a plus sign it would indicate that the Atlas Company's shipments averaged greater than the average for the three years. This information is valuable as by these plus and minus statements he was able to determine Atlas volume of business.

[fol. 1486½] President Morron stated to Mr. Mallory that he felt that at the recent conferences some of those attending misinterpreted the object of the compilation of these statistics and have inferred that they were dealing with the price of cement, and that he had written Mr. MacFarland to that effect, instructing that he should not be a party to any further conference, because some of those attending such conferences seemed to be impressed with, and to convey the, idea that they related to prices which was not to be considered for a moment, and therefore we would not be a party to or take part in any way in any further conferences, nor would we be represented at any time or place with any one, except a chaperon be present, meaning an attorney.

December 4th, 1915.

[fol. 1487] Govt. Ex. No. 535

Jan. 11, 1916.

D. H. MacFarland, Chicago, Ill.:

Enclosed herewith please find copy of letter from Mr. Clark in explanation of tabulation of bids opened on the 10th inst. by the City of Worcester,

Yours very truly, —— ——. CAK/MH.

Enc.

The Atlas Portland Cement Co.

Boston

C. A. Kimball: Jan. 10, 1916.

Explaining our tabulation of bids today at Worcester, Mass. you will note that the only two manufacturers who bid direct maintained

the proper price. Smith Green Co. also maintained the right price but put one over on us as regarding cash discount telling us previous to the bid that they would confine 5¢ per bbl. discount to ten days from date of invoice, but actually giving the benefit of 5¢ per bbl. cash discount if payable on 26th of month following delivery. It is said in Worcester that the contract will be awarded F. E. Powers Co. whose price with bags off amounts to $1.47 per bbl. being even lower [fol. 1487½] than other bids which may have specified cash discount of 5¢ per bbl. There is some talk that one of the Worcester dealers will write to the Manufacturers of the brands named by F. E. Powers Co., protesting against their making shipments on price basis which is so clearly under the market.

E. W. Clark

The Atlas Portland Cement Co., Boston

C. A. Kimball, Jan. 10, 1916

Bids at Worcester, Mass., today resulted as follows:

		Per bag	Per bbl.	Bag rebate pre-paid by dealer	Terms	Bags at local shed
Saylors direct		.48¾	$1.95	9¾¢	5/10	...
Giant "		.48¾	1.95	9	no terms	...
Smith Green Co.	Alsen	.46¾	1.85	...	5¢ on 20th	7¾¢
Smith Green Co.	Lehigh, Atlas, Allentown, Dexter	.48¾	1.95	...	5¢ on 20th	10 ¢
B. F. Marsh Co.	Pen Allen, Phœnix, Saylors, Vulcanite, Atlas	48¾	1.95	...	5/10	9 85/100
Wood Lumber Co.	Dragon	.48 7/16	1.93¾	...	no terms	10¢
Worcester Fuel Co.	Nazareth.	.48¾	1.97	...	5/10	9¢
D. W. Lewis	Helderberg	.48¾	1.95	9¾¢	5/10	...
F. E. Powers Co.	Alpha, Saylors, Penn, Whitehall, Knickerbocker	.46¾	1.87	...	no discount	10¢

Yours very truly, E. W. Clark.

[fol. 1488] Govt. Ex. No. 536

W. S. Mallory, Easton, Pa.

January 17, 1916.

Mr John R. Morron, 30 Broad Street, New York, N. Y.

Dear Mr. Morron: At the meeting on January 14th, of the Cement Manufacturers' Protective Association, it was decided that

statistics relative to the production, shipments, and stock on hand, should hereafter be sent direct to the Secretary and compiled by him, and in accordance with this action, the December sheet, which is already in your hands, will be the last sheet that I expect to compile.

You will remember that at the time of the Association meeting at the Biltmore, I spoke to you, and you in turn took the matter up with Mr. Young as to the matter of checking the statistics, and since that time I have personally expended $135.65 covering the salary and expenses of man doing the checking, also the printing and mailing of the sheets themselves, together with trips which it was [fol. 1488½] necessary for me to make to the Tidewater, Whitehall and Knickerbocker offices to obtain the statistics.

At your convenience, I will appreciate it if you will arrange to reimburse me for this expenditure, in accordance with our understanding.

Yours very truly, (signed) W. S. Mallory.

[fol. 1489] Govt. Ex. No. 537

The Atlas Portland Cement Co.

New York

W. N. Miner, Treasurer

February 1, 1916.

The next meeting of the Cement Manufacturers Protective Association will be held at two o'clock on the afternoon of February 21st at the office in the Commercial Tryst Building, Philadelphia, Pa. I understand you will arange to be present.

I told Mr. Coogan that you would take up sales matters in connection with the Association during my absence, and also notified Mr. Bacon, Secretary of the Association to take up matters direct with you during the month of February.

Mr. Bacon will send you within a few days some forms on which we are to report our contracts. I talked on the telephone this morning with Mr. McKenna, indicating to him that these forms were coming, and told him just about how they should be worked up. Therefore, when these forms come, I presume you will turn them [fol. 1489½] over to Messrs. Kimball and McKenna so that the reports can be sent to the Association promptly.

I understand that at the meeting yesterday morning when the Credit men were there that there was some objection made by Mr. Medler when a few of the Sales Managers came into the room. I was not present at the time, but, of course, know why Mr. Medler objected owing to a previous letter we had from Mr. Stimson. Mr. Cox told me that he had been obligated to see Mr. Stimson, and see if he could not work it up so that our people would be straightened

out in a way that would permit the Credit Department to participate in the same way that the other companies were doing. Mr. Cox felt sure that Mr. Stimson's ruling was prior to the formation of the present association and he indicated that Mr. Stimson's letter to Mr. Morron, wherein he approved of the plan of the present association, would serve to cancel the previous letter. I think you will find that Mr. Cox will have a talk with Mr. Stimson in a few days, and if we do not hear anything from Mr. Stimson I presume that you will take the matter up.

Mr. Coogan will come in within a few days, and will let you have a full set of the freighr rates that were prepared by the Alpha Company and corrected up to date. When these are received, will you write Mr. Bacon, Secretary of the Association, and ask him to let us have five sets of freight rates, and when they are received will you have Mr. McKenna see that the sets received from the Association are corrected in the same way that the set has been corrected [fol. 1490] by Mr. Coogan, and then have Mr. McKenna be sure to see that these freighr rates are the basis we ure in arriving at our delivered prices.

So that you may understand the situation, the Association has taken over all the Alpha freight rate books and has paid them, or will pay for the balance that the Alpha Co. has been outstanding, representing the actual cost of the sets that are left. Then, a little later on, the Association will issue a new set under Association covers.

Yours very truly, D. H. MacFarland.

[fol. 1490½] Govt. Ex. No. 538

March 9, 1916.

Mr. John R. Morron, Atlas Portland Cement Co., 30 Broad Street, New York City.

Dear Mr. Morron: The Cement Manufacturers of the Nazareth District request the pleasure of your company for dinner on Tuesday, March 14th, at six P. M. at Delmonicos.

The moving pictures taken of the trip through Colonel Trexler's game preserve will be shown.

We hope that you will be able to *the* present.

Yours very truly, Bath Portland Cement Co., Dexter Portland Cement Co., Nazareth Cement Co., Penn-Allen Cement Co., Pennsylvania Cement Co., Phœnix Portland Cement Co.

Kindly address reply to Wm. N. Beach, 30 E. 42nd St., New York City.

[fol. 1491] Govt. Ex. No. 539

March 20, 1916.

Dear Mr. Beach: I am in Chicago now, and have just gotten back from the west, and find your letter of the 9th, inviting me to dine March 14th, and see the moving pictures, as a guest of the Bath, Dexter, Phœnix, Penn Allen, Pennsylvania and Phœnix Cement Companies.

I do not know of any dinner I would rather have attended, and regret exceedingly that my absence prevented my being there, and will you please convey this regret to each of the companies which were hosts.

With kind regards, I am,

Yours very truly, —— ——.

Mr. William N. Beach, 30 East 42nd St., New York.

[fol. 1491½] Govt. Ex. No. 540

Vulcanite Portland Cement Company

New York, May 3, 916.

Mr. D. H. McFarland, Atlas Portland Cement Co., 30 Broad Street, New York City.

Dear Sir:

Trade Practices

I am enclosing copy of Trade Practices which are in effect by this Company. This was read to you the other night mainly for your information. Considerable discussion developed due to the clause which makes quotations expire 30 days after the date of the quotation regardless of date an advance may take place. Some seem to think that quotations should be extended so as to expire 30 days after an advance, in addition some seem to think that it is better policy for their Company to have a price cover a job and such job be covered 30 days after an advance regardless as to whether the contractor has been quoted a price or not. Others seem to think that a clause should be inserted that the quotation should not be made [fol. 1492] until 10 days prior to opening of bids and for acceptance 5 days after award of contract but in any event to expire 30 days from date of quotation.

We believe that specific job quotations should be left open for acceptance within 5 days after award of contract by owner to contractor, and in no event after 30 days from date of quotation. Quotation should not be made for the job when quoting contractors direct but only be good for such contractors that had already been quoted, that the quotation should promptly expire 30 days from date of quotation regardless of when advance took place.

The main difference seems to be the quoting of the job instead of quoting the contractor. This would appear to me to cause the loss of quite some money to any Company adopting this policy. The whole idea of any restriction whatever in the quotation is to restrict. If you quote the job, you do not restrict—you simply keep all business open, sometimes amounting in the aggregate to five million barrels, a period of time longer than you are obligated for. If the advance was say, 10¢ a bbl. it would mean the loss of $500,000.00. This is well worth thinking about.

The objection we make to quoting only 10 days prior to the opening of bids is simply on the basis of it being absolutely impracticable. Some companies might have sufficient clerical force and a large enough force of salesmen to follow each job so intimately as to be positively advised as to the dates that bids would be opened. There are some twenty-four manufacturers of Portland Cement in [fol. 1492½] the Eastern States, and out of that twenty-four, there are only a few that could afford to be that well equipped. Such a clerical force would be out of proportion to their output. Furthermore, a great deal of the business in the East is done through architects and engineers and they themselves do not know what day they are going to open bids. They might make up their mind to award the contract tomorrow and again it might not be awarded for three weeks, but in any event the contractors that are estimating would want a price they could rely on and be covered for some specified period, say 30 days.

An impracticable clause is like an unenforceable law. It had better not be put on the statute books but if it once gets on, the only way to get it off is to enforce it, which brings about more or less confusion.

We do not object to a clause which gives us the privilege of declining to enter into a contract with the contractors unless the contract is made within 5 days of the formal award of the contract to him. This is along the line of restriction and to the benefit of the manufacturer, and it is no injury to the contractor unless he wants to gamble or speculate, in which event it is his own fault if he loses.

All the other clauses in this list of trade practices seem to have been favorably commented upon.

Yours very truly, Vulcanite Portland Cement Co. (Signed) Albert Moyer, Manager of Sales. AM.

Signed in absence of the writer.

[fol. 1493] GOVT. EX. NO. 541

May 20, 1916.

G. S. Brown, Alpha Portland Cement Company, Easton, Pa.; J. B. Lober, Land Title Building, Philadelphia, Pa.; John R. Morron, 30 Broad Street, New York, N. Y.; E. M. Young, Young Building, Allentown, Pa.

DEAR SIR: E. H. Gaunt of the Babson Statistical Organization, who spoke at our meeting in New York December, 1915, has asked Mr.

MAINE

Page	*Report*	*Destination*		*Del. Price*	*Freight*
	May 1, 1919				
15		Springvale	18	3 16	81
15		Veazie	20	3 30	95
	June 1, 1919				
20		Ellsworth	3	3 30	95
20		Waterville	22	3 30	95
	July 1, 1919				
30		Hallowell	6	3 30	95
30		Waterville	22	3 30	95
	Aug. 1, 1919				
44		Ellsworth	3	3 30	95
44		Hallowell	6	3 30	95
44		Lewiston	7	3 24	89
44		Montague	11	3 48	1 13
44		Skowhegan	17	3 30	95
44		Veazie	20	3 30	95
44		Waterville	22	3 30	95
	Sept. 1, 1919				
73		Old Town	12	3 30	95
	Oct. 1, 1919				
78		Lisbon	8	3 24	89
79		Richmond	15	3 30	95
79		Rumford	16	3 32	97
	Dec. 1, 1919				
83		Cathance	2	3 30	95
83		Lisbon	8	3 24	89
83		Vassalboro	21	3 30	95

NOTE:—Bold face figures in above table were originally in red ink.

Govt. Ex. No. 543

(Transactions from Forms 10)

MAINE

Mill	Del. Price	Alsen Freight	Alsen Bags	Mill	Del. Price	Hudson Freight	Hudson Bags	Mill	Del. Price	Lehigh Valley Freight	Lehigh Valley Bags	Mill	Shipper	LV	Date Cont.
1 75	3 02	57	60	1 85	3 02	57	60	1 85	3 00	65	60	1 75	*Penna*	‡	4/10/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	Atlas	06	4/22/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/23/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/15/19
1 75	3 12	67	60	1 85	3 12	67	60	1 85	3 13	78	60	1 75	Alpha	01	6/14/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/15/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/23/19
1 75	3 12	67	60	1 85	3 12	67	60	1 85	3 13	78	60	1 75	Alpha	01	6/14/19
1 75	3 06	61	60	1 85	3 06	61	60	1 85	3 07	72	60	1 75	Atlas	01	6/26/19
1 75	3 25	80	60	1 85	3 25	80	60	1 85	3 37	1 02	60	1 75	Atlas	12	7/11/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	*Penna*	06	7/28/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	Atlas	06	4/22/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/5/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	Atlas	06	8/8/19
1 75	3 06	61	60	1 85	3 06	61	60	1 85	3 07	72	60	1 75	Atlas	01	8/1/19
1 75	3 12	67	60	1 85	3 12	67	60	1 85	3 13	78	60	1 75	Atlas	01	9/22/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 15	80	60	1 75	Atlas	02	8/30/19
1 75	3 08	63	60	1 85	3 08	63	60	1 85	3 19	84	60	1 75	Atlas	11	10/30/19
1 75	3 06	61	60	1 85	3 06	61	60	1 85	3 07	72	60	1 75	Atlas	01	9/2/19
1 75	3 13	68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	9/13/19

1494
+
1495

Govt. Ex. No. 543

(Transactions from Forms 10)

MAINE

Alsen				Hudson				Lehigh Valley							
Freight	*Bags*	*Mill*	*Del. Price*	*Freight*	*Bags*	*Mill*	*Del. Price*	*Freight*	*Bags*	*Mill*	*Shipper*	LV	*Date Cont.*		
57	60	1 85	3 02	57	60	1 85	3 00	65	60	1 75	*Penna*	‡	4/10/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	Atlas	06	4/22/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/23/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/15/19	3 23 P	4 1 19
67	60	1 85	3 12	67	60	1 85	3 13	78	60	1 75	Alpha	01	6/14/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/15/19	3 23 P	4 1 19
68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/23/19		4 1 19
67	60	1 85	3 12	67	60	1 85	3 13	78	60	1 75	Alpha	01	6/14/19		4 1 19
61	60	1 85	3 06	61	60	1 85	3 07	72	60	1 75	Atlas	01	6/26/19		4 1 19
80	60	1 85	3 25	80	60	1 85	3 37	1 02	60	1 75	Atlas	12	7/11/19	3 35 P	4 1 19
68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	*Penna*	06	7/28/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	Atlas	06	4/22/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	5/5/19	3 23 P	4 1 19
68	60	1 85	3 13	68	60	1 85	3 19	84	60	1 75	Atlas	06	8/8/19		4 1 19
61	60	1 85	3 06	61	60	1 85	3 07	72	60	1 75	Atlas	01	8/1/19		4 1 19
67	60	1 85	3 12	67	60	1 85	3 13	78	60	1 75	Atlas	01	9/22/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 15	80	60	1 75	Atlas	02	8/30/19		4 1 19
63	60	1 85	3 08	63	60	1 85	3 19	84	60	1 75	Atlas	11	10/30/19		4 1 19
61	60	1 85	3 06	61	60	1 85	3 07	72	60	1 75	Atlas	01	9/2/19		4 1 19
68	60	1 85	3 13	68	60	1 85	3 13	78	60	1 75	Atlas	‡	9/13/19		4 1 19

TRANSACTIONS BY STATES

	January 1, 1919		April 1, 1919	
	Towns	*Transactions*	*Towns*	*Transactions*
Maine				29
New Hampshire				5
Vermont				14
Rhode Island		3		7
Massachusetts		5		60
Connecticut		4		16
New York		8		151
Pennsylvania		29		155
New Jersey		9		65
Delaware				7
Maryland & D. C.		3		22
Virginia		5		44
West Virginia		3		65
		69		640

1496
&
1497

TRANSACTIONS BY STATES

May 1, 1920		June 16, 1920		July 13, 1920		December 2, 1920		January 26, 1921		Total		Differences in Bases Prices	Differences in Price
Towns	Transactions	Towns	Transactions	Towns	Transactions	Towns	Transactions	Towns	Transactions	Towns	Transactions		
				2		1		2		26	35		
2				3				1		9	11	2	
3				1				1		15	21	1	
				5				1		8	16		
7		3		8		1		2		54	86	4	4
1		1		5				1		15	28	2	
7		6		23		2		9		136	211	13	7
7		1		21		4		4		135	237	15	8
3		3		15				6		76	105	10	2
1				1				1		5	11	1	1
1		1		5				2		11	36	3	2
2				4				1		41	57	3	2
2				2				1		60	74	2	1
36		15		95		8		32		591	928	56 = 6%	27

(Text of this Exhibit contains 48 pages, but ~~will~~ not ~~be~~ printed ~~in full~~ by consent)

Mallory to speak at the meeting they will have in Boston in September on exchanging information etc. Mr. Mallory is inclined to accept the invitation but asks if there is any objection to his presenting our form of statistics, particularly the sheets on which percentage calculations are made.

Will you kindly give me your opinion concerning this proposition?

Yours very truly, B. F. Affleck, President. B.F.A.-HC-A.

[fol. 1493½] GOVT. EX. No. 542

May 22, 1916.

DEAR MR. AFFLECK: I would not think it was the best policy to have Mr. Mallory present the form of statistics used by the Association. I do not mean by this to imply that anything is being done which is not within the law, but it has been my experience that as the wheel revolves there comes a time when some one abuses their privilege, and when that one industry does, then the Government usually looks around to see where there are others, and they usually tackle those who are notorious first, irrespective of facts.

We would become more or less notorious by talking about our affairs to another industry.

Yours very truly, Morron.

Mr. B. F. Affleck, Prest. Universal Portland Cement Co., 208 So. La Salle St., Chicago, Ill.

(Here follows Government's Exhibit 543, marked side folio pages 1494-1497.)

[fol. 1498] GOVT. EX. No. 544

To save time, it is agreed, subject to all objections to materiality, relevancy and all other objections not expressly waived by the admissions, as follows:

In 1903, the Atlas Portland Cement Company brought suit against the Alpha Portland Cement Company (the nominal defendant being Martin's Creek Portland Cement Company, owned by Alpha Portland Cement Company), in the United States Court for the Eastern District of Pennsylvania, on account of the infringement of letters-patent of the United States No. 645,031, of March 6, 1900, to Hurry & Seaman.

Hurry & Seaman, employees of the Atlas Portland Cement Company, were the first to burn powdered coal, with commercially successful results, in rotary kilns. Prior to their invention covered by the patent, cement was made in rotary kilns by burning oil, and the new coal-burning apparatus effected a material saving in

cost of manufacture. The patent contained some claims that could be construed as covering the combination with a rotary cement furnace, of any means for injecting into the delivery end of the furnace a jet of air, and means for feeding to said jet powdered coal, whereby a core of powered coal in combustion was produced in the furnace.

The suit was elaborately contested, evidence being taken in Eng- [fol. 1498½] land and in different parts of the United States, making a record of several volumes. It was argued at final hearing for a week in July, 1906. Before any decision was handed down, a settlement was effected between the parties and other cement companies who were using substantially the same apparatus, as follows:

On November 23rd, 1906, the certificate of incorporation of North American Portland Cement Company was filed, the capital stock being subscribed by the Atlas Portland Cement Company, Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Portland Cement Company. The Atlas Portland Cement Company, the owner of the patent, granted to North American Portland Cement Company an exclusive license, with power to sub-license the use of the inventions covered by the Hurry & Seaman patent, a copy of which is marked "Exhibit A," and the North American Portland Cement Company at the same time granted to Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Portland Cement Company, licenses to use said inventions, in the form of the specimen marked "Exhibit B."

On December 30, 1907, an Association of Licensed Cement Manufacturers was formed by an agreement, of which Exhibit C is a copy, the licenses held by the members other than those above mentioned being in the form of Exhibit D.

[fol. 1499] On April 16, 1907, the United States Court of Appeals for the Seventh Circuit handed down its opinions in Rubber Tire Wheel Co. vs. Milwaukee Rubber Works Co., 154 Fed. 359; and Indiana Manufacturing Co. vs. J. I. Case Threshing Machine Co., 154 Fed. 365; and on October 20, 1908, the same Court handed down its opinion in Goshen Rubber Works vs. Single Tube, etc. Co., 166 Fed. 431; all of which were communicated to the companies members of the Association by its counsel and may be taken as part of this agreement.

On January 13, 1909, a supplemental license substantially in the form of Exhibit E, was executed by the companies named therein, with the exception of Northampton Portland Cement Company, which had gone into bankruptcy. Before executing the supplemental license all the companies were advised by their counsel that the license was in exact accordance with the decisions above mentioned and in all respects lawful.

The license agreement of January 13, 1909, was terminated pursuant to a provision therein for termination on January 1, 1911.

On January 6, 1911, the Association of Licensed Cement Manufacturers was dissolved and abandoned.

On January 2, 1912, the United States Court of Appeals for the Seventh Circuit handed down its decision on the appeal of the case of Atlas Portland Cement Company vs. Sandusky Portland Cement Company, affirming the decision of the lower Court in 1910 and holding that unless the broad claims of the Hurry & Seaman patent were limited to the particular means for burning powdered coal, [fol. 1499½] they were void as too broad and consequently there was no infringement. The opinion of the Court appears in 196 Fed. 385, and may be taken as a part of this agreement. The sum of $200,000 per annum specified as royalty to the Atlas Portland Cement Company in the license agreement, was paid until the time of the decision, when in accordance with the provisions of the licenses it ceased to be due.

[fol. 1500] GOVT. EX. NO. 545

Exhibit A.

License Agreement

"Agreement made this 3 day of December, A. D., 1906, Between The Atlas Portland Cement Company, duly organized, incorporated and existing under the laws of the State of Pennsylvania, and having its principal place of business in Northampton, in the State of Pennsylvania, hereinafter called the Licensor, and North American Portland Cement Company, duly organized, incorporated and existing under the laws of the State of New Jersey and located in the City of Jersey City, in the State of New Jersey, hereinafter called the Licensee.

"Whereas the Licensor, as the assignee of Edward H. Hurry and Harry J. Seaman, did obtain, and is now the owner of the whole right, title and interest in and to Letters Patent of the United States No. 645,031, dated March 6th, 1900, for Apparatus for Burning Pulverized Fuel, jointly invented by the said Edward H. Hurry and [fol. 1501] Harry J. Seaman; and is also the sole and exclusive owner of all damages and profits recoverable at law or in equity from any and every party for any and every infringement of said Letters Patent and all claims and demands for such damages and profits.

"And Whereas the Licensor, as the assignee of Rolla C. Carpenter, did obtain, and is now the owner of the whole right, title and interest in and to Letters Patent of the United States No. 691,336, dated January 14th, 1902, for Process of Feeding Fine Fuel, invented by the said Rolla C. Carpenter, and in and to Letters Patent of the United States No. 691,337, dated January 14th, 1902, for Apparatus for Feeding Fine Fuel, invented by the said Rolla C. Carpenter; and is also the sole and exclusive owner of all damages and profits recoverable at law or in equity from any and every party for any and every infringement of said two Letters Patent Nos. 691,336 and 691,337 and all claims and demands for such damages and profits, excepting, however, certain rights and exemptions from payment of royalty, license fee and damages and from injunction reserved

under said two Letters Patent Nos. 691,336 and 691,337 to the Heldeberg Cement Company for its works at Howe's Cave, in the State of New York, the Cayuga Lake Cement Company for its works at Ithaca, in the State of New York, the Great Northern Portland Cement Company for its works at Baldwin, in the State of Michigan, and the Claire Portland Cement Company for its works at Claire, [fol. 1502] in the State of Michigan, as particularly set forth in a certain agreement or assignment made and executed between and by the said Rolla C. Carpenter and the Licensor herein named and dated the 10th day of October, 1901.

"And Whereas the Licensee is desirous of acquiring the hereinafter mentioned exclusive rights and license under the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, and all damages and profits recoverable at law or in equity from any and every party for any and every infringement of said several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them, and all claims and demands for such damages and profits, subject, however, to the rights and exemptions reserved under said Letters Patent Nos. 691,336 and 691,337, as aforesaid, and also subject to the reservation, terms, conditions and covenants hereinafter expressed.

Now, therefore, this agreement witnesseth that the Licensor and the Licensee, for and in consideration of the sum of One Dollar lawful money of the United States unto each of them paid by the other, and of other good and valuable considerations unto each of them moving from the other, at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, do hereby mutually covenant and agree to and with each other as follows:

"I. That the Licensor does hereby grant unto the Licensee the exclusive right and license to manufacture, and to have manufactured [fol. 1503] by other parties for it, and to use, employ and practice any or all of the inventions shown, described and claimed in the above-recited several Letters Patent Nos. 645,031, 691,336 and 691,337, within and throughout the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031 are and may be granted and extended; and also the exclusive right to grant to other parties rights and licenses to manufacture, and to have manufactured by other parties for them, and to use, employ and practice any or all of said inventions within and throughout the whole or any part of the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031 are and may be granted and extended, or for any less period of time. Provided, however, that all of said rights and license are hereby granted to the Licensee upon and subject to the rights and exemptions reserved under said Letters Patent Nos. 691,336, and 691,337 as aforesaid, and also subject to the reservation, terms, conditions and covenants hereinafter particularly expressed.

"II. That the Licensor, and every corporation at least a majority of the shares of whose capital stock issued is now owned by the Licensor, shall have, and the Licensor does hereby reserve unto

itself and every such corporation, the non-exclusive right and license to manufacture, and to have manufactured by other parties for it and them, and to use, employ and practice any or all of the inven- [fol. 1504] tions shown, described and claimed in the above-recited several Letters Patent Nos. 645,031, 691,336 and 691,337, anywhere within the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031, are and may be granted and extended, upon and subject, however, to the terms, conditions and covenants particularly expressed in this clause II.

"That the Licensor shall keep a full, true and accurate written account of the number of barrels of all the Portland Cement, produced by the calcination of the raw materials in rotary or other cement kilns with coal, oil, gas, or other fuel under said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, or otherwise, which shall be sold or otherwise disposed of by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by the Licensor, during each calendar year after the year 1906; and that such written account shall be open to the unrestricted examination of any officer or duly authorized representative of the Licensee at all reasonable times during business hours.

"That the Licensor shall, within the first fifteen days of the month of January in each year, commencing with January, 1908, and ending with January, 1917, render to the Licensee a full, true and accurate written statement setting forth therein the number of barrels of all such Portland Cement which shall have been sold or otherwise [fol. 1505] disposed of by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by the Licensor, during the preceding calendar year; and that whenever the Licensee shall so request in writing any such written statement shall be accompanied by the affidavit of some executive officer of the Licensor having knowledge of the facts setting forth that such written statement is full, true and correct in all respects; and that the Licensor shall not be required to render any such written statement for the period between January 1st, and March 6th, 1917.

"And that the Licensor shall, within the first fifteen days of the month of January in each year, commencing with January, 1908, and ending with January, 1917, pay to the Licensee a royalty of four cents on each barrel of such Portland Cement in excess of Thirteen million five hundred thousand barrels which shall have been sold or otherwise disposed of by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by the Licensor, during the preceding calendar year; and that the Licensor shall not be required to pay said royalty for the period between January 1st and March 6th, 1917.

"And that the Licensor and the Licensee do hereby mutually covenant and agree to and with each other that if any claim or claims of said Letters Patent No. 645,031 should, at any time prior [fol. 1506] to January 1st, 1913, be adjudged or decreed by any United States Circuit Court of Appeals in any suit in which an ap-

peal or writ of error shall have been taken and perfected within the time prescribed by law, or by any United States Circuit Court in any suit in which no appeal or writ of error shall have been taken or perfected within the time prescribed by law, to be invalid or to be limited in scope and by reason thereof any apparatus such as shall be used by the Licensor under the terms of this agreement might thereafter be manufactured, sold or used by any party without infringing any claim of said Letters Patent No. 645,031 not previously adjudged or decreed to be invalid in the manner aforesaid, then and in any such event all of the covenants and obligations of the Licensor expressed in this Clause II shall continue in full force and be binding upon and be fully and faithfully performed by the Licensor for and during each calendar year between 1906 and 1913, including the payment which shall become due in January, 1913, for the preceding calendar year under this clause II, and in any such event all of such covenants and obligations shall cease to be binding upon the Licensor and cease to have any force and effect for and during any period of time after the year 1912, except as to the aforesaid payment which shall become due in January, 1913; and that if any like adjudication or decree should be made or entered at any time after the year 1912, then and in any such event all of the covenants and obligations of the Licensor expressed in this Clause II, except [fol. 1507] the aforesaid payment which shall become due in January, 1913, shall cease to be binding upon the Licensor and cease to have any force and effect for and during any period of time after the entry of such judgment, decree or mandate, and the Licensor shall not be obligated to pay to the Licensee any royalty mentioned in this Clause II for the remainder of the calendar year in which any such judgment, decree or mandate shall be entered or for any period of time thereafter. Provided, however, that whenever the covenants and obligations of the Licensor expressed in this Clause II shall cease to be binding upon the Licensor and cease to have any force and effect according to the terms of this Clause II, the Licensor shall not be relieved, released or discharged from paying to the Licensee any royalty which shall have become payable to the Licensee according to the terms of this Clause II for any period of time prior thereto.

"III. That the Licensor does hereby sell, assign, transfer and set over unto the Licensee all damages and profits recoverable at law or in equity from any and every party for any and every infringement of the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them, and all claims and demands for such damages and profits, the same to be received, held and enjoyed by the Licensee for its own use and behoof forever, together with all actions, causes of actions and remedies for the recovery thereof.

"IV. That the Licensee shall, simultaneously with the execution [fol. 1508] and delivery of these presents, grant in writing to Lehigh Portland Cement Company, a Pennsylvania corporation, Alpha Portland Cement Company, a New Jersey corporation, American Cement Company, a New Jersey corporation, Vulcanite Portland

Cement Company, a New Jersey corporation, and Lawrence Cement Company of Pennsylvania, a Pennsylvania corporation, separately but not jointly, the non-exclusive right and license to manufacture, and to have manufactured by other parties for such sub-licensee, and to use, employ and practice any or all of the inventions shown, described and claimed in the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, anywhere within the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031 are and may be granted and extended, and said non-exclusive right and license to be thus granted to each of such sub-licensees, shall extend to it and every corporation at least a majority of the shares of whose capital stock issued is now owned by it; that said non-exclusive right and license to be thus granted by the Licensee to said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Cement Company of Pennsylvania, separately but not jointly, shall be granted in and by License Agreements heretofore approved by the Licensor and Licensee herein named and to be exe-[fol. 1509] cuted by the Licensee herein named and sub-licensees above named, respectively, simultaneously with the execution of these presents.

"And that no such License Agreement made and executed in accordance with the terms of this clause IV shall be modified, altered, terminated or cancelled by said North American Portland Cement Company at any time hereafter, without the previous written consent of The Atlas Portland Cement Company aforesaid.

"V. That the Licensee shall have the right to grant sub-licenses under the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, to parties, other than said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Cement Company of Pennsylvania, upon such terms, conditions and covenants and upon such royalty or royalties as shall be satisfactory to the Licensee herein named, but every such sub-license shall be granted by the Licensee in writing. Provided, however, that every sub-license that shall be granted by the Licensee herein named under several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, to every corporation, at least a majority of the shares of whose capital stock issued shall at any time, directly or indirectly, be owned by the Licensee herein named, and every sub-license that shall be granted by the Licensee herein named under said several Letters Patent Nos. 645,031, 691,336 and 691,337, [fol. 1510] or any of them, to any party without royalty, shall be granted upon condition that the same shall terminate immediately with any termination and cancellation of these presents; and that no sub-license shall be granted under said Letters Patent Nos. 691,336 and 691,337, or either of them, for a longer period of time than the terms for which said Letters Patent Nos. 645,031 are and may be granted and extended.

"VI. That the Licensee shall, in and by each License Agreement mentioned in clause IV hereof, release and discharge the sub-licensee, executing the same, and every corporation at least a majority of the shares of whose capital stock is issued is now owned by such sub-licensee, from all damages and profits recoverable at law or in equity from them and each of them for any and every infringement of the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them, and all claims and demands for such damages and profits, and all actions and causes of action for the recovery thereof, in the manner, particularly set forth in such License Agreement.

"VII. That the Licensee shall keep a full, true and accurate written account of—

"First. All royalties which shall be collected and received by it, and also that shall be due, during each calendar year after the year 1906, from said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland [fol. 1511] Cement Company and Lawrence Cement Company of Pennsylvania respectively, under clause III of each of the License Agreements mentioned in clause IV hereof.

"Second. All sums of money and royalties which shall be collected and received by it, and also that shall be due, during each calendar year after the year 1906 from all its sub-licensees, other than the Licensor herein named, and other than said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Cement Company of Pennsylvania.

"Third. All royalties which shall be collected and received by it, and also that shall be due, during each calendar year after the year 1906 from the Licensor under the terms of clause II hereof.

"Fourth. All sums of money which shall be collected and received by it during each calendar year after the year 1906 from any and every party as damages and profits for any infringement of the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them.

"And that such written account shall be open to the unrestricted examination of any officer or duly authorized representative of the Licensor at all reasonable times during business hours.

"And that the Licensee shall, within the last fifteen days of the month of January in each year, commencing with January, 1908, and ending with January, 1917, render to the Licensor a full, true [fol. 1512] and accurate written statement setting forth therein—

"(1) The aggregate amount of all royalties which shall have been collected and received by it during the preceding calendar year from said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Cement Company of Pennsyl-

vania respectively, under clause III of each of the License Agreements mentioned in clause IV hereof.

"(2) The aggregate amount of all sums of money and royalties which shall have been collected and received by it during the preceding calendar year from all of its sub-licensees, other than the Licensor herein named and other than said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Cement Company of Pennsylvania.

"(3) The aggregate amount of all royalties which shall have been collected and received by it during the preceding calendar year from the Licensor under the terms of clause II hereof.

"(4) The aggregate amount of all sums of money which shall have been collected and received by it during the preceding calendar year from any and every party as damages and profits for any infringement of the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them.

[fol. 1513] "And that whenever the Licensor shall so request in writing any such written statement shall be accompanied by the affidavit of some executive officer of the Licensee having knowledge of the facts setting forth that such written statement is full, true and correct in all respects.

"VIII. That the Licensee shall, within the first fifteen days of the months of January and July in each year, commencing with July, 1907, and ending with January, 1917, pay to the Licensor the sum of One Hundred Thousand Dollars for the preceding six calendar months; and shall, within the first fifteen days of the month of March, 1917, if this obligation be not sooner terminated in the manner set forth in this clause VIII, pay to the Licensor one-third of said semi-annual sum for the period of time between January 1st and March 6th, 1917.

"And that the Licensor and the Licensee do hereby further mutually covenant and agree to and with each other that whenever the covenants and obligations of said Lehigh Portland Cement Company, Alpha Portland Cement Company, American Cement Company, Vulcanite Portland Cement Company and Lawrence Cement Company of Pennsylvania, particularly expressed in clauses III and IV of the License Agreements mentioned in clause IV hereof to be made and executed by the Licensee herein named and the last above named five Companies, separately but not jointly, shall cease to be binding upon the last above named five Companies and cease to [fol. 1514] have any force and effect in the manner particularly set forth in clauses IV of such License Agreements, then and thereupon all of the covenants and obligations expressed in this clause VIII, to be performed by the Licensee herein named, shall cease to be binding upon the Licensee herein named and cease to have any force and effect for and during any period of time thereafter, but in any such event the Licensee herein named shall not be relieved, released or

discharged from the payment of any sum of money payable to the Licensor herein named for any period of time previous thereto, according to the terms of this clause VIII.

"Provided, however, and it is hereby mutually covenanted and agreed by and between the Licensor and Licensee that if said covenants and obligations of the last above-named five Companies should cease to be binding upon less than the whole number of said five Companies in the manner particularly set forth in Clauses IV of such License Agreements, then and in any such event the covenants and obligations expressed in this Clause VIII to be performed by the Licensee herein named shall not cease to be binding upon the Licensee herein named, but the said semi-annual payment of One Hundred Thousand Dollars shall be reduced to the extent to which such of said five Compaines shall be relieved or released from the making of semi-annual payments under the terms of Clauses IV of such License Agreements, or in other words, the Licensee herein [fol. 1515] named shall not be obligated to pay the Licensor herein named for any six calendar months any amount greater than the aggregate amount which the last above-named five Companies, or such of them as shall not have been relieved or released from said covenants and obligations as aforesaid, shall be obligated to pay to the Licensee herein named for such six calendar months according to the terms of Clauses IV of such License Agreements.

"IX. And that the Licensee shall, within the last fifteen days of the month of January in each year, commencing with January, 1908, and ending with January, 1917, pay to the Licensor the royalties and sums of money mentioned in paragraphs (1), (2), (3) and (4) of Clause VII hereof which shall have been collected and received by it during the preceding calendar year, up to but not exceeding the sum of Sixty-four Thousand Dollars for such calendar year; and shall pay to the Licensor as soon as collected and received by the Licensee all royalties and sums of money mentioned in paragraphs (1), (2), (3) and (4) of Clause VII hereof, which shall have been collected and received by it for the period of time between January 1st and March 6th, 1917, not exceeding, however, the sum of Eleven Thousand and Five Hundred Dollars.

"And that the Licensor and the Licensee do hereby mutually covenant and agree to and with each other that the Licensor shall not be entitled to, and the Licensee shall not be obligated to pay [fol. 1516] the Licensor, any sum of money in excess of said sum of Sixty-four Thousand Dollars for any calendar year out of the royalties and sums of money mentioned in said paragraphs (1), (2), (3) and (4) of Clause VII hereof, and any sum of money in excess of said sum of Eleven Thousand Five Hundred Dollars for the period of time between January 1st and March 6th, 1917, out of the royalties and sums of money mentioned in said paragraphs (1), (2), (3) and (4) of Clause VII hereof.

"X. That the Licensee hereby admits and acknowledges the validity of the above recited several letters Patent Nos. 645,031

691,336 and 691,337, and each claim thereof as fully as if the same had been adjudged or decreed to be good and valid by the Supreme Court of the United States; and further hereby admits and acknowledges that the Licensor is the sole and exclusive owner of the whole right, title and interest in and to said several Letters Patent Nos. 645,031, 691,336 and 691,337, subject to the rights and exemptions reserved under said Letters Patent Nos. 691,336 and 691,337, as aforesaid and that the title of the Licensor thereto is good and valid as fully as if the same had been adjudged or decreed to be good and valid by the Supreme Court of the United States; and that the Licensee shall not, at any time while this Agreement continues in force, directly or indirectly, attack or question, or assist any other party, to attack or question the validity of said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any claim therof, or the title of the Licensor thereto.

[fol. 1517] "And that the Licensee herby covenants and agrees to and with the Licensor that a clause substantially similar to this Clause X shall be inserted in every written License Agreement which shall hereafter be made and executed by the Licensee and each of its sub-licensees under said several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them.

"XI. That the Licensee shall mark, or cause to be marked, in a durable manner and in a conspicuous place, every apparatus, embodying any invention shown, described and claimed in the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, which shall be manufactured by or for it, with the word 'Patented,' or any proper abbreviation thereof, and the date of each of such of said three Letters Patent as shall cover such apparatus; and shall require every sub-licensee of it to covenant, in the License Agreement under said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, which shall be made and executed by the Licensee and such sub-licensee to mark, or caused to be marked, in a similar manner, every apparatus embodying any such invention which shall have been and shall be manufactured by or for such sub-licensee.

"And that the Licensor shall mark, or cause to be marked, in a similar manner, every apparatus which has been and shall be manufactured by or for it under said several Letters Patent Nos. 645,031, 691,336, 691,337 or any of them.

"XII. That the Licensor shall, within thirty days after being re-
[fol. 1518] quested to do so in writing by the Licensee, bring a suit in equity or at law against every party who shall manufacture, sell, or use any apparatus in infringement of the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, whose name or names and residence or residences shall be stated in such written request, and shall diligently prosecute such suit to final hearing; and the Licensee shall bear and pay all costs, expenses and fees, including fees of counsel, which shall be incurred in and about the bringing and prosecution of such suit. Provided, however, that there shall be stated in every such written request sufficient

information to guide the Licensor in proving the manufacture, sale or use of the infringing apparatus and the construction thereof; and that the Licensor shall be advised by its counsel that the apparatus alleged in such written request to be an infringing apparatus is within the scope of any one or more of the claims of said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, not previously adjudged by any United States Circuit Court to be invalid.

"And that the Licensor shall, without any request of the Licensee, have the right to bring and prosecute any and every suit in equity or at law upon said several Letters Patent Nos. 645,031, 691,336, 691,337, or any of them, against any and every party who shall infringe said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them; and that the Licensee shall bear and pay all costs, [fol. 1519] expenses and fees, including fees of counsel, that shall be incurred in the bringing and prosecution of every such suit.

"And that the Licensor shall have the right to bring and prosecute every suit included within the terms of this clause XII in the joint names of the Licensor and the Licensee, or in the name of either of them, as may be required by law; and that all damages, profits and costs which shall be recoverable in every such suit shall belong to the Licensee subject to the terms of this agreement.

"And that the Licensee shall have the right to, and may at its option, compromise and settle any and every suit which shall be commenced under the terms of this clause XII in such manner and upon such terms as shall be satisfactory to the Licensee, and shall also have the right to grant a release to any and every defendant in any such suit releasing every such defendant from all damages and profits recoverable in equity or at law for any infringement of said several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them, and all claims and demands for such damages and profits; and that the Licensee shall have the right to be represented by its counsel in every such suit as associate counsel with the counsel for the Licensor therein.

"XIII. That if the Licensee should at any time neglect, fail or refuse to keep, observe or perform any of the covenants herein mentioned (excepting the covenants set forth in Clause XI. hereof) to [fol. 1520] be kept, observed or performed by it, then the Licensor shall have the right to, and may at its option, serve upon the Licensee a written notice of such default, stating therein the covenant or covenants which the Licensee shall have neglected, failed or refused to keep, observe or perform; and if such default should continue for a period of thirty days from and after the service upon the Licensee of such written notice, then the Licensor may terminate and cancel this agreement by serving upon the Licensee a written notice of such termination and cancellation thereof; and such written notices may be served upon the Licensee by delivering them to any officer of the Licensee, or by enclosing them in post paid envelopes addressed to the Licensee at the last known post office address of its principal office and depositing the same in any post office in the United States to be forwarded by registered mail.

"And that if this agreement should be terminated and canceled in the manner set forth in this clause XIII, then, and immediately thereupon, all of the rights, licenses, privileges, benefits and covenants herein mentioned as available to and binding upon the respective parties to these presents, shall cease to be available to and binding upon them, or any of them, and shall not, at any time thereafter, have any force and effect; and that no such termination and cancellation of the agreement shall relieve, release or discharge the Licensor from rendering to the Licensee according to the terms of clause II hereof any written statement of the number of barrels of [fol. 1521] any such Portland Cement which shall have been sold or otherwise disposed of by or for the Licensor, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by it, during any period of time previous thereto, or from paying to the Licensee any royalty which shall be payable according to the terms of clause II hereof on any such portland cement which shall have been sold or otherwise disposed of by or for the Licensor, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by it, for any period of time previous thereto; and that no such termination and cancellation of this agreement shall relieve, release or discharge the Licensee from rendering to the Licensor according to the terms of clause VII hereof any written statement of any sums of money or royalties which shall have been collected and received by the Licensee any time previous thereto, or from the payment to the Licensor according to the terms of clauses VIII and IX hereof of any sum of money which shall be payable to the Licensor according to the terms of clauses VIII and IX hereof for any period of time previous thereto.

"And that if this agreement should be terminated and cancelled in the manner set forth in this clause XIII, then, and immediately thereupon, all of its right, title and interest in and to every License Agreement which shall have been made and executed by the Licensee with every sub-licensee under the above-recited several Letters Patent [fol. 1522] Nos. 645,031, 691,336 and 691,337, or any of them, and all rights, privileges, benefits, advantages, sums of money and royalties to which the Licensee herein named shall be entitled and which shall be recoverable by it thereunder shall vest in the Licensor, and the Licensee shall thereupon, by an instrument or instruments in writing requisite in law for the purpose and executed in due form of law, assign the same unto the Licensor. Provided, however, and it is hereby further mutually covenanted and agreed by and between the Licensor and the Licensee that if the right, title and interest of the Licensee in and to every License Agreement which shall have been made and executed by the Licensee with every sub-licensee under the above recited several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, and all rights, privileges, benefits, advantages, sums of money and royalties to which it shall be entitled and which shall be recoverable by it thereunder, shall vest in the Licensor herein named, or be assigned by the

Licensee to the Licensor herein named under the terms of this clause XIII, then the Licensor herein named shall credit to the Licensee herein named any and all royalties and sums of money which it shall collect from the sub-licensees under the terms of such License Agreements for any and every period of time prior to the date when the right, title and interest of the Licensee herein named in and to such License Agreements shall vest in, or be assigned to, the Licensor herein named as aforesaid.

"In witness whereof, the Licensor and the Licensee have caused their respective corporate seals to be hereunto affixed and duly attested, and these presents to be signed by their respective duly authorized officers the day and year first above written."

[fol. 1523] GOVT. EX. No. 546

Exhibit B

License Agreement

"Agreement made this Third day of December, A. D., 1906, between North American Portland Cement Company, duly organized, incorporated and existing under the Laws of the State of New Jersey and located in the City of Jersey City, in the State of New Jersey, hereinafter called the Licensor, and The Lehigh Portland Cement Company, duly organized, incorporated and existing under the Laws of the State of Pennsylvania, and located in the City of Allentown, in the State of Pennsylvania, hereinafter called the Licensee.

"Whereas the Atlas Portland Cement Company (hereinafter called the Atlas Company) and the Licensor herein named made and executed a certain License Agreement bearing even date herewith and executed simultaneously with these presents, wherein the Atlas Company granted unto the Licensor herein named the exclusive right and license to manufacture, and to have manufactured by other parties for it, and to use, employ and practice any or all of the inventions shown, described and claimed in certain Letters Patent of the United States, No. 645,031, dated March 6th, 1900, and granted to the Atlas Company, as the assignee of Edward H. Hurry and Harry J. Seaman, for Apparatus for Burning Pulverized Fuel, jointly invented by the said Edward H. Hurry and Harry J. Seaman, and shown, described and claimed in certain other Letters Patent of the United States Nos. 691,336 and 691,337, dated January 14th, 1902, and granted to the Atlas Company, as the assignee of Rolla C. Carpenter, for Process of Feeding Fine Fuel and Appa-[fol. 1524] ratus for Feeding Fine Fuel respectively, invented by the said Rolla C. Carpenter, within and throughout the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031 are and may be granted and extended; and also the exclusive right to

grant to other parties rights and licenses to manufacture, and to have manufactured by other parties for them, and to use, employ and practice any or all of said inventions within and throughout the whole or any part of the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031 are and may be granted and extended, or for any less period of time; and wherein the Atlas Company assigned unto the Licensor herein named all damages and profits recoverable at law or in equity from any and every party for any and every infringement of said several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them, and all claims and demands for such damages and profits, upon and subject, however, to the rights and exemptions reserved under said Letters Patent Nos. 691,336 and 691,337 to the Heldeberg Cement Company for its works at Howe's Cave, New York, the Cayuga Lake Cement Company for its works at Ithaca, New York, the Great Northern Portland Cement Company for its works at Baldwin, Michigan and the Claire Portland Cement Company for its works at Claire, Michigan, as [fol. 1525] therein particularly recited, and also upon and subject to the reservation, terms, conditions and covenants therein particularly expressed.

"And whereas the Licensee is desirous of acquiring the hereinafter mentioned right and license under said several Letters Patent Nos. 645,031, 691,336 and 691,337, and is also desirous of acquiring the release hereinafter set forth, subject, however, to the terms, conditions and covenants hereinafter expressed.

"Now, therefore, this agreement witnesseth that the Licensor and the Licensee, for and in consideration of the sum of One Dollar lawful money of the United States unto each of them paid by the other, and of other good and valuable considerations unto each of them moving from the other, at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, do hereby mutually covenant and agree to and with each other as follows:

"I. That the Licensor does hereby grant unto the Licensee, and every corporation at least a majority of the shares of whose capital stock issued is now owned by the Licensee, and such corporation or corporations as shall hereafter be organized to take over and which shall become the owner or owners of the plants located at Wellston, Ohio, and at Mitchell, Indiana, now owned by the Licensee, the non-exclusive right and license to manufacture, and to have manufactured by other parties for it and them, and to use, employ and practice any or all of the inventions shown, described and claimed in [fol. 1526] said several Letters Patent Nos. 645,031, 691,336 and 691,337 within and throughout the United States and the Territories and Colonial Possessions thereof, to the full end of the term for which said Letters Patent No. 645,031 are and may be granted and extended. Upon and subject, however, to the terms, conditions and covenants hereinafter particularly expressed.

"II. That the Licensor, for the considerations aforesaid, does hereby release and discharge the Licensee, and every corporation at

least a majority of the shares of whose capital stock issued is now owned by the Licensee, from all damages and profits recoverable at law or in equity from them and each of them for any and every infringement of said several Letters Patent Nos. 645,031, 691,336 and 691,337, and each of them, and from all claims and demands for such damages and profits and from all actions and causes of action for the recovery thereof.

"III. That the Licensee shall keep a full, true and accurate written account of the number of barrels of all the Portland Cement produced by the calcination of the raw materials in rotary or other cement kilns with coal, oil, gas or other fuel under said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them, or otherwise, which shall be sold or otherwise disposed of by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by it, and by or for such corporation or corporations as shall hereafter be organized to take [fol. 1527] over and which shall become the owner or owners of the plants located at Wellston, Ohio, and at Mitchell, Indiana, now owned by the Licensee, during each calendar year after the year 1906; and that such written account shall be open to the unrestricted examination of any officer or duly authorized representative of the Licensor at all reasonable times during business hours.

"That the Licensee shall, within the first fifteen days of January in each year, commencing with January, 1908, and ending with January, 1917, render to the Licensor a full, true and accurate written statement setting forth therein the number of barrels of all such Portland Cement which shall have been sold or otherwise disposed of by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by it, and by or for such corporation or corporations as shall hereafter be organized to take over and which shall become the owner or owners of the plants located at Wellston, Ohio, and at Mitchell, Indiana, now owned by the Licensee, during the preceding calendar year; and that whenever the Licensor shall so request in writing any such written statement shall be accompanied by the affidavit of some executive officer of the Licensee having knowledge of the facts setting forth that such written statement is full, true and correct in all respects; and that the Licensee shall not be required to render any such written statement for the period between January 1st and March 6th, 1917.

[fol. 1528] "And that the Licensee shall, within the first fifteen days of January in each year, commencing with January, 1908, and ending with January, 1917, pay to the Licensor a royalty of four cents on each barrel of such Portland Cement in excess of eight million two hundred and fifty thousand barrels which shall have been sold or otherwise disposed of by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by it, and by or for such corporation or corporations as shall hereafter be organized to take over and which shall become the owner or owners of the plants located at Wellston, Ohio, and at

Mitchell, Indiana, now owned by the Licensee, during the preceding calendar year; and that the Licensee, shall not be required to pay said royalty for the period between January 1st and March 6th, 1917.

"IV. That the Licensee shall, within the first fifteen days of the months of January and July in each year, commencing with July, 1907, and ending with January, 1917, pay to the Licensor the sum of forty thousand six hundred and twenty-five (40,625) dollars for the preceding six calendar months, in addition to the royalty payable by the Licensee to the Licensor according to the terms of Clause III hereof; and shall, within the first fifteen days of the month of March, 1917, if this covenant and obligation be not sooner terminated in the manner set forth in this Clause IV, pay to the Licensor one-third of said semi-annual sum for the period of time between January 1st and March 6th, 1917.

[fol. 1529] "And that the Licensor and the Licensee do hereby mutually covenant and agree to and with each other that if any claim or claims of said Letters Patent No. 645,031 should, at any time prior to January 1st, 1913, be adjudged or decreed by any United States Circuit Court of Appeals in any suit in which an appeal or writ of error shall have been taken and perfected within the time prescribed by law, or by any United States Circuit Court in any suit in which no appeal or writ of error shall have been taken and perfected within the time prescribed by law, to be invalid or to be limited in scope and by reason thereof any apparatus such as shall be used by the Licensee under the terms of this agreement might thereafter be manufactured, sold or used by any party without infringing any claim of said Letters Patent No. 645,031 not previously adjudged or decreed to be invalid in the manner aforesaid, then and in any such event all of the covenants and obligations of the Licensee expressed in clauses III and IV hereof shall continue in full force and be binding upon and be fully and faithfully performed by the Licensee for and during each calendar year between 1906 and 1913, including the payments which shall become due in January, 1913, for the preceding six calendar months under this clause IV and for the preceding calendar year under clause III hereof, and in any such event all of such covenants and obligations shall cease to be binding upon the Licensee and cease to have any force and effect for and [fol. 1530] during any period of time after the year 1912, except as to the aforesaid payments which shall become due in January, 1913; and that if any like adjudication or decree should be made or entered at any time after the year 1912, then and in any such event all of the covenants and obligations of the Licensee expressed in clauses III and IV hereof, except the aforesaid payments which shall become due in January, 1913, shall cease to be binding upon the Licensee and cease to have any force and effect for and during any period of time after the entry of such judgment, decree or mandate, and the Licensee shall not be obligated to pay to the Licensor any royalty or sum of money mentioned in clauses III and IV hereof for the remainder of the calendar year in which any such judgment, decree

or mandate shall be entered or for any period of time thereafter. Provided, however, that whenever the covenants and obligations of the Licensee expressed in clauses III and IV hereof shall cease to be binding upon the Licensee and cease to have any force and effect according to the terms of this clause IV, the Licensee shall not be relieved, released or discharged from paying to the Licensor any royalty or sum of money which shall have become payable to the Licensor according to the terms of clauses III and IV hereof for any period of time prior thereto.

"V. That the Licensee hereby admits and acknowledges the validity of said several Letters Patent Nos. 645,031, 691,336 and 691,337 [fol. 1531] and each claim thereof as fully as if the same had been adjudged or decreed to be good and valid by the Supreme Court of the United States; and further hereby admits and acknowledges that the Licensor has the exclusive rights and license above recited subject to the rights and exemptions reserved under said several Letters Patent as aforesaid, and that said rights and license of the Licensor are good and valid as fully as if the same had been adjudged or decreed to be good and valid by the Supreme Court of the United States; and that the Licensor has the lawful right to grant the right and license herein granted to the Licensee under said several Letters Patent Nos. 645,031, 691,336 and 691,337; and that the Licensee shall not, at any time while this agreement continues in force, directly or indirectly, attack or question, or assist any other party to attack or question, the validity of said several Letters Patent Nos. 645,031, 691,336 and 691,337, or any of them or any claim thereof, or the exclusive rights and license of the Licensor thereunder.

"VI. That the Licensee shall mark, or cause to be marked, in a durable manner and in a conspicuous place, every apparatus embodying any invention shown, described and claimed in said several Letters Patent Nos. 645,031, 691,336 and 691,337 which has been and shall be manufactured by or for it, and by or for every corporation at least a majority of the shares of whose capital stock issued is now owned by it, with the word 'Patented,' or any proper [fol. 1532] abbreviation therof, and the date of each of such of said three Letters Patent as shall cover such apparatus.

"VII. That, if the Licensee should at any time neglect, fail or refuse to keep, observe or perform any of the covenants herein mentioned (excepting the covenant set forth in clause VI hereof) to be kept, observed or performed by it, then the Licensor shall have the right to, and may at its option, and if then the Atlas Company should request it in writing to do so then the Licensor shall, serve upon the Licensee a written notice of such default, stating therein the covenant or covenants which the Licensee shall have neglected, failed or refused to keep, observe or perform; and, if such default should continue for a period of thirty days from and after the service upon the Licensee of such written notice, then the Licensor shall have the right to, and may at its option, and if then requested in writing by the Atlas Company to do so

shall, terminate and cancel this agreement by serving upon the Licensee a written notice of such termination thereof; and such written notices may be served upon the Licensee by delivering them to any office of the Licensee, or by enclosing them in post-paid envelopes addressed to the Licensee at its last known post-office address and depositing the same in any post-office in the United States to be forwarded by registered mail.

"And that if this agreement should be terminated and canceled in the manner set forth in this clause VII, then, and immediately [fol. 1533] thereupon, all of the rights, license, privileges, benefits and covenants herein mentioned as available to and binding upon the respective parties to these presents (exepting the release granted and set forth in clause II hereof), shall cease to be available to and binding upon them, or any of them, and shall not, at any time thereafter, have any force and effect, but no such termination and cancellation of this agreement shall relieve, release or discharge the Licensee from rendering to the Licensor any written statement for any period of time prior thereto according to the terms of clause III hereof, or from the payment to the Licensor of any royalty or sum of money which shall be payable to the Licensor for any period of time prior thereto according to the terms of clauses III and IV hereof; and no such termination and cancellation of this agreement shall impair or affect the release granted and set forth in clause II hereof.

"VIII. And that the right, title and interest of the Licensor in and to this agreement and its rights, privileges and benefits hereunder, may be assigned by it to the Atlas Company, but to no other party, and shall pass to and vest in the Atlas Company immediately upon any termination of above recited License Agreement between the Atlas Company and the Licensor herein named according to the terms thereof; and that the right, title and interest of the Licensee in and to this agreement, and its rights, license, privileges and benefits hereunder, shall not be assignable by it or by operation of law. Privided however, and it is hereby further mutually covenanted and agreed by and between the Licensor and the Licensee that if the right, title and interest of the Licensor in and to this agreement, and its rights, privileges and benefits hereunder, should at any time pass to and vest in the Atlas Company, or be assigned by the Licensor to the Atlas Company, under the terms of this Clause VIII, then the Atlas Company shall credit to the Licensor any and all royalties and sums of money which the Atlas Company shall collect from the Licensee herein named under the terms of this agreement for any period of time prior to the date when the right, title and interest of the Licensor in and to this agreement shall pass to and vest in or be assigned to the Atlas Company as aforesaid.

"In witness whereof the Licensor and the Licensee have caused their respective corporate seals to be hereunto affixed and duly attested and these presents to be signed by their respective duly authorized officers the day and year first above written."

[fol. 1534] GOVT. EX. No. 547

Exhibit C.

License Agreement

Whereas, the North American Portland Cement Company, a corporation organized and existing under the laws of the State of New Jersey, hereinafter called the Licensor, is the owner of the exclusive right to grant rights and licenses to manufacture, have manufactured, use, employ, and practice the inventions patented or covered by letters patent of the United States No. 645,031, dated March 6, 1900, granted to the Atlas Portland Cement Company, assignee of Edward H. Hurry and Harry J. Seaman, to the full end of the term for which said letters patent were granted or may be extended; and

"Whereas, ——, a corporation organized and existing under the [fol. 1535] laws of the State of —, and having its principal office at ——, hereinafter called the Licensee, is desirous of acquiring a non-exclusive license under said Letters Patent No. 645,031, and also under certain other United States Letters Patent relating to the construction and operation of rotary cement kilns under which the Licensor has the right to grant licenses, namely, United States Letters Patent to Carpenter Nos. 691,336 and 691,337 of January 14, 1902, assigned by said Carpenter to the Atlas Portland Cement Company, and the exclusive right to grant licenses under which has been granted by the said Atlas Company to the said North American Portland Cement Company;

"Now, therefore, this agreement witnesseth that the Licensor and the Licensee for and in consideration of the sum of One Dollar, unto each of them paid by the other, and of other good and valuable consideration, receipt of which is hereby acknowledged, mutually covenant and agree to and with each other as follows:

"First. The Licensor hereby grants unto the Licensee the non-exclusive right and license to manufacture or to have manufactured for it, and to use, employ and practice throughout the United States and its Territories and Colonial possessions any and all of the inventions patented and covered in and by said Letters Patent Nos. 645,031, 691,336, and 691,337, and any reissue thereof, to the full end of the term for which said Letters Patent No. 645,031 are granted, [fol. 1536] or until the earlier termination of this license in the manner hereinafter provided, or until the termination of the obligation of the Licensee to pay royalty hereunder as hereinafter provided.

"Second. The Licensor hereby waives all claims for profits and damages due said Licensor from the Licensee by reason of past infringement by the Licensee of said Letters Patent Nos. 645,031, 691,336, and 691,337, all claims for recovery of such profits and damages having been assigned to the Licensor by the said Atlas Portland Cement Company and being now owned by the Licensor. It is, however, understood and agreed that the above waiver by the

Licensor of any claim or claims against the Licensee for such profits and damages shall continue only so long as the Licensee fully observes all the terms and conditions hereof; and if at any time prior to January 1st, 1913, the rights and privileges of the Licensee under this license shall be terminated by the Licensor as hereinafter provided, then in such event such claim for profits and damages, accruing prior to the date hereof, shall come into full force and effect and the Licensor shall have the same right to sue for and collect the same as it would have if this license agreement had not been made. It is, however, understood and agreed that nothing herein contained is intended as a waiver on the part of the Licensee of the right to the operation or pleading of the statute of limitation applicable to the recovery of profits and damages for infringement.

[fol. 1537] "And it is furthermore understood and agreed that, in the event of the termination of the rights and privileges of the Licensee under this license agreement, should the Licensor sue for and recover from the Licensee any profits or damages, or both, for the infringement of said Letters Patent No. 645,031, 691,336 or 691,337, any royalties which may have been paid by the Licensee to the Licensor shall act as a credit against any such recovery for profits or damages, or both, as and to the extent hereinafter provided.

"The Liability in point of time for back profits and damages shall not exceed six years, and the payment of one year's license fees shall reduce the term recoverable for back profits and damages one-sixth, and the payment of two years' license fees shall reduce the term recoverable in like manner, and so on during the term of the agreement.

"Third. The Licensee hereby agrees to keep a full, true and accurate written account of the number of barrels (380 lbs. each) of all the Portland cement produced by or for it in rotary kilns with pulverized carbonaceous fuel under said letters patent No. 645,031, or under any other letters patent under which the license is granted, which shall be used, sold and shipped or otherwise disposed of, by or for it (not including sales for future delivery), during each half calendar year, from and after January 1, 1907; that such written account shall be open to the examination of any officer or duly [fol. 1538] authorized representative of the Licensor, at all reasonable times during business hours; that such written account shall be rendered as hereinafter provided to the Licensor during the term of this license, showing the number of barrels of cement as aforesaid which shall have been used, sold or disposed of by or for the Licensee during the preceding half calendar year; that whenever the Licensor shall so request in writing, any such account shall be verified by the sworn affidavit of some executive officer of the Licensee having knowledge of the facts recited therein.

"The Licensee agrees to pay to the Licensor a royalty of one and a half cents ($.01½) on each such barrel of Portland cement, used, or sold and shipped or otherwise disposed of by or for it as aforesaid, commencing January 1st, 1907 (except that if this Licensee shall use, sell, or cause to be sold any such cement obtained from any

of the six companies now owning the capital stock of the Licensor and now having licenses under the letters patent enumerated herein, or from any concern to which this Licensor has since its organization granted or may hereafter grant a license under said patent No. 645,031 or the other patents above specifically enumerated, and made by such company or concern under such license, this Licensee shall not be required to pay any royalty on such cement; but all such cement shall be reported in the written accounts of this Licensee and exemption from royalty thereon shall be claimed in said [fol. 1539] accounts); such royalty to be paid and the aforesaid written accounts to be rendered within the first fifteen (15) days of January and July of each year during the term of this license for such cement so used or shipped during the preceding calendar half year; accounts to be rendered and royalties to be paid for 1907, however, as follows: within sixty days from the date of execution of this agreement the Licensee is to render the account and pay the royalties above provided for on all such cement used or shipped by it between January 1st, 1907, and the date of execution hereof and within the first fifteen (15) days of January, 1908, to render the account and pay the royalties above provided for on all such cement used or shipped by it during the balance of 1907. And the Licensee agrees within one month after the expiration of said letters patent No. 645,031, or of the obligation of the Licensee to pay royalty hereunder, to render said account and pay royalties due as above provided for all such cement used or shipped by it between the last preceding January 1st or July 1st and the date of such expiration.

"Fourth. The royalties as provided in the preceding section, unless reduced in amount as hereinafter set forth, shall be due and payable by the Licensee absolutely for the period to and including January 1, 1913; if prior to that date any claim of said Letters Patent No. 645,031 or of any other United States letters patent above enumerated shall have been finally adjudged or decreed by [fol. 1540] any United States Circuit Court of Appeals or (if no appeal or writ of error is taken or perfected) by any United States Circuit Court, to be invalid or limited in scope, whereby the Licensee's apparatus and operation shall infringe no claim of any of such letters patent, not so *ad*adjudged or decreed invalid, the Licensee shall be relieved and discharged from the rendering of any account and payment of any royalties under this agreement accruing subsequent to January 1, 1913. If no claim of any of such letters patent is so adjudged or decreed to be invalid or limited in scope, the said accounts and royalties under this agreement shall be due and payable by the Licensee during the existence of this agreement; but if at any time subsequent to January 1, 1913, any claim of any of such letters patent shall be so finally adjudged or decreed to be invalid or limited in scope, whereby the Licensee's apparatus and operations shall infringe no claim of any of such letters patent, not so adjudged or decreed to be invalid, the Licensees shall be relieved and discharged from the rendering of any account and payment of any royalties under this agreement accruing subsequent to

the entry of the final judgment, decree or mandate so adjudging any such claim to be invalid or limited in scope.

"Fifth. The Licensee hereby admits and acknowledges that said letters patent No. 645,031 and each claim thereof are good and valid; and that the Licensor has the exclusive rights and license above recited; that the said rights and license of the Licensor are [fol. 1541] good and valid; that the Licensor has the lawful right to grant the license herein granted to the Licensee; and the Licensee covenants and agrees that it will not at any time during the existence of this agreement directly or indirectly attack or question the validity of said letters patent No. 645,031, nor any claim thereof, nor the scope thereof, nor the exclusive rights and license of the Licensor thereunder.

"Sixth. The Licensee agrees to mark or cause to be marked in a durable manner and in a conspicuous place every apparatus embodying any invention patented or covered by the said letters patent No. 645,031, or by any other letters patent included in this agreement, which has been or shall be manufactured by or for it, with the word "Patented," or any proper abbreviation thereof, and the date of each said letters patent covering such apparatus.

"Seventh. If the Licensee shall at any time neglect, fail or refuse to keep, observe, or perform any of the covenants herein required to be kept, observed or performed by it, then the Licensor shall have the right to, and may at its option, serve upon the Licensee a written notice of such default, stating therein the covenant or covenants which the Licensee shall have neglected, failed or refused to keep, observe or perform; and if such default shall continue for a period of thirty days from and after the service upon the Licensee of such written notice, then the Licensor shall have the right to and may at [fol. 1542] its option, terminate and cancel the rights and privileges of the Licensee under this agreement by serving upon the Licensee a written notice of such termination and cancellation; and such written notices may be served upon the Licensee by delivering them to any officer of the Licensee or by enclosing them in postpaid envelopes addressed to the Licensee at its last known post-office address, and depositing the same in any post-office in the United States to be forwarded by registered mail; and upon such service of any such last mentioned notice, the rights and privileges of the Licensee hereunder shall forthwith cease and terminate.

"Eighth. It is agreed that the right, title and interest of the Licensor in and to this agreement may be assigned by it to the Atlas Portland Cement Company, but to no other party; and that the right, title and interest of the Licensee in and to this agreement shall not be assignable by it or by operation of law; except that if the Licensee shall at any time voluntarily or by operation of law sell or transfer its entire Portland cement business and all of its Portland cement works to a single person, firm or corporation, then said transferee shall, provided it first notify the Licensor in writing that it accepts and

agrees to the covenants, terms and conditions of this License agreement, be substituted in the place and stead of the Licensee. It is, however, hereby further agreed that in the event of a bona fide judicial sale of the property of the Licensee taking place during the existence of this agreement, the purchaser at any such judicial sale [fol. 1543] shall take the property free from this license agreement and undertakings of the Licensee herein and shall occupy the same position as regards the Licensor or the letters patent included within this agreement as though this agreement had not been made; or said purchaser may at his option, by notifying the Licensor in writing to that effect within thirty (30) days after the confirmation of any such sale, be substituted in the place and stead of the Licensee and be entitled to all the privileges and benefits and be bound by all the obligations of the Licensee herein.

"It is agreed that if the right, title and interest of the Licensor in and to this agreement shall at any time be assigned by the Licensor to or become vested in the Atlas Portland Cement Company, the Licensee shall be immediately notified in writing by the Licensor of that fact, whereupon the Atlas Portland Cement Company shall stand in the place and stead of the Licensor as a party to this agreement, and all royalties as provided in the Third Clause hereof, accruing subsequent to said notice shall be payable to the Atlas Portland Cement Company.

"Ninth. The Licensor agrees that if at any time during the term of this agreement it shall reduce the rate of royalty to any other licensee below that provided herein, or shall otherwise grant to any other licensee any special privileges in connection with its license, the Licensee hereunder shall be entitled to the same reduction in [fol. 1544] royalty and to the same special privileges, during the continuation of the same to such other licensee, provided, however, that the expression 'other licensee' shall not apply to or include any of the six companies now owning the capital stock of the Licensor and which are licensees under said Letters Patent No. 645,031, or any other licensee or licensees to whom a license has been granted under said patent No. 645,031 previously hereto.

"Tenth. The Licensor agrees at its own expense, within six months of the date hereof, to institute suit for infringement of said letters patent No. 645,031, against one or more unlicensed manufacturers who may infringe said letters patent, unless the Licensor shall already have commenced such suit or suits, and to prosecute one or more of such suits to final hearing as vigorously as possible, and in the event of succeeding in such suit or suits so prosecuted to proceed vigorously against all other infringers. The Licensor further agrees that it will during the license herein granted at its own expense defend the Licensee in any and all suits for infringements of patents heretofore issued (except patents covered by Paragraph Eleventh hereof) that may be brought against said Licensee for the manufacture or use of apparatus for burning cement in rotary kilns by means of pulverized carbonaceous fuel, and pay all judgments

given in such suits for profits and damages for such infringement; provided, however, that the Licensor shall not be obligated or required to pay expenses for so defending said Licensee and judgments [fol. 1545] for such profits and damages to an aggregate amount greater than the aggregate amount of royalties which shall have been received from the Licensee under this agreement.

"Eleventh. The Licensor hereby agrees that if it now or hereafter owns any other United States letters patent relating to the construction and operation of rotary cement kilns, or the right to grant licenses under any such patent, it will within ninety days notify the Licensee in writing of such fact and will in like manner and within said period tender to the Licensee a license under such patent upon such terms as will be reasonably sufficient, in view of the circumstances and contingencies of each case, to compensate the Licensor for its obligations and outlay involved in acquiring and maintaining the right to grant such license to this Licensee or to compensate the Licensor for the appropriate share assignable to this Licensee in the obligations and outlay involved in acquiring and maintaining title to such patent; the form of such license to correspond as closely as feasible to this license and the duration of such license to be until the expiration of such patent, but at the option of the Licensor to be terminable at the expiration or termination of the obligation of the Licensee to pay royalty under this agreement or at any subsequent time; the Licensor agreeing that this Licensee shall be entitled to the most favorable terms and to all of the privileges that are given under such patent by the Licensor to any licensee thereunder other than [fol. 1546] the six companies and other previous licensees above referred to in Paragraph Ninth hereof. In case the Licensee fails within ninety days after tender of the proposed license agreement to execute and deliver the same to the Licensor, the obligation of the Licensor to grant any license to this Licensee under the patent under which such license was offered shall thereupon cease and terminate.

"In witness whereof, the Licensor and the Licensee have caused their respective corporate seals to be hereunto affixed, and duly attested, and these presents to be signed by their respective duly authorized officers, this 31st day of December, 1907.

In the presence of:—— ——.

"State of New York,
County of New York, ss:

"On the — day of ——, 1908, before me personally came —— ——, to me known, who, being by me duly sworn, did depose and say that he resided in ——; that he is the —— of the North American Portland Cement Company, one of the corporations described in and which executed the above instrument; that he knew the seal of said corporation; that the seal affixed to said instrument was said corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name and the name of said corporation thereto by like order."

"STATE OF ——,
County of ——, ss:

"On the —— day of ——, 1908, before me personally came —— ——, to me known, who, being by me duly sworn, did depose and say, that he resided in ——; that he is the —— of the —— Company, one of the corporations described in and which executed the above instrument; that he knew the corporate seal of said corporation; that the seal affixed to said instrument was said corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name and the name of said corporation thereto by like order."

[fol. 1547] GOVT. Ex. No. 548

Exhibit D.

Articles of Agreement

of the

Association of Licensed Cement

Manufacturers

"Agreement, made this 30th day of December, 1907, by and between the North American Portland Cement Company, a New Jersey corporation, hereinafter called the North American Company, the Atlas Portland Cement Company, a Pennsylvania Corporation, hereinafter called the Atlas Company, the Lehigh Portland Cement Co., a Pennsylvania corporation, hereinafter called the Lehigh Company, the Alpha Portland Cement Company, a New Jersey corporation, hereinafter called the Alpha Company, the American Cement Company, a New Jersey corporation, hereinafter called the American Company, the Vulcanite Portland Cement Company, a New Jersey corporation, hereinafter called the Vulcanite Company, the Lawrence Cement Company of Pennsylvania, a Pennsylvania corporation, hereinafter called the Lawrence Company, the Dexter Portland Cement Company, a Pennsylvania corporation, hereinafter called the Dexter Company, the Pennsylvania Cement Company, a Pennsylvania corporation, hereinafter called the Pennsylvania Company, the Buchhorn Portland Cement Company, a New Jersey corporation, hereinafter called the Buckhorn Company, the Penn-Allen Portland Cement Company, a Pennsylvania corporation, hereinafter called the Penn-Allen Company, the Nazareth Cement Company, a Pennsylvania corporation, hereinafter called the Nazareth Company, the Catskill Cement Company, a New Jersey corporation, hereinafter called the Catskill Company; and such other companies as may now or hereafter sign this agreement and become parties thereto, as hereinafter provided.

"Whereas, the parties hereto are actively engaged in the manu-

facture and sale of Portland cement, and are desirous of forming an association for the purpose of discussing the various questions of interest to the industry arising from time — of exchanging views [fol. 1548] as to the best methods of manufacturing and of extending and developing the business; of investigating and assisting in the improvement of methods and devices for the manufacture and handling of Portland cement by its members; of establishing an association laboratory if thought best, which is to be so equipped that tests can be made on mechanical, chemical and technical matters for the association, or special tests may be made for any member of the association by arrangement with the Board of Managers; of protecting its members, so far as may seem best, from attack under patents or securing to them protection thereunder; of establishing publicity, traffic, mechanical and other departments and appointing committees for the above purposes, and also of doing all things incidental and conducive to the attainment of the above and similar objects; and

"Whereas, the North American Company controls letters patent of the United States No. 645,031, dated March 6th, 1900, granted to the Atlas Company, assignee of Edward H. Hurry and Harry J. Seaman, and Nos. 691,336 and 691,337, dated January 14, 1902, granted to the Atlas Company, assignee of Rolla C. Carpenter, and has the exclusive right to grant sub-licenses thereunder, and may acquire the right to grant licenses under other patents;

"Now, therefore, in consideration of the mutual promises and undertakings herein set forth, and of the grant by the North American Company of a license under said letters patent No. 645,031, [fol. 1549] 691,336 and 691,337, or under other letters patent controlled by it, to each of the signators, hereto, and the sum of One Dollar each to the other paid, the receipt whereof is hereby acknowledged, it is agreed as follows:

"First. That the parties hereto, including all parties who may hereafter become parties hereto, do hereby and under this agreement associate themselves together on the terms and conditions hereinafter set forth as the 'Association of Licensed Cement Manufacturers.'

"Second. Each of the parties hereto shall annually appoint, from its executive officers, one (1) person who shall be its representative in said Association, and who shall hold office for the period of (1) year, or until his successor is appointed.

"Written notice shall be filed with the Secretary of the Association by each member, of the appointment of its representative, who shall not be authorized to act as such representative until such notice is filed and who shall remain such representative until notice appointing a new representative shall be filed by such member.

"Said Association shall hold its first meeting at Room 1344, No. 30 Broad Street, in the City and State of New York, on the 9th day of January, 1908, and the term of office of the first representatives of the members of said Association shall commence from said date; and each and any of the members now or hereafter parties hereto

shall fill any vacancy arising from the death or resignation of its [fol. 1550] representative in said Association or otherwise; each member's representative may appear and vote in person, or such member may appear and vote by proxy who shall be an executive officer of said member, appointed by written proxy duly executed by such member, and the vote of such representative or proxy shall be binding upon the party he represents. Meetings of said Association shall be held on the Mondays preceding the second Tuesdays in the months of March, June, September and December, and the hour and place of meeting shall be fixed by the Board of Managers as hereinafter stated. Special meetings may be called as provided in the By-Laws adopted by the Board of Managers.

"Third. At all meetings of the Association each member thereof shall be entitled to one vote; and a majority of all members in good standing shall constitute a quorum.

"Fourth. The management and control of all affairs and property of the Association is hereby vested in a Board of Managers having fourteen (14) members who shall be selected as follows at the meeting of the Association to be held on January 9th, 1908, and thereafter at the regular March meeting held in each year.

"The North American Company shall be entitled to appoint one member of said Board of Managers; and each of the following companies shall be entitled to appoint one member of said board, to wit: The Atlas Company, Lehigh Company, Alpho Company, American Company, Vulcanite Company and the Lawrence Company; such [fol. 1551] appointments in each instance to be made in writing under the seal of the company making the same, and to be filed with the Secretary of the Association. In case any one or more of the six companies last above mentioned shall cease to be a member of the Association, the number of managers to be appointed by the North American Company shall correspondingly be increased; and in case the North American Company shall cease to be a member of the Association, the number of managers it is entitled to appoint shall be appointed by a majority of the six companies above specifically mentioned then in good standing as members hereof. The other seven members of the Board of Managers shall be elected by the other members of this Association in good standing by a majority of their votes, to be cast in writing at the annual meeting. The members of the Board of Managers shall hold office for one year or until their successors shall be appointed or elected as above provided.

"Nine members of said Board shall constitute a quorum. The Board is hereby authorized by the affirmative vote of a majority of its members to appoint committees, establish necessary departments, control and manage the affairs and property of the Association, and do whatever in its judgment may be necessary to generally carry out the purposes of the Association.

"In case of the resignation, death or inability to act of any one [fol. 1552] of the managers who was appointed as above provided, the company appointing such manager shall be entitled to fill his

place for the remainder of his term by filing with the Secretary of the Association the written appointment of a new manager, and in the case of similar vacancy caused by the resignation, death or inability to act of any manager who was elected as above provided, such vacancy shall be filled for the remainder of his term by the majority vote of the remaining managers representing the members entitled to elect the manager whose vacancy is to be filled.

"Fifth. The Board shall elect from its members the following officers of the Association, and fix their compensation, if any, a president, vice-president, secretary and treasurer, and it may provide for the appointment or election of such other officers as it may from time to time designate. One person may hold the offices of secretary and treasurer. Said Association shall have an office in the City of New York, State of New York, or at such other place as the Board may from time to time designate, and shall hold its regular meetings at such office, or at such other place as shall be previously designated by said Board. The Board of Managers shall, by an affirmative vote of a majority thereof, make such by-laws as shall be deemed necessary to carry out the powers conferred upon it.

"Sixth. The said Board is authorized and hereby empowered to [fol. 1553] employ, if desirable a general manager and any other assistants to carry on the work entrusted to it and perform its obligations hereunder, and may require from its officers, their assistants and agents, sufficient and proper security for the performance of the duties to be severally performed by them.

"Seventh. The said Board is authorized and hereby empowered to expend during the life of this agreement such sums not to exceed Fifty Thousand Dollars ($50,000) per calendar year as may be needed to carry out the work entrusted to it, and to cover the necessary expenses of the Association, the said Board and the various other committees and departments which may be appointed or established as aforesaid. All expenditures of funds for any purpose are to be made under the order of the said Board.

"Said fund for the purposes of the Association as aforesaid shall be provided as follows: First, by a subscription from the North American Company which shall be equivalent to twenty (20) per cent of the amount required. Second, by dues from the members of the Association, which shall be equivalent to eighty (80) per cent. of the amount required and which shall be determined by the said Board and charged pro rata against units of fifty thousand (50,000) barrels of output of Portland cement of all the members hereof, including the Atlas, Lehigh, Alpha, American, Vulcanite and Lawrence Cement Companies. In case the North American Company hereafter engages in the manufacture and sale of Portland [fol. 1554] cement, its subscription shall be reduced to ten per cent. (10%) and the dues from the members of the Association shall be increased to ninety (90%) per cent.; but the North American

Company shall in that case also pay its proportion of said dues according to its pro rata of output.

"Assessments for subscription and dues may, commencing on or after April 1st, 1908, be voted and levied by the Board of Managers either quarterly or at less frequent intervals (the total assessment for any calendar year, however, not to exceed Fifty Thousand Dollars), and shall be payable by each member within thirty (30) days after written notice from the Board. The apportionment of each assessment shall be based upon the production of Portland cement by each member during the twelve months immediately preceding the date of such assessment, as set forth in written reports to be filed by each member as hereinafter provided, commencing from December 1st 1907, or as otherwise ascertained; and in case any assessments are levied prior to December 1st, 1908, the apportionment shall be based upon the production of the members since December 1st, 1907, as shown by such reports or as otherwise ascertained. Each member of this Association shall within twenty (20) days after the first of each month, commencing with January 1st, 1908, file with the Secretary of the Association a sworn statement giving the total amount of Portland cement produced at all [fol. 1555] plants of such member, and also of the total amount of Portland cement shipped therefrom during the preceding month. In case of the failure of any member to file such report within such time, the Association shall be entitled forthwith to examine the books of said company to ascertain the amount of such production and shipment, the expense of such examination being chargeable to such member; and the Association shall at all reasonable times have the right to examine the books of any member to verify any reports rendered. The failure of any member to render such reports within the time above provided or to make payment of assessments when due shall be sufficient cause for the termination of the membership of such member by action of the Board as hereinafter provided.

"Eighth. If any party hereto shall fail to perform its agreements and undertakings hereunder, its membership in the Association shall be terminated and all its interest in the Association and its assets shall cease, and its rights hereunder shall be canceled, provided, however, that before any such termination and cancellation, said party shall be cited to appear before the Board of Managers at a certain time and place and show cause why its membership should not be terminated and its rights and interests should not be forfeited, and after such hearing the said Board may terminate the membership and cancel all rights of the party hereunder by giving thirty (30) days written notice to that effect, and such action of said Board [fol. 1556] shall, by an affirmative vote of a majority thereof, be final and conclusive.

"Ninth. It is furthermore mutually agreed that if any party hereto shall cease to be a licensee under letters patent Nos. 645,031, 691,336 and 691,337, by reason of the cancellation or termination

of its license by act of the licensor under the terms and conditions thereof, and shall cease to have the right to use and practice the invention of said patents, said party shall forthwith cease to be a party hereto, and all its interests in the assets of the Association shall cease upon a written declaration to that effect by the Board of Managers.

"Tenth. A declaration of cancellation as above provided shall terminate all rights, benefits and privileges of said offending party under this agreement and all its interest in the Association and the assets thereof, and shall relieve each and all of the other parties hereto from all duties, liabilities or obligations hereunder to said offending party, and the several parties hereto then remaining shall stand to said offending party in the same position and shall have the same rights as against said offending party as if this contract had not been made, and said offending party had at no time been a party hereto, except that the Association may nevertheless be entitled to receive, sue for and collect all assessment payable for the period up to the date of cancellation or termination of the membership of such offending member; but such termination shall not op- [fol. 1557] erate as to said offending party to in any manner affect any obligations under these presents as between the parties remaining, and as between them it shall continue in force as if said offending party had at no time been a party hereto.

"Eleventh. Any person or concern actively engaged in the manufacture of Portland cement and who also is a licensee in good standing of the North American Company under United States letters patent No. 645,031, 691,336 and 691,337, or under other letters patent now or hereafter owned or controlled by the North American Company, may be elected a member of this Association by the Board of Managers hereof by a two-third vote of all its members, and such person or concern shall then become a member hereof upon signing this agreement or a duplicate copy hereof.

"Twelfth. This agreement and the mutual covenants and agreements herein contained shall continue in force so long as the obligation to pay royalty to the North American Company under its licenses under the Hurry & Seaman and Carpenter patents, above recited, remains in force, as set forth in the form of license agreement hereto annexed, dated September 1, 1907, which said form has been executed by the Dexter Company, under date of October 1st, 1907, by the Pennsylvania Company, under date of October 15th, 1907, by the Buckhorn Company, under date of September 30, 1907, by the Penn-Allen Company, under date of September 28th, [fol. 1558] 1907, by the Nazareth Company, under date of October 20th, 1907, and the Catskill Company, under date of November 21st, 1907; and shall terminate upon the termination of such obligation.

"Upon the termination of this agreement and the dissolution of the said Association for any cause, the moneys and assets of any kind remaining after the payment of all proper obligations con-

tracted in behalf of the parties hereto by the Board of Managers or officers, shall be distributed to the then members of the Association pro rata in the proportion of the amounts contributed by each.

"In witness whereof, the several parties hereto have hereunto affixed the signatures of their corporations, by their officers thereunto duly authorized, or by their duly accredited representatives, this 30th day of December, 1907.

In presence of: Frederick S. Duncan.

The North American Portland Cement Company, by J. R. Maxwell, President. Attest: John B. Wright, Secretary. (Seal.) Vulcanite Portland Cement Co., by Jno. B. Lober, President. Attest: W. D. Lober, Secretary. (Seal.) American Cement Co., by R. W. Lesley, President. Attest: J. F. Lennig, Secretary. (Seal.) The Atlas Portland Cement Company, by J. R. Maxwell, President. Attest: J. R. Maxwell, Secretary. (Seal.) Lehigh Portland Cement Company, by Harry C. Trexler, President. Attest: George G. Sykes, Sec'y. (Seal.) The Lawrence Cement Co. of Pa., by Ernest R. Ackerman, Pres. Attest: Jas. S. Van Middlesworth, Secretary. (Seal.) Alpha Portland Cement Co., by A. F. Gerstell, Vice Prest. Attest: G. S. Brown, Secy. (Seal.) Dexter Portland Cement Co., by its President, Conrad Miller. Attest: Joseph Brobston, Secretary. (Seal.) Pennsylvania Cement Company, by Wm. N. Beach, Prest. Attest: Robert E. Bonner, Secretary. (Seal.) Penn-Allen Portland Cement Co., by Avon Barnes, Prest. Attest: William R. Yeager, Treasurer. (Seal.) Bath Portland Cement Co., by B. F. Stradley, 2nd Vice Pres. Attest: B. F. Stradley, Sec'y (Seal.) Catskill Cement Co., by James W. Kettrell, Secy. & Treas. Attest: J. W. Kettrell, Secy. (Seal.) The Glens Falls Portland Cement Co., by George F. Bayle, Prest. Attest: J. E. Parry, Secretary. (Seal.) Nazareth Cement Co., by M. J. Warner, Vice Prest. Attest: Geo. F. Coffin, Secretary. (Seal.) Buckhorn Portland Cement Co., by Abraham C. Mott, Prest. Attest: C. M. Mott, Secty. (Seal.) Phœnix Cement Co., Wm. Turner, Prest. Attest: E. T. Newkirk, Secretary. (Seal.) The Edison Portland Cement Co., by W. F. Mallory, Vice President. Attest: Willard P. Reid, Secretary. (Seal.)

[fol. 1559] GOVT. Ex No. 549

Exhibit E.

"Agreement made this thirteenth day of January, 1909, between North American Portland Cement Company, a New Jersey corporation, hereinafter called the Licensor, and The Atlas Portland Cement

Company, a Pennsylvania corporation, Lehigh Portland Cement Company, a Pennsylvania corporation, Alpha Portland Cement Company, a New Jersey corporation, American Cement Company, a New Jersey corporation, Vulcanite Portland Cement Company, a New Jersey corporation, Lawrence Cement Company of Pennsylvania, a Pennsylvania corporation, Pennsylvania Cement Company, a Pennsylvania corporation, Penn-Allen Portland Cement Company, a Pennsylvania corporation, Nazareth Cement Company, a Pennsylvania corporation, Catskill Cement Company, a New Jersey corporation, Bath Portland Cement Company, a Pennsylvania corporation, Glens Falls Portland Cement Company, a New York corporation, Phœnix Cement Company, a Pennsylvania corporation, Edison Portland Cement Company, a New Jersey corporation, Whitehall Portland Cement Company, a Pennsylvania corporation, Northampton Portland Cement Company, a Delaware corporation, and such other Portland Cement Companies as may now or hereafter be Licensees under the below mentioned patents and sign this agreement and become parties hereto, hereinafter called the Licensees.

"Whereas, the Licensor has licensed each of the Licensees to use, employ and practice, in the manufacture of Portland Cement, any and all of the inventions patented and covered in and by United [fol. 1560] States Letters Patent No. 645,031 of March 6, 1900, and Nos. 691,336 and 691,337, both of January 14, 1902, the exclusive right to grant licenses under which is owned by the Licensor.

"And whereas it is the desire of all the parties hereto that the right and license to manufacture Portland Cement by the use of the inventions set forth in the above recited patents shall be exercised during the term of this agreement upon the terms and conditions herein set forth, in addition to the terms and conditions set forth in the License Agreements heretofore made between the Licensor and each of the Licensees.

"Now, therefore, this agreement witnesseth that in consideration of the premises and the sum of One Dollar by each to the other in hand paid, the receipt of which is hereby acknowledged, and the mutual covenants herein contained, the parties named and referred to herein as Licensees do each and all severally covenant and agree, mutually with the Licensor as follows:

"First: That during the continuance of this agreement each Licensee (anything in its license agreement heretofore made to the contrary notwithstanding) shall have and enjoy the non-exclusive right and license to manufacture and to have manufactured for it and to use, employ and practice any and all of the inventions covered by the said Letters Patent Nos. 645,031, 691,336 and 691,337, upon and subject to the terms, conditions and covenants expressed in its license heretofore made, but only within the limitations herein [fol. 1561] specified where the same are applicable and not otherwise, that is to say, in the production of Portland Cement sold or disposed of by such Licensee only in full compliance with the minimum price provisions set forth in Schedule 'A,' hereto annexed and made a part hereof, and in compliance with each and all the other terms,

conditions and provisions of said Schedule 'A,' which said Licensee hereby covenants to observe in all respects and particulars; it being expressly understood and agreed that any use of any of said inventions by such Licensee during the continuance of this agreement by a sale of Portland Cement in violation of such minimum price provisions or other failure to observe any limitation of this license shall be outside the scope of the license privilege of such Licensee and an infringement of the patent covering the invention so practiced and subject such Licensee to the liability hereinafter provided, as liquidated damages and not as a penalty, for such infringement.

"And to insure the due observance thereof, each of the parties hereto hereby agrees that it will not, except as provided herein or in said Schedule 'A,' directly or indirectly sell, deliver, or otherwise dispose of or be interested in the sale, delivery or other disposition of any Portland Cement covered hereby, or offer to sell, deliver or otherwise dispose of any such cement otherwise than in full compliance with the terms and conditions of this Agreement and of said Schedule 'A'; and will not, except as in said Schedule 'A' expressly [fol. 1562] provided, allow to any consumer, dealer, or to any purchaser whatever, any commission, discount, rebate or reduction from any prices fixed in said Schedule 'A' except in settlement with insolvent debtors for such cement previously sold and will not, directly or indirectly, grant or give any bonus or gratuity in connection with the sale or other disposition of such cement, except, however, that a prospective purchaser requesting a sample for test may be given a sample not exceeding one barrel.

"Second: That whenever in the judgment of the Board of Directors of the Licensor it is desirable in order to prevent the parties hereto being deprived of the full benefit of the practice of said inventions by reason of quotations or sales of Portland Cement for delivery within the territory covered hereby by persons or concerns not parties hereto, the Licensor may by written notice to each party hereto reduce the minimum prices generally for any one or more delivery points or sections set forth in Schedule 'A' aforesaid, or for any one or more specific jobs, such reduction to remain in force during the period named in said notice and during any further period or periods named in any further written notice or notices which shall be given by the Licensor to each party hereto. Upon the termination of such period or periods of reduction of prices, the minimum prices set forth in Schedule 'A' shall forthwith be restored and remain in full force and effect.

[fol. 1563] "Third. That the Licensor may, upon the unanimous vote of all of the members of its Board of Directors who are present at a meeting of such Board duly called in writing for the purpose of considering and acting upon changes in the terms and provisions of Schedule A (provided always the members present at such meeting constitute a quorum), change or add to any of the prices, terms and provisions of said Schedule A; and whenever any change or addition shall be so made a copy of such change or addition shall be

forthwith given by the Licensor to each and all of the Licensees, and thereupon said Schedule A as thus changed or added to shall be binding upon all the parties hereto with the same force and effect as if said changes or additions had originally been incorporated in said Schedule A.

"Fourth. That if any Licensee should be held by the arbitrator hereinafter mentioned to have in any manner, directly or indirectly, violated any of the limitations, terms, conditions and covenants of this agreement or of said Schedule 'A,' or to have, directly or indirectly, done any act or thing in violation thereof, then such Licensee shall forthwith pay to the Licensor, as liquidated damages and not as a penalty, a sum amounting to not less than five cents per barrel and not exceeding fifty cents per barrel on the entire amount of Portland cement sold or otherwise disposed of by such Licensee in violation of any such limitations, terms, conditions and covenants of this agreement or of said Schedule 'A' as determined by the [fol. 1564] arbitrator hereinafter mentioned, and such damages shall be paid in case of quotations or offers to sell as well as in cases of actual sales of Portland cement in violation of any such limitations, terms, conditions or covenants. But the amount of damages to which any Licensee shall be liable under any and all the provisions of this agreement shall not in any event exceed in the aggregate for any one calendar year a sum equal to ten times the amount of the total original deposit of such Licensee as specified in Paragraph Sixth of this agreement.

"Fifth. That within fifteen days from and after the date of these presents an arbitrator shall be elected by the Board of Managers of the Association of Licensed Cement Manufacturers to serve until his appointment is revoked or his resignation is accepted by said Board, in which case the said Association shall elect a new arbitrator by a similar vote. In case the said Association fails to elect an arbitrator as above provided or to fill any vacancy existing in said office for a period of thirty days after written notice from the Licensor, then the Licensor may by written notice to each of the other parties hereto, appoint an arbitrator who shall perform all the duties and have all the privileges and powers of the arbitrator herein provided for until the election of an Arbitrator by said Association as herein provided.

"Whenever any party to this agreement shall be charged with the violation in any manner of any of the limitations, terms, con- [fol. 1565] ditions and covenants of this agreement or of said Schedule 'A,' then such arbitrator shall afford such accused and also any accusing party or parties an opportunity to be heard with regard to such charge; and such arbitrator may of his own volition notify any party to this agreement to appear before him at a date to be fixed by such arbitrator for a hearing with respect to any alleged violation by such party of any of the limitations, terms, conditions and covenants of this agreement or of said Schedule 'A,' and such party and any accusing party shall then have an opportunity

to be heard by such arbitrator with respect thereto; and the arbitrator is hereby given full power and authority to hear any and all of the parties and to determine whether or not any such party shall have violated any of the limitations, terms, conditions and covenants of this agreement or of said Schedule 'A' and to determine the amount of liquidated damages payable therefor as herein provided; and every finding and determination of such arbitrator in every such case shall be final and conclusive.

"Sixth. That each Licensee shall deposit with the Licensor a sum of money equal to one cent per barrel on all Portland Cement sold and shipped by such Licensee during the year 1907, and in case such sum is less than five thousand dollars, then the sum of five thousand dollars ($5,000), which amount shall be payable as fol lows:

"One-fifth thereof within ten days after the execution and de- [fol. 1566] livery of this agreement; one-fifth thereof on the first Monday of April, 1909; one-fifth thereof on the first Monday of July, 1909; one-fifth thereof on the first Monday of October, 1909, and the remaining one-fifth thereof on the first Monday of January, 1910.

"All sums of money which shall be so deposited with the Licensor shall be placed at interest by the Licensor with such Banks or Trust Companies as shall be selected by the Board of Managers of the Association of Licensed Cement Manufacturers; and the Licensor and the Association of Licensed Cement Manufacturers shall not be responsible for any loss arising by any failure or insolvency of any Bank or Trust Company which may be so selected.

"In the event that such arbitrator shall at any time find or determine that any Licensee shall have violated any of the limitations, terms, conditions and covenants of this agreement and of said Schedule 'A,' or shall have done any act or thing in violation thereof, and by reason thereof shall have become liable to pay any sum of money to the Licensor according to the terms of this agreement, then the Licensor may withdraw from the amount of the said deposit or deposits of such Licensee such sum of money as shall be sufficient for the payment of the amount which shall be so payable by such Licensee to the Licensor under the terms of this agreement; and within thirty days after the Licensor shall have notified such Licensee in writing of the withdrawal from any such [fol. 1567] deposit or deposits of such sum of money, such Licensee shall pay to the Licensor an amount sufficient to make up the total amount of the original deposit or deposits.

"In the event of the failure of such Licensee to make such payment to the Licensor within said thirty days the Licensor shall be entitled to forthwith appropriate to its own use, as liquidated damages and not as a penalty, the whole of the balance of such deposit or deposits of such Licensee, and may also, at its option, suspend all privileges of such Licensee under this agreement and under the original license of such Licensee until such Licensee shall make

good the full amount of its original deposit or deposits; and the Licensor shall also have and may pursue every other remedy available to it for the collection of the full amount of the required deposit or deposits and other sums of money payable by such Licensee to the Licensor under the terms of this agreement and for the protection or enforcement of the rights of the Licensor hereunder.

"The interest payable by any Bank or Trust Company on the deposits made by each Licensee as aforesaid shall be paid by the Licensor to such Licensee between the first and fifteenth days of January of each year, but the Licensor shall in no event be responsible for any greater amount of interest than it shall receive from such Bank or Trust Company. The deposits of each Licensee, however, shall be held by the Licensor during the existence of this [fol. 1568] agreement subject to the terms thereof, and upon the termination of this agreement shall, after the deduction therefrom of any sums of money which shall be payable to the Licensor from such Licensee, be forthwith repaid to such Licensee, together with the unpaid interest thereon payable by such Bank or Trust Company.

"Seventh. That if the Licensor should at any time enter upon the manufacture of Portland Cement under the above mentioned patents, it shall immediately thereupon deposit with a Trustee, who shall be elected by the vote of a majority of the representatives of all of the members of said Association of Licensed Cement Manufacturers, a sum of money equal to one cent per barrel of all Portland Cement proposed to be produced by the Licensor during the first year of its manufacture, and such sum of money shall be held by such Trustee upon the same terms and conditions in respect to the Licensor as the deposits above provided for are to be held by the Licensor in respect to the Licensees.

"And that the Licensor, if it shall enter upon the manufacture of Portland Cement under said patents, will comply with and be bound in all respects by all of the limitations, terms, conditions and covenants of this agreement and of said Schedule 'A,' with respect to such cement manufactured by it.

"And that any sums of money which shall be withdrawn by such Trustee from any deposit or deposits of the Licensor as aforesaid for [fol. 1569] any violation by the Licensor of any of the limitations, terms, conditions and covenants of this Agreement and of said Schedule 'A' shall be paid over by such Trustee to the then Licensees in good standing pro rata according to the amounts of their respective deposits with the Licensor as aforesaid.

"Eighth. That within the first fifteen days of each calendar month during the continuance of this Agreement, each Licensee shall render to the arbitrator, to be elected as aforesaid, a written report, in the form to be prescribed by such arbitrator, setting forth the total number of barrels of Portland Cement sold and shipped or otherwise disposed of by it during the preceding calendar month which shall have been manufactured by the use of any of the in-

ventions covered by the above mentioned patents; and every such written report shall be accompanied by an affidavit of some person having knowledge of the facts setting forth that such report is full, true and correct in every respect and that none of the Portland Cement sold and shipped or otherwise disposed of by such Licensee, during the preceding calendar month was sold and shipped or otherwise disposed of by it in violation of any of the limitations, terms, conditions and covenants of this Agreement and of said Schedule 'A.'

"And that in the event of the failure or refusal of any Licensee to file with such arbitrator any such report within the first fifteen days of any calendar month, the Licensee shall pay to the Licensor, as liquidated damages and not as a penalty, the sum of Twenty-five [fol. 1570] Dollars for each working day until such report is filed with such arbitrator, and the Licensor shall have the right to collect such damages out of any moneys of such Licensee on deposit with the Licensor, or to enforce such liability in any other lawful way, or by any other remedy available to the Licensor for that purpose, and the Licensor may also, at its option, suspend the privileges of such Licensee hereunder and under its original license until such report shall be filed with such arbitrator.

"And that all the transactions of the Licensees relating to the business covered by this agreement and said Schedule 'A' shall be subject to such investigation and audit as may be determined, from time to time, by the arbitrator aforesaid; and such arbitrator shall establish such rules of audit as shall insure a complete and perfect account of each and every transaction in connection with this agreement and said Schedule 'A' by such a system of thorough examination of the books and accounts of each Licensee, as shall insure to the fullest extent possible the strictest compliance with the limitations, terms, conditions and covenants of this agreement and of said Schedule 'A'; and each Licensee shall, for said purposes, produce or cause to be produced at the offices where the same are regularly kept all books, papers, correspondence and other original records of such Licensee, its branches, distributors and sales agents as may be called for by such arbitrator and shall assist such arbitrator or his accredited representative in every way possible for the favorable carrying out [fol. 1571] of the purposes of this agreement, and in case of its failure or refusal so to do shall pay to the Licensor, as liquidated damages and not as a penalty, the sum of Twenty-five Dollars for each working day during the continuance of such failure or refusal, which damages the Licensor may collect out of any deposit of such Licensee or in any other lawful way, and the Licensor may also, at its option, suspend the privileges of such Licensee hereunder and under its original license until the full compliance of such Licensee with the terms of this Clause Eighth.

"Ninth. Where the terms Portland Cement or Cement are used in reference to the subject matter hereof or of said Schedule 'A' reference is had only to Portland Cement produced by the use of the inventions of Patents set forth herein.

"The term Portland Cement as used herein and in the accompanying Schedule 'A' means the finely pulverized product resulting from the calcination to incipient fusion of an intimate mixture of properly proportioned argillaceous and calcareous materials to which no addition greater than three per cent (3%) has been made subsequent to calcination.

"No party hereto shall sell any cement under the name or designation 'Portland Cement' that does not comply with said definition. It is agreed that any violation of the provisions of this paragraph shall constitute a violation of this license and of Schedule 'A' and [fol. 1572] shall render the party committing such violation liable to the damages herein provided.

"For the purpose of this agreement and of said Schedule 'A' the term 'barrel' wherever used shall be construed to mean 376 pounds of cement exclusive of weight of package; the weight of all bags to be computed at not less than one pound each and of barrels at not less than twenty-four pounds each.

"Tenth. That all notices or requests to be given under this License Agreement or under Schedule 'A' by the Licensor, the arbitrator, or by any Licensee shall be in writing forwarded by registered mail. All notices or requests to be given by the Licensor or by the Arbitrator shall also be given by telegraphing the full notice or its substance or general purport.

"Each party hereto shall forthwith file with the Licensor and with the arbitrator a statement of its present post-office and telegraphic addresses which it desires notices to be sent to and shall from time to time file with the Licensor and with the arbitrator a statement of any changes in such addresses; and notices sent by registered mail and by telegram by the Licensor or by the arbitrator to such addresses last filed shall constitute full notice as required herein or by Schedule 'A.' The Licensor or the arbitrator may, however, serve additional written notice by personal delivery to any officer of the party for whom such notice is intended.

[fol. 1573] "Eleventh. That for the purpose of this agreement the territory covered by the aforesaid letters patent is divided as follows:

"Territory A shall embrace the New England States, New Jersey, Delaware, District of Columbia, North Carolina, and South Carolina, and all portions of New York, Pennsylvania, Maryland, Virginia (excluding West Virginia), lying east of a line running approximately north and south from Lake Ontario to the northern border of North Carolina and passing through the most westerly point of the boundary of Rochester, N. Y., and the most westerly point of the boundary of Hagerstown, Md., and through a point half way on an air line between the Lehigh Valley Mills at Northampton, Pa., and Pittsburgh, Pa., all as shown by the line marked on the map hereto annexed.

"Territory B shall embrace all territory covered by said patents not included in Territory A.

"The limitations, terms and provisions of this license agreement

and the accompanying Schedule A shall apply only to the aforesaid Territory A until either (a) the limitations, terms and provisions of this license agreement and the accompanying Schedule A shall have been extended and made applicable to Territory B or some portion thereof in the manner herein provided, or (b) the Licensor shall enter into another license agreement or other license agreements relating to Territory B or some portion thereof as hereinafter provided.

(a) The Licensor may at any time in the manner provided for by Paragraph Third hereof extend the limitations, terms and pro- [fol. 1574] visions hereof and of the accompanying Schedule A to Territory B or any portion thereof and upon notice of such extension given by the Licensor pursuant to Paragraph Tenth hereof, all the limitations, terms and provisions of this agreement and said Schedule A shall apply to Territory B, or such portion thereof as may be designated in said notice, with the same force and effect as if the limitations, terms and provisions of this license agreement and the accompanying Schedule A were herein expressly made to apply to said Territory B, or portion thereof so designated. In case of such extension the Licensor may subsequently cancel such extension as to such territory or any portion thereof, but not as to any part of Territory A.

(b) The Licensor may at any time enter into any other or independent license agreement or agreements with any party or parties hereto or any other person or persons and may include therein limitations, terms and provisions relating to prices, terms of sale and trade conditions and the right to grant sub-licenses—all in the discretion of the Licensor, subject, however, to the following limitations:

(1) Every such license agreement relating to the manufacture of cement by the practice of said inventions covered by the aforesaid letters patent or any of them in Territory B, or any portion thereof, shall provide that any Licensee hereunder shall have the right to take an additional license from the Licensor, or its licensees [fol. 1575] upon whom the right to grant sub-licenses for such territory has been conferred, to manufacture cement by the practice of any and all the inventions covered by the aforesaid letters patent in the territory covered by such license agreement and sell the cement so manufactured in such territory under the same and no other restrictions, terms, conditions or provisions as may be imposed upon other licensees or sub-licensees of the Licensor manufacturing cement in such territory; but the rate of royalty to be paid under such additional license agreement shall in no event exceed one-quarter of a cent per barrel on its cement manufactured in such territory and shall not be greater than the rate of royalty in excess of one cent per barrel fixed for such other licensees or sub-licensees.

(2) Every license agreement under the aforesaid letters patent or any of them shall provide that all licensees holding directly or

indirectly from the Licensor shall be governed by uniform restrictions and provisions as to what may be sold as Portland cement, weight of packages, purchase of bags, terms, discounts, and other trade conditions, and to that end every such license agreement shall contain, and require all sub-licenses under it to contain, the same provisions relative to such trade conditions as at the time of the execution thereof govern the licensees hereunder and provisions permitting the modification of such trade conditions only simultaneously as to all licensees by the Licensor in the manner provided [fol. 1576] in Paragraph Third hereof, or in case the Licensor shall have conferred upon another or others the right to grant sub-licenses then by joint action by the Licensor in the manner provided in Paragraph Third and such other or others applying simultaneously to all licensees and sub-licensees.

(3) No license agreement under the aforesaid letters patent or any of them shall apply to the sale or delivery of Portland cement in any territory or place to which the limitations, terms and provisions of this license agreement and Schedule A shall apply at the time of making such other license agreement or be in any other respect inconsistent with any of the terms and provisions hereof and of said Schedule A in respect to the sale and delivery of Portland cement in any territory or place to which the limitations, terms and provisions of this license agreement and Schedule A shall apply at the time of making such other license agreement and nothing herein or in any such license agreement contained shall in any way deprive any Licensee of or lessen its right to the advantage of any clause in its original license giving it the benefit of any reduction of royalty rate or special privilege granted to any other licensee, as set forth in such clause; provided, however, that (anything in this Clause 3 contained to the contrary notwithstanding) such other license agreement or agreements may establish different methods of fixing prices and different methods of securing the observance of the limitations, terms and conditions of the license in respect to [fol. 1577] cement manufactured in Territory B, or any portion thereof, covered by such license agreement and may provide for the payment of the reciprocal differentials hereinafter set forth.

[fol. 1577] "In the event of the Licensor making another license agreement affecting the sale of Portland cement in Territory B or any portion thereof as hereinabove provided, then upon notice being given by the Licensor to the Licensees, the Licensees shall during the continuance of such other license agreement be bound so far as concerns the sale or delivery of Portland cement in that portion of Territory B covered by such other license agreement by all the limitations, terms and provisions of such other license agreement relating to prices, terms of sale, including weight of packages, purchase of bags, discounts, what may be sold as Portland cement and other trade conditions to the same extent and with the same force and effect as if such provisions as to prices, terms of sale and trade conditions were embodied herein and made a part hereof; and upon

written notice to that effect from the Licensor to the Licensee no Portland cement made in Territory A shall be sold or delivered in such portion of Territory B as may be covered by such other license agreement except at a price which shall exceed the price or prices established under such other license agreement by a differential of not more than one cent (1c) a barrel on Portland cement sold in said portion of Territory B up to the point or points where the [fol. 1578] freight rate from the nearest mill situated in Territory B and owned by any Licensee of the Licensor is less than five cents per barrel below the freight rate from the nearest mill of a Licensee situated in territory A; not more than two cents a barrel where the difference in such freight rate is five cents and less than ten cents; not more than three cents where such difference is ten cents and less than fifteen cents; not more than four cents a barrel where such difference is fifteen cents and less than twenty cents; not more than five cents a barrel where such difference is twenty cents or more, as may be determined by the Licensor and stated in such notice; but no such notice of differential shall be given or shall have any effect unless the same differential shall be imposed on all Portland cement manufactured by licensees of the Licensor in the territory covered by such other license agreement and sold or delivered in Territory A.

"Any violation by any Licensee party hereto of any of the limitations, terms, conditions or provisions of such other license agreement or agreements relating to prices, terms of sale or trade conditions or the provisions hereof as to differentials based on the prices fixed by such other license agreement or agreements in connection with cement made in Territory A after notice that such other license agreement or agreements are in force and the prices, terms of sale and trade conditions governing the Licensee hereunder pursuant thereto, shall constitute a violation hereof and subject such Licensee [fol. 1579] to liability for the damages herein provided for exceeding the limitations of this license.

"In the event of the Licensor making another license agreement as hereinabove provided, relating to the practice of said inventions covered by the aforesaid letters patent or any of them in Territory B, or some portion thereof, then upon notice from the Licensor to that effect the Licensee shall have no right or license under this license agreement or under its original license agreement to manufacture Portland cement by the practice of said inventions or any of them in the portion of Territory B covered by such other license agreement during the continuance thereof until the License shall have taken an additional license to manufacture Portland cement by the practice of said inventions in said portion of Territory B, from the Licensor, or person upon whom the right to grant sub-licenses for such territory may have been conferred, but if such additional license is terminated in any manner (including the termination by a Licensee hereunder in the manner provided in such additional license) then this license and the original license of such Licensee shall again come into full force and effect; and upon taking such additional license

the Licensee shall pay to the Licensor upon each barrel of Portland cement made by the practice of said inventions or any of them in Territory A and Territory B the royalty due to the Licensor hereunder and under its original license and in addition thereto shall [fol. 1580] pay to the person from whom it holds an additional license in said Territory B upon each barrel of Portland cement produced by it by the practice of said inventions or any of them in Territory B the additional royalty fixed in said additional license pursuant to Clause 1 of this Paragraph Eleventh.

"In the event of the Licensor making another license agreement covering Territory B or some portion thereof as hereinabove provided and incorporating in such license agreement the right to grant sub-licenses and provisions for the determination of questions relating to breaches of the limitations, terms, conditions and provisions of such license agreement by an Arbitrator of equivalent Tribunal, and any Licensee hereunder taking a sub-license thereunder, then such Licensee shall be bound by the decision of the Arbitrator appointed pursuant to Paragraph Fifth hereof as therein provided concerning all questions arising in connection with the cement produced by the Licensee at a mill or mills located in Territory A and by the Arbitrator or Tribunal for which provision may be made in such other license agreement concerning all questions arising in connection with the cement produced by the Licensee in any mill of such Licensee located in Territory B or such portion thereof as may be covered by such license agreement; and in case of any dispute as to the jurisdiction of the respective Arbitrators in any case or other dispute between such Arbitrators on any question [fol. 1581] then such Arbitrators shall select a third person to whom the question involved shall be submitted and the Arbitrators and the Licensees hereunder shall be bound by the decision of such person in such case the same as if such decision were the decision of the Arbitrator appointed pursuant to Paragraph Fifth hereof according to the provisions of this agreement:

"Twelfth. That this agreement is supplemental to and confirmatory of the several license agreements heretofore entered into between the Licensor and the Licensee respectively which shall remain in full force and effect in all respects except in so far as said agreements are or may be altered or modified by this agreement. During the continuance of this agreement the Licenses heretofore granted to the respective Licensees under said patents shall be subject to the limitations, terms, conditions and covenants of this agreement and of said Schedule 'A,' to the same extent as if the same had been embodied in and made a part of such licenses. Upon the expiration of this agreement, or its termination in any manner whatsoever, the previous license agreement made by the Licensor with each Licensee as aforesaid shall continue in full force and effect as though this agreement had not been made.

"This License Agreement and the accompanying Schedule 'A' shall be read together and shall be deemed a single document; and wherever reference is made herein or in said Schedule 'A' to said

[fol. 1582] Schedule 'A' or to the terms and provisions thereof such reference includes said Schedule as it now exists and also as it may hereafter be modified, altered or added to as provided for herein or in the said Schedule.

"Thirteenth. That this agreement shall continue in force during the term for which each of the above mentioned patents was granted on its face, unless sooner terminated in the manner hereinafter provided:

"(1) Any Licensee hereunder may terminate this agreement as to all parties hereto on January 1, 1911, or on the first day of any January thereafter, by delivering to the Licensor on or before any such first day of January written notice of the intention of such Licensee to withdraw from this agreement on that date. Immediately on receipt of such notice the Licensor shall give notice to each Licensee that this agreement shall terminate on such first day of January.

"(2) In the event of the termination of the liability of the Licensees, or any of them, to pay royalty under the License Agreement heretofore made between the Licensor and such Licensee, then this License Agreement and Schedule 'A' shall terminate as to all parties hereto at the same time that the liability to pay royalty shall terminate as aforesaid.

"And no termination of this License Agreement and of Schedule 'A' in any manner aforesaid shall release or discharge any Licensee [fol. 1583] from the payment of any sum of money payable by such Licensee to the Licensor under the terms of this License Agreement or of Schedule 'A' by reason of any act or omission prior to the date of such termination. All quotations made prior to the expiration of this License Agreement and of Schedule 'A' for delivery of cement after such expiration shall be made in full compliance with and shall be subject to all of the price provisions and other terms and conditions hereof and of Schedule 'A.'

"Fourteenth. This Agreement and Schedule 'A' annexed hereto shall go into force and be binding upon the Licensor and the Licensee immediately upon the execution of this Agreement by the Licensor and all of the Licensees herein named, and not otherwise.

"In witness whereof the Licensor and the Licensees have caused their respective corporate seals to be hereunto affixed and duly attested and these presents to be signed by their respective duly authorized officers the day and year first above written."

"Schedule A

"(Attached to and forming part of a License Agreement between the North American Portland Cement Company, Licensor, and the Atlas Portland Cement Company and others, Licensees, dated January 13, 1909.)

"(1) Prices—All prices quoted for Portland cement covered by [fol. 1584] the License Agreement of which this schedule is part

made by any of the parties to said License Agreement shall be prices for delivery at the point required by the purchaser and no such cement shall be offered for sale and delivery at any point or in any section covered hereby or sold and delivered or otherwise disposed of at any such place at such prices less than the price set after the delivery point or section in the list of delivery points and sections contained in Paragraph 10 hereof, or, if such delivery point or section be not specifically contained in said list, at less than the prices hereinafter otherwise provided covering such place. Nothing in this paragraph (1) shall be construed as referring to or including the sale and shipment of any cement outside of the Territory A.

"(2). Discounts.—The following discounts, however, and no others, may be granted from the prices above provided for: (a) To dealers, as hereinafter defined, a discount of not more than five cents (5¢) on each barrel of such Portland cement that is sold by them to consumers in compliance with the price provisions hereof and (b) to distributors, as hereinafter defined, a discount of Ten cents (10¢) on each barrel of such Portland cement that is sold by them to dealers by whom such cement has been resold to consumers and the statements hereinafter required furnished and five cents (5¢) on each barrel of such Portland cement that is sold by them to [fol. 1585] dealers and not so resold or to consumers in compliance with the price provisions hereof.

"Dealers and distributors shall be allowed no discount on such cement consumed by them and shall be allowed the discount above provided on such cement sold to others only as follows: All such cement shall be billed to and paid for by such dealers and distributors at the full prices above provided for; at the end of each calendar month the dealer and distributor shall render to the licensee billing the cement a written statement (verified, if requested) setting forth the amount of such cement bought from such licensee and sold by such dealer or distributor during such month and also the amount of such cement used by the dealer or distributor himself; and the statement of the distributor shall also specify the portions of such amount sold by such distributor to dealers and consumers respectively, and shall be accompanied by written statements (verified, if requested) from dealers to whom such distributor has sold such cement setting forth that such cement has been resold by such dealer to consumers in full compliance with the price provisions hereof, all of which statements shall be preserved by the licensee and be open to the inspection of the Arbitrator provided for in the accompanying License Agreement; the licensee shall then be allowed to credit such dealer with, or pay to him said discount of not more than five cents (5¢) on each barrel of such cement that has been sold by him in full compliance with the price provisions hereof [fol. 1586] and to credit such distributor with or pay to him said discount of not more than Ten cents (10¢) on each barrel of such cement that has been sold by him to dealers whose statements are furnished showing that such cement has been resold to consumers in

full compliance with the price provisions hereof, and not more than five cents (5¢) on each barrel of such cement that has been sold by him to dealers and not so resold to consumers in full compliance with the price provisions hereof.

"(3). Terms.—Terms of payment shall not exceed thirty (30) days net from date of shipment; a discount of one cent per barrel may be allowed for cash within ten (10) days from date of shipment. No Licensee shall, directly or indirectly, sell or offer Portland cement as defined by the accompanying agreement on any terms more favorable than those herein prescribed, but the failure of any Licensee to institute suit or to collect at the end of thirty days, or to collect interest or discount deducted by the purchaser after ten days, shall not render the Licensee liable for the damages provided for breach of the accompanying agreement, provided the sale has been made by the Licensee in good faith on terms no more favorable than those herein prescribed and the Licensee has made due commercial efforts to enforce such terms.

"All quotations made by the parties hereto are to be good for any period not exceeding fifteen (15) days, deliverable within thirty (30) days after acceptance. On jobs specifically named delivery is [fol. 1587] to cover the job and terms of the contract, and the quotation is to so state and is to be good for acceptance until the contract is let or until the quotation is withdrawn.

Freight charges are to be paid by the purchaser except to prepaid stations, or on reshipments by water, or on Government, State and Municipal and Railroad contracts requiring prepayment of freight.

"4. Definitions.—

"Branch Offices, Dealers, Distributors, Exclusive Sales Agents, Salesmen

"A branch office is on office maintained by a party hereto in its own name, under its own control and subject to the directions of the home office, the profits of which branch belong to and the expenses and losses of which are borne by such party; or an office maintained by a corporation the entire capital stock of which is owned by a party hereto, which office is maintained in the name of such corporation under its control and subject to its directions, the profits of which office belong to, and the expenses and losses of which are borne by such corporation; or any office established as an office of a party hereto within the State of its incorporation prior to the first day of January, 1908, and since continuously conducted in the name of such party, whether or not such party controls or directs the same or owns the profits or bears the expenses or losses thereof.

"A dealer is a person, firm or corporation regularly carrying in store a stock of Portland cement for sale to others.

"A .distributor is a person, firm or corporation formally appointed a Distributor by a party hereto as hereinunder provided. Only those so appointed distributors and whose appointments are in full force

[fol. 1588] shall be distributors with the meaning hereof and as such entitled to the distributor's discount.

"The term Exclusive Sales Agent means a person or concern who has the exclusive handling of the entire or substantially the entire output of a Licensee.

"A Salesman is a person or concern who is regularly employed by any of the parties hereto to procure orders for cement to be filled by such party, and who has no direct or indirect title to or interest in such cement either as a dealer or consumer. Such salesman may be paid by salary, commission, or both.

"No party hereto shall employ as a salesman or shall constitute as a branch office or shall permit to be directly or indirectly connected with any branch office of such party, any person or concern who is either a dealer engaged in buying and selling cement or other building materials, a contractor buying cement or other building materials, or a consumer of cement; and no party hereto shall directly or indirectly grant or give any commission, salary, discount, credit, allowance, gratuity, sum of money or any reduction in price, to any person or concern who is such dealer, contractor or consumer either in connection with cement purchased by such person or concern, or in connection with orders for cement procured by such person or concern and to be filled by such party hereto; and any violation of these provisions shall render the party violating the same liable to liqui-[fol. 1589] dated damages at the rate provided in the accompanying license agreement. But nothing herein contained shall be construed to prevent a salesman or person or concern connected with or acting as a branch office being a stockholder in any cement company party hereto.

"(5). Distributors and Exclusive Sales Agents.—Each party hereto is entitled to appoint one distributor at each distributing point hereinafter specified by delivering to the Licensor a written statement setting forth the name of such distributor, the distributing point for which the appointment is made, and the agreement of the party making the appointment to be responsible for the full compliance with the price and other provisions hereof by such appointee to the same extent as if such appointee were the party making the appointment, and thereupon such distributor shall become the duly appointed distributor at such distributing point for the party making the appointment and shall remain such distributor until written notice of the revocation of such appointment is delivered to the Licensor by the party who appointed such distributor. Provided, however, that before any person or concern shall become a distributor and entitled to the distributor's discount, such person or concern shall enter into a contract with the party making the appointment (executed in duplicate, one copy of which shall be delivered to the Licensor with the statement of appointment of such person or con-[fol. 1590] cern as distributor) providing that while such person or concern continues as such distributor he or it will not sell any brand of American Portland cement not made under license from the Licensor and will sell the licensed brand only in full compliance

with the price and other conditions of the accompanying license agreement and of this schedule as now existing or hereafter modified and that in case of violation of the provisions of such contract the distributor will pay to the party making the appointment liquidated damages (equivalent at least to the sum for which the acts of such distributor may render the party appointing him liable hereunder) to be fixed in such contract.

"Upon receiving notice of the appointment of such distributor or the revocation of any such appointment, the Licensor shall give notice of the same to the various parties hereto. Any party hereto may at any time revoke the appointment of any of its distributors by written notice delivered to the Licensor and may thereafter appoint a new distributor for such distributing point in the manner above provided.

"The following cities are hereby established as distributing points and shall constitute the only points at which distributors be appointed until the number or location of such points is changed pursuant to Paragraph Third of the accompanying agreement:

"Boston, Massachusetts; Baltimore, Maryland; Syracuse, New York; Norfolk, Virginia; Binghamton, New York; Richmond, Virginia; Utica, New York; Charleston, South Carolina.

[fol. 1591] "Each party hereto desiring to appoint or to maintain an Exclusive Sales Agent shall procure the execution in duplicate by such Exclusive Sales Agent and such party of an agreement in form prepared by the Licensor providing that while such Exclusive Sales Agent continues as such he will not sell any brand of Portland cement, as defined in Paragraph Ninth of the foregoing agreement, not made under license from the Licensor and will sell the licensed brands only in full compliance with the price and other conditions of the accompanying license agreement and of this Schedule as now existing or hereafter modified, and that in case of violation of the terms of his agreement with his principal such Exclusive Sales Agent will pay such principal liquidated damages as fixed by said agreement; and shall deliver to the Licensor a copy of such agreement together with a written notice of the appointment of such Exclusive Sales Agent; and thereupon such Exclusive Sales Agent shall become the duly appointed Exclusive Sales Agent for the concern appointing the same and shall remain in said capacity until written notice of the revocation of such appointment is delivered to the Licensor by the party who appointed said Exclusive Sales Agent. Upon receiving notice of the appointment of any such Exclusive Sales Agent or the revocation of any such appointment, the Licensor shall give immediate notice of the same to the several parties hereto. Any party hereto may at any time revoke the appointment of its Exclu-
[fol. 1592] sive Sales Agent by written notice delivered to the Licensor and may thereafter appoint a new Exclusive Sales Agent in the manner above provided. No party hereto shall have more than one Exclusive Sales Agent at any one time. Only such persons as have been formally appointed Exclusive Sales Agents as above provided and whose appointments are in full force shall be Exclusive Sales Agents within the meaning hereof and as such entitled

to the benefit of the provisions relating to terms with Exclusive Sales Agents.

"(6) Terms as to Branch Offices, Sales Agents, etc., and as to Sales Between Parties Hereto.—Where any party hereto is maintaining a Branch Office or whose entire output of cement is handled by an Exclusive Sales Agent, it may deliver cement to said Branch Office or Exclusive Sales Agent, irrespective of the provisions hereof as to price and discounts; but in selling and delivering such cement to dealers, distributors or consumers, such Branch Office and such Exclusive Sales Agent shall be subject to and comply with all of the provisions hereof and of the accompanying License Agreement. Any party hereto now maintaining or hereafter establishing any such Branch Office as herein provided shall report the same in writing to the Licensor who shall forthwith report the same to each of the other parties hereto.

"Each party hereto shall be responsible for any violations of this Schedule or of the accompanying License Agreement by its Branch [fol. 1593] Offices, Exclusive Sales Agents, Salesmen, representatives, Distributors and every corporation at least a majority of whose capital stock is owned by the Licensee.

"Any party hereto may sell cement to any other party hereto at such prices as may be agreed upon between them, irrespective of the terms hereof; but such purchaser of such cement shall in selling or otherwise disposing of the same be subject to and comply with all of the provisions hereof and of the accompanying License Agreement; and the manufacturer of such cement shall include such cement in his reports to the Licensor and to the Arbitrator.

"(7). Amendment of List of Delivery Points and Sections.—The Licensor may at any time in the manner provided for by Paragraph Third of the foregoing agreement, add to the list of delivery points and sections contained in Paragraph 10 hereof new delivery points and sections anywhere in the United States and fix the selling price at such points or within such sections and may strike out any delivery point or section and otherwise alter or amend said list, and may establish minimum prices and discounts in any part of the United States, except as hereinafter provided, either by sections, states, counties, cities or other divisions, or by reference to the nearest delivery point in said list. Meanwhile, in case of quotation for delivery [fol. 1594] or of deliveries of Portland cement covered hereby at any point in Territory A, not specifically covered by the list of delivery points and sections, no quotations or deliveries shall be made at prices less than the minimum prices fixed for delivery at the nearest delivery point named in said list. Until the provisions hereof have been extended and made applicable as herein provided to any given portion or portions of the United States outside of the territory known as Territory A in the accompanying License Agreement or another License Agreement covering such other territory has been made pursuant to Paragraph Eleventh of the accompanying agreement, the parties hereto are not restricted as to prices, discounts or terms of delivery at such places. In case the Licensor as provided

in Paragraph Eleventh of the accompanying License Agreement shall have at any time made any License Agreement or Agreements establishing terms or restrictions as to prices, discounts or terms of delivery within any portion or portions of the United States not included in Territory A aforesaid of Portland cement made by use of the inventions of the patents herein referred to which said License Agreement or Agreements shall have gone into effect before the provisions hereof have been extended and made applicable as above provided to such portion or portions of the United States, then the power above given to extend the provisions hereof to the portion or portions of the United States covered by such other Agreement or Agreements [fol. 1595] shall cease, during the continuance of such other License Agreement or Agreements, anything hereinbefore contained to the contrary notwithstanding.

"In case of any change in or addition to the list of distributing points or of delivery points and sections or in prices or discounts or in the other terms of his Schedule the Licensor shall forthwith give written notice thereof to each of the parties hereto and shall forthwith send to each party hereto a copy of this Schedule in its then amended form, bearing the date of its issuance and certified by the Secretary of the Licensor to be a correct copy of the Schedule as then amended.

"(8) Purchase of Bags.—No party hereto shall allow any discount, rebate or commission or make any payment or give any credit for packages in which it has sold cement covered hereby, except as follows: any party hereto may purchase cotton bags bearing the brand of any party hereto that have been used in connection with the sale of such cement by said party or parties, and pay for the same at the rate of not exceeding seven and one-half (7½) cents per bag, provided always, however, that all such bags returned by the customers shall be subject to the count and inspection of said party and that payment shall be made only for bags that are capable of further use for shipment of cement and that freight on such bags from [fol. 1596] place of shipment to the mill shall be prepaid by or charged to the persons returning same. Each party hereto must keep a record of all used bags so purchased by it and must preserve all invoices covering such purchases; and said records and invoices shall at all reasonable times be open to the inspection of the arbitrator or his duly accredited representative.

"(9) Statements of Outstanding Quotations and Contracts.—Within fifteen days after the execution and delivery of this agreement by all of the parties hereto each of the parties hereto shall forward to the arbitrator provided for in the accompanying License Agreement a sworn statement of each of its outstanding and unfilled contracts, sales, orders for cement and offers to sell cement covered by this agreement and to be delivered at prices less than the minimum prices established herein at any of the points or within any territory to which the provisions of this Schedule apply, stating the name of the buyer, name and location of the job, and amount, date, price and terms; and within

fifteen days after any subsequent advance in price, as provided for in this Schedule and accompanying License Agreement, each of the parties hereto shall forward to the arbitrator a similar sworn statement of each of its outstanding and unfilled contracts, sales, orders for cement and offers to sell cement covered by this agreement and to be delivered at any point affected by such change in price at prices [fol. 1597] less than such new minimum prices. Failure to file any such statement within the period specified shall subject the party in default to the payment to the Licensor of liquidated damages at the rate of twenty-five dollars per day. All such bona fide contracts, sales, orders, and offers to sell may be filled at the agreed price, and shall not constitute violations hereof, provided same have been reported in statements as above provided.

"(10) List of Delivery Points and Sections and of Minimum Prices.—Until the Licensor shall give notice of the establishment of delivery points and sections and minimum prices therein, prices in Territory A shall be as follows:

"All prices given below are the minimum prices to consumers and subject to the discounts permitted to dealers and distributors by Paragraph (2) of this Schedule and no other discount.

"All prices shall be quoted and made delivered.

"Delivered prices for wood and cotton shall be the same and for paper 25 cents less, computing the freight at a weight of 400 lbs. for all packages.

"Prices in Territory A shall be not less than $1.20 in wood and cotton and 95 cents in paper plus the Northampton all-rail rate with the following exceptions:

"(1) Greater New York within Lighterage Limits: $1.53 in cotton and wood and $1.28 in paper.

[fols. 1598-1600] "(2) Long Island outside Lighterage Limits of Greater New York: $1.25 in cotton and wood, and $1.00 in paper plus the Northampton all-rail rate.

"(3) The States of Virginia, North Carolina and South Carolina: No minimum prices, until minimum prices have been established therefor and notice thereof given as above provided.

"(4) Any party hereto shall be entitled to deliver Portland Cement made by it at a mill located in the Counties of Warren, Washington, Saratoga, Rensselaer, Albany, Schenectady, Schoharie, Green, Columbia and Ulster, in the State of New York, at a price three cents (3¢) per barrel less than the prices fixed for other licensees but only when such cement is delivered at points within the New England States or the State of New York where the freight rate on cement from such mill is twenty-five cents (25¢) or more per ton less than the freight rate from the nearest mill of a Licensee located in the Lehigh District, including the portion of said District lying in New Jersey. Such permitted reduction in price shall not apply to any Portland cement not manufactured in said Counties of the State of New York."

[fol. 1601] Govt. Ex. No. 550

Schedule A, Paragraph 10, Subdivisions 5 & 7 to 21, Inclusive

No. 544

May 27th, 1910.

5. Steam Railroads

"The minimum price to Steam Railroads for cement for their own use, shall be as follows: These prices shall be governed by the following conditions as to deliveries and routing:

A.—To the nearest junction point from the mill of the Licensee to the road requesting prices, as determined by the routing instructions of the transportation road on which the mill of the Licensee is located.

B.—When the established tariff of a transportation line on which a mill of a Licensee is located authorizes a lower rate to a regular junction point other than the nearest junction point determined according to Clause "A" hereof, then the delivery [fol. 1601½] may be made at the junction point taking the lowest rate of transportation from the mill of the said Licensee.

In all other cases, i. e., junction points not specifically mentioned and Railroads not specifically mentioned, the minimum price shall be the price given in the list of Delivery Points and Minimum Prices at or to the nearest junction point with the said railroad from the mill of Licensee to the road requesting prices and via which the cement is to move except that it will be permissible for a Licensee to issue quotations or sell any railroad for delivery at any place of consumption on the line of the railroad requesting prices provided, however, that in all such cases the price to be quoted and the price at which the cement shall be sold and invoiced shall be not less than the price given in the list of Delivery Points and Minimum Prices at the said point or points of consumption.

Road	Point of delivery	Minimum price per barrel
Baltimore & Ohio R. R.	Park Junction	$1.37
Central R. R. of New Jersey.	Allentown	1.15
	Bethlehem	1.15
	Hokendauqua	1.15
	Northampton Junction	1.15
	Phillipsburg	1.15
	Siegfried	1.15
	Vulcanite	1.15
Delaware & Hudson R. R.	Glens Falls	1.31
	Wilkes-Barre	1.28
Dalaware, Lackawanna & Western R. R.	Bath	1.15
	Bath Junction	1.15
	Belfast Junction	1.15
	Martins Creek	1.15
	Nazareth	1.15
	New Village	1.15
	Phillipsburg	1.15
Erie Railroad.	Bergen Junction	1.31
	Jersey City	1.31
	Hainesburg Junction	1.29
	Charlottesburgh Junction	1.43
	Branchville Junction	1.42
	Sparta Junction	1.42
	Franklin Junction	1.42
	Greycourt, N. Y.	1.50
	Plains Junction, Pa.	1.40
	Carbondale	1.47

[The balance of this Exhibit, which contains one hundred and fourteen (114) pages not printed by consent.]

[fol. 1602] Govt. Ex. No. 551

September 12, 1912.

Dear Mr. Beach: May I have the pleasure of your company at dinner at the Knickerbocker Hotel, Parlor B, Thursday evening, September 26th, at 7:30 o'clock.

For some time I have hoped for an opportunity to become better acquainted with the men who are interested in the welfare of the cement industry in the East, and I hope no previous engagement will prevent my having the pleasure of seeing you on the date above mentioned.

Yours very truly, John R. Morron.

P. S.—Please let me hear from you at your early convenience.

Mr. W. N. Beach, 29 Broadway, New York City.

[fol. 1602½] Govt. Ex. No. 552

Pennsylvania Cement Company,
29 Broadway, New York

September 16, 1912.

Mr. John R. Morron, Pres. Atlas Portland Cement Co., 30 Broad Street, New York City.

Dear Mr. Morron: I am in receipt of your letter of the 12th inst., and regret to advise you that I will be unable to accept your kind invitation, as I expect to leave town the end of this week on my vacation. Our Vice President, Mr. J. W. Alker, however, will be there.

Regretting my inability to be present, I am

Yours very truly, W. N. Beach, President.

[fol. 1603] Govt. Ex. No. 553

To save time, it is agreed, subject to all objections to materiality, relevancy and all other objections not expressly waived by the admission, as follows:

That the book produced herewith constitutes the minutes of the so-called Eastern Cement Association, the paper marked "A" is a copy of the plan referred to in the minutes of the first meeting, and the paper marked "B" is a copy of the Eddy Plan, prepared by Mr. Arthur J. Eddy and referred to in the minutes of subsequent meetings.

The opinion referred to in the minutes of the last meeting, was to the effect indicated by the following extracts therefrom: "During the three months or so of the existence of the Eastern Cement Asso-

ciation, its attention has been directed chiefly towards considering various plans or programs and it has actually done very little. * * * It is plainly desirable now to decide definitely what course is to be followed, and that is understood to be the purpose of this meeting. * * * If the Association prefers to look at the situation not from the point of view of what cannot lead to the trouble of a defense, but from the point of view of what can be vindicated in court, then it may go ahead and put in operation the best of the plans or programs that has been suggested." But the continuance [fol. 1603½] of the Association may result in "misconception followed perhaps by the trouble and expense of defending proceedings. My understanding is that the benefits of the Association are not sufficiently great to outweigh that, and I accordingly defer comment upon any of the plans or programs for the Association, until you consider and decide whether it is wise at present to have any Association at all."

April 22nd, 1922.

[fol. 1604] GOVT. EX. No. 554

Minutes

On Thursday, November 7th, 1912, at 11:00 o'clock A. M. at the Hotel Astor in New York City, the following gentlemen assembled for the purpose of deciding on the advisability of forming an Association of Cement Manufacturers having plants located in the East.

Call for this meeting having been sent out by John B. Lober, Esq., Chairman of a Committee, which had previously been appointed to determine the advisability of such a step.

There were present the following:

J. W. Fuller, R. S. Weaver representing the Allentown P. C. Co.
A. F. Gerstell, J. B. Wight representing the Alpha P. C. Co.
R. S. Sinclair, W. P. Corbett representing the Alsen's Am. P. C. Wks.
R. W. Lesley representing the American C. Co. of N. J.
John R. Morron, A. de Navarro, W. A. Holman, representing the Atlas P. C. Co.
B. F. Stradley representing the Bath P. C. Co.
M. E. Calkins representing the Cayuga Lake C. Co.
F. L. Loeb, C. H. Breerwood representing the Coplay C. Mfg. Co.
[fol. 1604½] Joseph Brobston, R. W. Hilles representing the Dexter P. C. Co.
W. S. Mallory representing the Edison P. C. Co.
George F. Bayle representing the Glens Falls P. C. Co.
T. H. Dumary representing the Helderberg C. Co.
S. H. Bassett representing the Knickerbocker P. C. Co.
M. S. Ackerman, L. V. Clark representing the Lawrence P. C. Co.
E. M. Young, H. C. Trexler representing the Lehigh P. C. Co.
A. W. Paige, J. A. Horner representing the Nazareth C. Co.

R. E. Griffith representing the Norfolk P. C. Cor.
W. E. Erdell representing the Penn-Allen C. Co.
W. N. Beach, J. W. Alker representing the Pennsylvania C. Co.
J. W. Walker, H. M. Fetter representing the Phœnix P. C. Co.
A. W. Paige, Charles Warner representing the Security C. & Lime Co.
E. R. Stapleton representing the Tidewater P. C. Co.
R. W. Kelley representing the Virginia P. C. Co.
J. B. Lober, Albert Moyer representing the Vulcanite P. C. Co.
W. H. Harding, W. C. Kent, C. P. Robinson representing the Whitehall C. Mfg. Co.

Col. Trexler nominated Mr. A. F. Gerstell as temporary Chairman of the meeting. Mr. Fuller nominated Joseph Brobston as tem- [fol. 1605] porary Secretary of the meeting. Col. Trexler put the motion and Messrs. Gerstell and Brobston were elected temporary Chairman and Secretary of the meeting.

The roll was then called and the gentlemen named above responded to the roll call. It was stated by the Chairman that all of the Companies who had been requested to attend the meeting were represented except the Northampton Portland Cement Company and the Wayland Portland Cement Company. The meeting was advised that the Wayland Portland Cement Company had gone out of business and that proceedings for the appointment of a Receiver had been started against the Northampton which probably accounted for their not being present.

The Chairman then requested Mr. Lober to present the report of the Committee. Mr. Lober briefly outlined the reasons for presenting the plan for the information of an Association and presented the report of his Committee, which was duly read.

The following changes were incorporated in the plan, on motion duly made and seconded. For Committee on Publicity it was decided to substitute "Uses and New Uses of Cement." The words "forms for" were inserted before the words "uniform contracts" in the first line under the paragraph headed "On Trade Conditions." The number of members in the Executive Committee, in addition to the officers, was increased from four to six.

It was provided that the Fiscal Year should start on the first of November instead of the first of January and that dues should be [fol. 1605½] payable quarterly in advance on the first day of November, February, May and August instead of the 1st day of January, April, July and October.

After incorporation of the changes outlined above in the report of the Committee, Mr. Bayle moved that the plan for the formation of the Association as presented and amended, and the Constitution and By-Laws as presented and amended by the Committee be adopted, this motion was duly seconded.

The Chair stated that in voting on this question the members should understand that in voting in favor of the adoption of the report they were voting for the formation of the Association and for the adoption of the Constitution and By-Laws presented, and that an affirmative vote would signify the intention of the Company

voting affirmatively to join the Association. A vote was then taken and all of the Companies represented votes in favor of the motion. The Chair stated that as the vote had been unanimously in favor of the formation of the Association, the next thing to be done was to appoint a nominating Committee for the purpose of selecting officers to serve for the ensuing year and he therefore appointed Messrs. Trexler, Fuller, and Erdell as a Committee to report nominations immediately after luncheon. On motion, duly made and seconded, the meeting then adjourned until 2:00 o'clock P. M.

At 2:00 o'clock P. M. the meeting reconvened and Col. Trexler presented the following list of nominations:

President, John R. Morron.

Vice-President, W. S. Mallory.

[fol. 1606] Treasurer, Joseph Brobston.

Executive Committee, Messrs. Gerstell, Lober, Harding, Young, Dumary and Paige.

There being no further nominations, the Secretary was, on motion duly made and seconded, directed to cast a ballot for the nominees. The Secretary reported having cast the ballot for the nominees and the Chairman announced that the following had been elected officers to serve for the ensuing year:

Mr. John R. Morron, President, Mr. W. S. Mallory, Vice-President, Mr. Joseph Brobston, Treasurer; and Messrs. Gerstell, Lober, Harding, Young, Dumary and Paige on the Executive Committee.

Mr. Morron then took the chair. The President made a short address on the subject of the purpose of the formation of the Association, and on motion duly made and seconded, the meeting adjourned.

—— ——, Sec'y pro Tem.

Minutes of the First Executive Committee Meeting

The first meeting of the Executive Committee of the Eastern Cement Association was held this 7th day of November, 1912, at 3:00 o'clock P. M. at the Hotel Astor. There were present all of the members of the Executive Committee. The President presided.

Mr. Mallory inquired whether Sales Companies handling the entire output of plants—members of the Association—were supposed [fol. 1606½] to be eligible to membership. It was the unanimous opinion of the Executive Committee that they were not and that the intention was to limit the membership to Manufacturing Companies only.

Mr. Brobston inquired whether if this were the case it would be the policy of the Association to have present at the meetings, the Sales Managers of the Sales Companies handling the entire output of members of the Association. After some discussion the Executive Committee decided that the representation at meetings of the Eastern Cement Association should be confined to Executive Officers only of the Companies who are members of the Association.

The President stated that he would prefer to defer the appointment of the Committees until he had an opportunity of going into the matter more thoroughly.

On motion duly made and seconded, the date for the next meeting was fixed for Tuesday, December 3rd, 1912, at 12:00 o'clock noon at the Hotel Astor, and the Secretary was instructed to send out notices promptly. The meeting of the Executive Committee was fixed at the same date and place but at 11:00 o'clock A. M.

The Secretary was directed to send to each member of the Executive Committee a list of the representatives of the various Companies present at the meeting to day and a list of the Committees to be appointed.

The Treasurer was instructed to issue bills for the first quarterly payment.

It was moved by Mr. Harding, seconded by Mr. Young, [fol. 1607] that the Nazareth National Bank be designated as the depository of the Eastern Cement Association.

The question of the appointment of a Secretary was brought before the Board and the various members of the Committee were requested to see if they could not, within a short time, suggest a suitable person for the office.

There being no further business the meeting adjourned.

—— ——, Sec'y pro tem.

The monthly meeting of the Executive Committee of the Eastern Cement Association was held this 3rd day of December, 1912, at 11:00 o'clock A. M. There were present Messrs. Morron, Mallory, Young, Gerstell, Dumary, Paige, Lober and Brobston of the Committee and Mr. Kent representing Mr. W. H. Harding.

Mr. Cox of Counsel was also present. Mr. Arthur J. Eddy was present by invitation and explained to members of the Committee the operation of the "Eddy Plan" and answered all questions put to him by members of the Committee and Mr. Cox on same.

It was decided to advise the members of the Association that the question of the adoption of the Eddy Plan, or one similar thereto, was being considered by the Executive Committee and would be taken up further.

A list of the Committees was presented by Mr. Morron.

There being no further business, the meeting adjourned at 1:00 o'clock P. M.

—— ——, Sec'y pro tem.

[1607½] Meeting of the Eastern Cement Association Held at the Hotel Astor December 3d, 1912, at 12 o'clock Noon

Present:

J. W. Fuller and R. S. Weaver, representing the Allentown;
A. F. Gerstell, representing the Alpha;
R. S. Sinclair and W. P. Corbett, representing the Alsen's;
R. W. Lesley, representing the American;
John R. Morron, W. A. Holman, representing the Atlas;
B. F. Stradley, representing the Bath;
M. E. Calkins, representing the Cayuga;

C. H. Breerwood, representing the Coplay;
John A. Miller and Joseph Brobston, representing the Dexter;
W. S. Mallory, representing the Edison;
Geo. F. Bayle, representing the Glens Falls;
T. Henry Dumary, representing the Helderberg;
E. M. Young, representing the Lehigh;
A. W. Paige and J. A. Horner, representing the Nazareth;
R. E. Griffith, representing the Norfolk;
W. E. Erdell, representing the Penn Allen;
W. N. Beach and J. W. Alker, representing the Penna;
Loring A. Cover, representing the Security;
E. R. Stapleton, representing the Tidewater;
[fol. 1608] H. M. Fetter, holding proxy for R. W. Kelley, representing the Virginia;
J. B. Lober, representing the Vulcanite;
W. C. Kent, representing the Whitehall;
J. W. Walker, representing the Phœnix.

The names of the Chairmen and members of the committees appointed by the Executive Committee were read.

The President stated that the Executive Committee had under consideration suggestions that had been made looking towards the adoption by the Association of a plan discussed in a recent book involving complete publicity of all dealings of manufacturers but were not ready to take any action or make any recommendation in that regard.

The meeting was then opened to general discussion and several members spoke concerning their experiences with, and views concerning the advantages and disadvantages of, different practices relating to making contracts for yearly requirements, allowing commissions to dealers under various circumstances, holding tested cement, making contracts guaranteeing purchasers against decline in the market, and specific job contracts taken through dealers.

At the close of this general discussion, the meeting adjourned.

A Special Meeting of the Executive Committee of the Eastern Cement Association was held at the Recess Club this 27th day of December, 1912, at 1 o'clock P. M.

[fol. 1608½] There were present Messrs. Morron, Young, Dumary, Paige, Harding, Mallory and Brobston of the Committee and Mr. Cox of counsel and Mr. Holman by invitation.

Various changes in Committees were authorized and the Secretary was instructed to send lists of Committees as they now stand to each Company.

Mr. Cox of counsel stated that he thought that there was some legal objection to the Eddy Plan in its entirety and some serious objections from a legal point of view to the present Constitution and By-Laws of the Association. He was requested to draw up a Constitution and By-Laws and a Reporting Plan, eliminating these objections, for submission to the next meeting of the Association.

Mr. Young read some suggestions as to report on the Trades Conditions Committee, which were discussed, and it was decided to pre-

sent same at the meeting of the Executive Committee on January 7th, 1913.

There being no further business, the meeting adjourned.

—— ——, Sec'y pro Tem.

A regular monthly meeting of the Executive Committee of the Eastern Cement Association was held this 7th day of January, 1913, at 11:00 o'clock A. M., at the Hotel Astor.

There were present, Messrs. Morron, Young, Dumary, Paige, Harding, Lober and Brobston of the Committee, and Messrs. Swett, Holman and Moyer by invitation.

[fol. 1609] Mr. Cox, counsel of the Association, was also present.

It was, on motion duly made, seconded and carried, it was:

Resolved, that Mr. J. W. Kittrell be employed to act as Secretary for the Association at a salary at the rate of $6,000.00 per year, with the understanding that the minimum period of employment was to be three months.

A proposed form of Constitution and By-Laws was presented which had been drawn up by Mr. Cox, and on motion duly made, seconded and carried, it was:

Resolved, that same be referred to the Association meeting with the recommendation that they be accepted instead of the present Constitution and By-Laws.

Two reports were presented by the Trades Conditions Committee, which were read and discussed, and it was, on motion duly made, seconded and carried:

Resolved, to submit them to the general meeting without any recommendation.

It was, on motion duly made, seconded and carried:

Resolved, that the President notify Mr. Eddy that it was decided not to adopt his proposed plan.

There being no further business, the Executive Committee adjourned at 1:30 P. M.

—— ——, Secretary pro Tem.

[fol. 1609½] Meeting of the Eastern Cement Association Held at the Hotel Astor January 7th, 1913, at 1:30 o'clock p. m.

Present:

J. W. Fuller and R. S. Weaver, representing the Allentown;
A. F. Gerstell, representing the Alpha;
W. P. Corbett, representing the Alsen's;
R. W. Lesley, representing the American;
John R. Morron, W. A. Holman, A. de Navarro, representing the Atlas;
B. F. Stradley, representing the Bath;
M. E. Calkins, representing the Cayuga;
C. H. Breerwood, representing the Coplay;
Joseph Brobston, representing the Dexter;

W. S. Mallory, representing the Edison;
George F. Bayle, representing the Glens Falls;
T. H. Dumary, representing the Helderberg;
E. M. Young and Mr. Swett, representing the Lehigh;
A. W. Paige and J. A. Horner, representing the Nazareth;
R. E. Griffith, representing the Norfolk;
W. E. Erdell and Mr. Yeager, representing the Penn-Allen;
W. N. Beach and J. W. Alker, representing the Pennsylvania;
Charles Warner and L. A. Cover, representing the Security;
R. W. Kelley, representing the Virginia;
[fol. 1610] John B. Lober and Albert Moyer, representing the Vulcanite;
W. H. Harding and W. C. Kent, representing the Whitehall;

The appointment by the Executive Committee of Mr. J. W. Kittrell as Secretary was reported.

A proposed form of Constitution and By-Laws was presented by the Executive Committee and read. After discussion, upon motion duly made, seconded and carried, it was:

Unanimously Resolved that the Constitution and by-Laws presented by the Executive Committee be and the same hereby are adopted as read in lieu of the present Constitution and By-Laws, which are hereby cancelled and annulled.

The Constitution and By-Laws thus adopted are as follows:

[fol. 1610½] Eastern Cement Association

Constitution

Article I

Name

The name of the association shall be Eastern Cement Association.

Article II

Members

Section 1. Any corporation, firm or individual engaged in the manufacture of Portland cement in the States of New Jersey, Eastern Pennsylvania, New York, Maryland and Virginia, is eligible for membership.

The geographical limits thus specified are designed to include the territory wherein are located those plants now in operation which are substantially similarly situated with respect to character of raw material used, certain freight rates, foreign markets and otherwise; and in the event of the construction hereafter of plants which, while not within the precise geographical limits specified, are so situated as to share in the common interests of the members, the manufacturers operating such plants shall be eligible for membership.

Section 2. Any corporation, firm or individual eligible for mem- [fol. 1611] bership may become a member of the Association upon being proposed by two members and elected by a majority of the Executive Committee.

Section 3. Any member may resign at any time upon first discharging any indebtedness to the Association.

Section 4. Applications for membership and resignations from membership must be transmitted in writing to the Secretary.

Section 5. Any member may be expelled for failure to pay any assessment within thirty days after payment is due or for failure to conform to the Constitution and By-Laws of the Association by the vote, expressed by secret or open ballot, of two-thirds of the members of the Association, provided two weeks' notice of the proposed action and an opportunity to be heard shall have first been given.

Article III

Objects

The objects of the Association are to foster, develop and increase the industry and safeguard and promote the common interests of the members by acting as a representative organization in matters affecting all in common and by obtaining and disseminating such increased knowledge and information concerning all things connected with the manufacture and sale of cement that each manufacturer, [fol. 1611½] while being absolutely free to conduct his business as he pleases in every respect and particular, may be enabled to conduct it more intelligently and efficiently and with greater satisfaction to himself and the public; and, in furtherance thereof:

(a) To investigate, study and deal with the many traffic questions which arise from time to time, including freight rates not only on cement but on supplies of coal, limestone and the like, by maintaining a traffic bureau, by representing the common interests of the members before Government Commissions and others having control over freight rates, or otherwise, as may from time to time appear desirable.

(b) To investigate, study and deal with questions affecting the industry presented by actual or proposed laws, ordinances, building codes, and regulations affecting the use of cement, and, when desirable, to represent the industry at hearings, conduct tests, and do all things necessary to protect the common interests in such matters.

(c) To investigate conditions in the market of countries which import cement, methods of shipments thereto, and means of introducing and popularizing American cement therein, to obtain and make available all information facilitating export shipments, and otherwise to promote the export trade, there being large markets

naturally within reach of members of the Association that have not been developed by American manufacturers because the burden of [fol. 1612] proper investigation and exploitation has been too great to be borne by any manufacturer alone.

(d) To promote the use of cement in new ways and for new purposes by studying and developing applications of the product and directing attention thereto by publications and otherwise, it being the belief of those engaged in the industry that immense new markets for the product can be thus created.

(e) To develop and investigate new processes, machines, inventions and patents applicable to any of the various stages of manufacture or packaging of cement or connected therewith with a view to perfecting the product and decreasing its cost.

(f) To investigate and study the various matters connected with the welfare and efficiency of employes, including insuring and pensioning employes, the introduction of sanitary and hygienic measures, the preventon of accidents and like matters, and to deal with such matters as may appear desirable by employing an expert inspector to visit the plants of the members and make proper recommendations and otherwise.

(g) To bring together for the benefit of each member, by papers, reports and discussions, the experiences of the other members in connection with matters and problems of common importance arising from time to time and to investigate and study such matters directly and through competent persons employed for the purpose,

[fol. 1612½] (h) To obtain and make available accurate and complete statistical information concerning the manufacture and sale of cement, including correct statistics regarding the capacities and outputs of all plants engaged in the manufacture of cement, together with periodical reports regarding outputs, shipments, orders and prices, and accurate information concerning labor conditions, material markets, supply markets and all conditions affecting the industry generally, to the end that each member may have in the most accurate and complete form possible all the data desirable for the most intelligent and efficient conduct of his business. In this connection it is one of the objects of the Association ultimately to make the information gathered official in character and publish statistical results for the information of the public generally.

(i) To investigate, study and endeavor to develop a scientific and accurate system of cost accounting, to the end that each member may know accurately the cost of his product and the particulars in which such cost may be reduced. It is not contemplated that the Association shall seek to have disclosed the actual cost of any member or to impose upon any member any cost system, the sole object being to obtain, if possible, a scientific and accurate system of cost

accounting which shall enable each manufacturer to learn for himself what his product actually costs him.

(j) To aid in the development and maintenance of high and uniform standards in the manufacture of cement and deal with the [fol. 1613] matter of the certification of cement, to the end that customers may be guaranteed the character and quality of cement purchased.

(k) To bring about, in so far as it can be accomplished by the educational influence of experience, investigation and study, the correction of unfair and pernicious practices in the trade and in this connection to work out, as far as practicable, standard forms of contracts with dealers and consumers which shall be fair and satisfactory to the trade and to the public and to devise and recommend to purchasers and customers more uniform methods of dealing with packages, particularly in connection with the return of sacks, to the end that all buyers may be placed upon a nearly equal footing in these respects and secret and demoralizing practises eliminated.

Article IV

Meetings

Section 1. The regular meetings of the Association shall be held on the first Tuesday after the first Monday of each month, or at such dates and places as the Executive Committee shall name.

Due notice of meetings shall be sent to each member at least ten days in advance.

Section 2. A majority of the members, when present at any meeting, shall constitute a quorum. Each membership shall have one vote.

[fol. 1613½] Section 3. The meeting held in the month of November of each year shall be the Annual Meeting of the Association.

Article V

Officers and Committees

Section 1. The officers shall be a President, Vice-President, Secretary, and Treasurer.

Section 2. All officers, except the Secretary, shall be elected at the Annual Meeting by the majority of the votes of those present and shall hold office for one year or until their successors have been duly elected.

The Secretary shall be appointed by the Executive Committee and may receive a salary, fixed by the Executive Committee.

Section 3. The Executive Committee shall consist of the President, Vice-President, and Treasurer, and six members, to be elected at

each Annual Meeting by the majority of the votes of those present. A majority of the Committee shall constitute a quorum.

Section 4. The Executive Committee shall have power to call meetings whenever deemed advisable, to fill any vacancy occurring in its number by death, resignation or otherwise, to appoint committees and additional officers, and to employ such persons, incur such [fol. 1614] other indebtedness, and fix such assessments as may appear to it necessary to carry out the objects of the Association.

Article VI

Amendments

This Constitution may be amended as follows: All proposed amendments must be in writing, signed by at least three members, and presented to the Executive Committee at least two weeks before the next meeting of the Association. In the notices of this meeting the proposed amendment or amendments shall be presented. At the meeting the proposed amendment or amendments may be discussed or amended. They shall then be sent out to letter-ballot. If two-thirds of the total membership shall by letter-ballot vote in favor of the amendment or amendments, it or they shall be adopted.

Article VII

Freedom of Trade.

No member of the Association shall enter into any arrangement, agreement or understanding of any nature or kind whatsoever the object of which is to restrain trade, limit competition, or accomplish any purpose contrary to the spirit or letter of the law or contrary to the objects of the Association as set forth in this Constitution.

[fol. 1614½]

Article VIII

Publicity

All records of the Association, its files, correspondence and papers and its meetings shall be open at all times to any public official who, in the performance of his duties, is legally authorized to investigate or inquire into the workings of the Association, a fundamental object of the Association being complete frankness and openness in all dealings among members and in all dealings with customers and the public.

By-Laws

Section 1. President.—It shall be the duty of the President to preside at all meetings of the Association and of the Executive Committee, to appoint all committees not otherwise provided for, and in

case of the equal division of the members on any question to cast the deciding vote. He shall also have power to call the Executive Committee together at such time and place as he may select and upon the written request of five members he shall be required to call a special meeting of the Association.

He shall see to the enforcement of the provisions of the Constitution and By-Laws and shall carry into execution all resolutions of the Association and of the Executive Committee.

[fol. 1615] Section 2. Vice-President.—It shall be the duty of the Vice-President to perform the duties of the President in the absence of the latter.

Section 3. Treasurer.—It shall be the duty of the Treasurer to collect and *and* receive all moneys of the Association and to deposit the same in a depository to be designated by the Executive Committee, to pay all orders for money when countersigned by the Secretary and approved by the President or Vice-President, and preserve vouchers for all payments so made. He shall keep proper books of account, which shall be open at all times to the inspection of the Executive Committee, and at the close of his term of office he shall deliver to his successor all moneys, books, papers, and other valuables belonging to the Association which shall be in his custody or possession.

Section 4. Secretary.—It shall be the duty of the Secretary to keep a careful record of all the transactions of the Association and of the Executive Committee, to give notice of all meetings of the Association and of the Executive Committee, to examine all bills and countersign all orders on the Treasurer, to conduct the correspondence of the Association, to collect statistics and information contemplated in the Constitution, and to perform such other duties as many be assigned to his office by the Executive Committee.

Section 5. Executive Committee.—The Executive Committee shall [fol. 1615½] have the management of the affairs of the Association. It shall fix the dates and amounts of assessments, the compensation and terms of employment of all persons performing services for the Association and provide for such other expenditures as may be necessary.

Section 6. Voting Power.—At all meetings, each membership shall have one vote. Members may be represented at any meeting by authorized delegates, who shall be entitled to full rights and privileges of the members they represent, but only one vote shall be cast on behalf of each member.

Section 7. Meetings.—The Association shall meet monthly, the time and place of each meeting to be fixed by the Executive Committee. Special meetings may be called whenever the Executive Committee shall deem it necessary or upon request of five members. A majority of all the members shall constitute a quorum. The order of business shall be as follows:

1. Roll call;
2. Reading of Minutes of last meeting;
3. Election of new members;
4. Reports;
5. Unfinished business;
6. New business;
7. Election of officers.

Section 8. Regular Committees.—The following committees will be appointed by the Executive Committee:
[fol. 1616] Committee on Statistics;
Committee on Use and New Uses;
Traffic Committee;
Committee on Trade Conditions;
Committee on Export Trade;
Committee on Packages and Standardization;
Committee on Welfare of Employes.

Section 9. Amendments to By-Laws.—Amendment to these By-Laws may be proposed at any regular or special meeting of the Association, provided it has been presented to the Executive Committee, signed by three members, and copies sent to each member of the Association in the notices of the meeting, and such proposed amendment may be discussed at such meeting and adopted by a two-thirds vote of those present.

A report setting forth statistical information was read by Mr. Mallory, who referred to difficulties in obtaining some old statistics, and upon motion duly made, second- and carried, it was:

Resolved, that the Secretary request each manufacturer (whether a member of the Association or not) to furnish the statistics needed by the Committee on Statistics.

A committee of seven was appointed to examine the matter of a reporting plan and to report to the Executive Committee. The committee appointed was as follows: Mr. Young, Mr. Gerstell, Mr. [fol. 1616½] Fuller, Mr. Beach, Mr. Brobston, Mr. Corbett, Mr. Holman.

The matter of concrete roads was taken up and considered, it being pointed out that the specifications in the Middle States were now being drawn up, and the advisability of action if those specifications are to permit the use of concrete roads was referred to. It was suggested that committees be appointed consisting of two members of the Association, two dealers in each State, and one concrete road expert, making committees of five, to take up the matter with the Highway Commissioners of the various States. After discussion, the matter was referred to the Committee on Uses and New Uses, with the understanding that the committees agreed upon by that Committee would be appointed. Two reports from the Committee

on Trade Practices were read, setting forth various practices which have been followed in reference to manufacturers giving commissions to dealers, and the matters covered by the report were discussed by various members.

At the close of this discussion, the meeting adjourned.

[fol. 1617] Meeting of the Executive Committee February 4, 1913

The regular monthly meeting of the Executive Committee was held at the Hotel Astor on February 4, 1913, at 11:00 A. M.

The Vice-President, Mr. Mallory, presided.

There were present Mr. Mallory, Mr. Brobston, Mr. Dumary, Mr. Paige, Mr. Lober, Mr. Holman representing Mr. Morron, Mr. Young, Mr. Gerstell and Mr. Cox of counsel.

The minutes of the last meeting were read and approved.

The Committee on Trade Conditions, Mr. Young, Chairman, made a report as to trade practices followed by different Cement manufacturers in selling dealers and consumers.

The Committee on Traffic, Mr. Gerstell, Chairman, reported the result of a traffic conference held at 143 Liberty Street January 28, regarding the rail and lake tariff and certain inequalities in rates from various districts to points in New England and Northern New York.

The Committee on Packages, Mr. Stapleton, Chairman, presented a report, dated February 4th, dealing with the practice of the United States government in refusing to allow the price of bags to be included in the invoices for Cement shipped on government contracts. The Secretary was instructed to send a copy of this report to each member of the Association.

The Committee on Uses and New Uses, Mr. Moyer, Chairman, [fol. 1617½] made a verbal report that this Committee was now concentrating on concrete road construction and gave the results of several recent meetings with the Highway Departments of several states. Mr Lober suggested that the Association employ a Road Engineer (or Engineers) to devote his whole time to this subject in the interest of the Eastern Cement Association. Mr Gerstell suggested that it might be advantageous to have the National Association deal with this question and employ as many additional engineers as seemed desirable. On motion of Mr. Young, it was decided that a committee of three be appointed to confer with the National Association and decide whether it seemed best to have this body or the Eastern Association employ the additional Engineers. The Chair appointed Mr. Holman, Mr. Young and Mr. Gerstell on this Committee with Mr. Holman as Chairman.

The Committee on Statistics, Mr. Mallory, Chairman, brought up the question whether statistics of production, shipments and stocks on hand should be issued in detail for each mill or whether totals only should be sent out as is done in the National Association. It was decided to divide the territory into three districts—No. 1, Eastern Pennsylvania and New Jersey; No. 2, New York State;

No. 3, Maryland and Virginia and that only totals should be reported, the details to be held by the Secretary in confidence and not to be divulged except by order of the Executive Committee.

Mr. Young, Chairman of the Special Committee of Seven, appointed at the last meeting to consider a Reporting Plan, made a [fol. 1618] verbal statement that the Committee had not yet been able to work out a satisfactory plan, but expected to be able to do so in time to recommend such a plan at the next meeting. Mr. Paige asked that this report, if possible, be sent to members of the Executive Committee in time for consideration before the next meeting so that members might come prepared to discuss it.

There were no other Committee reports. All of the above Committee reports were ordered presented to the next general meeting of the Association.

Mr. Mallory suggested that it might be well to consider inviting consumers of Cement to the meeting of the Association and in the discussion Mr. Cox pointed out that this could be done under the last clause of the Constitution relating to Publicity.

The Chairman requested that meetings of the various Committees be held as far as practicable and convenient in the office of the Secretary or that the Secretary should attend such meetings, if possible, when held elsewhere.

The Executive Committee approved the action of the Secretary in leasing Room 1413 Thirty Church Street until April 30th, at the rate of Three Hundred Sixty Dollars per annum and authorized the expenditure by the Secretary of not to exceed Two Hundred Seventy-five Dollars for office furniture. The Secretary was also authorized to sign a telephone contract for One Thousand calls per year at Sixty-six Dollars per year, this contract to be executed for three months only if possible.

[fol. 1618½] Meeting of Traffic Committee, January 28, 1913

On the above date Mr. Harding, Mr. Coogan, Mr. Paulsen and Mr. Morris of the Traffic Committee met with Mr. Koons, Mr. Blood, Mr. Hubbell and other Railroad Traffic Managers to consider the question of the rail and lake tariff from the Eastern territory to Lake and Western points.

Mr. Koons made the statement that pressure was being brought to bear on Eastern Railroads to raise this rate to off-set certain adjustments that had been made between Eastern and Western freight rates and he asked for the views of the shippers interested.

The Cement Traffic Committee made the proposition to eliminate Cement from lake and rail tariffs and put into effect proportional rates to Buffalo, or, if this could not be done, an alternate proposition to agree on an advance to $2.60 to Lake Michigan ports and $3.00 to Lake Superior ports, providing the New York State and New England tariffs were at the same time adjusted satisfactorily to the Cement Committee. The Railroad Traffic Managers thought there would be no trouble at all in the matter of New England rates, but

Mr. Hubbell, of the New York Central Railroad, seemed inclined to magnify the difficulties in the way of adjusting the Northern New York rates. The Cement Committee, however, made no concession from their proposition as outlined above and Mr. Koons said that the Railroads would try to arrange the matter as suggested by the Cement Committee.

[fol. 1619] February 4, 1913.

Eastern Cement Association, New York City, New York.

GENTLEMEN: At the last meeting your Committee on Trade Practices offered a brief report setting forth some of the practices followed by different cement manufacturers in dealing with the problem presented in preserving dealers' connections in various situations.

Since that report your Committee has made further investigations as to these practices and finds that certain manufacturers follow a practice which may be defined as follows:

Each of these manufacturers makes quotations to contractors for specific work requiring less than 7,500 barrels five cents above the manufacturer's minimum price.

On quantities of 7,500 barrels and over, where delivery can be made in carload lots, each of these manufacturers quotes direct to the contractor.

Manufacturers following this practice make the following exceptions where they quote direct:

United States Government,

Steam and electric railroads,

Manufacturing companies for construction work at their plants or for use in making the commodity which they manufacture where shipped in carload lots direct.

[fol. 1619½] Your Committee desires to supplement its earlier report by adding the practice above set forth.

Respectfully submitted, E. M. Young, Chairman Committee.

New York, February 4, 1913.

Mr. President and Members of the Eastern Portland Cement Mfgrs. Assn.

GENTLEMEN: Your Committee on returned bags begs to report as follows:

It is the practice of the several departments of our general Government in asking for tenders for Portland Cement to require bidders to submit prices for bulk cement only, declining to pay for the bags until the close, or completion of the contract and then pay only for such bags as have not been returned, or to permit the value of the bag to be made a part of the price that the Government agrees to pay. This practice is unfair to the manufacturers and dealers in Portland Cement and is an attitude that no other consumer as-

sumes. In the opinion of your Committee the Association should endeavor to have the Government conform to the common practice of the trade and as a first step in that direction that the matter should be taken up with the various departments and suitable representation should be made of the unfairness of their attitude in the hope that the desired change can be brought about without the [fol. 1620] manufacturers being obliged to come in conflict with the Government on the question. Your Committee has under serious consideration the handling of returned bags either through a Clearing House, or otherwise, and hopes to be able to submit a definite plan for your consideration at our next regular meeting. To that end and in order to facilitate matters your Committee would highly appreciate having each member of this Association submit in writing to said Committee at the earliest possible date any suggestions or their views concerning this subject, so as to assist the Committee in forming a suitable recommendation.

Respectfully submitted, E. R. Stapleton, Chairman Committee.

Meeting of Eastern Cement Association Held at Hotel Astor, New York City, on February 4th, 1913, at 2:30 p. m.

In the absence of the President, Mr. Mallory acted as Chairman throughout the meeting.

The following were present:

J. W. Fuller, R. S. Weaver, Mr. Cope representing the Allentown;
A. F. Gerstell representing the Alpha;
W. P. Corbett representing the Alsen's;
R. E. Griffith representing the American;
A. de Navarro, W. A. Holman representing the Atlas;
[fol. 1620½] B. F. Stradley representing the Bath;
M. E. Calkins representing the Cayuga Lake;
F. L. Leob, C. H. Breerwood representing the Coplay;
Joseph Brobston representing the Dexter;
W. S. Mallory representing the Edison;
T. H. Dumray representing the Helderberg;
E. M. Young, Mr. Swett representing the Lehigh;
A. W. Paige, J. A. Horner representing the Nazareth;
R. E. Griffith representing the Norfolk;
W. E. Erdell representing the Penn Allen;
W. N. Beach, J. W. Alker representing the Pennsylvania;
George W. Laub representing the Phoenix;
Charles Warner representing the Security;
E. R. Stapleton representing the Tidewater;
H. M. Fetter representing the Virginia;
John B. Lober, Albert Moyer representing the Vulcanite.

The Chairman reported that the Association had taken an office in the Hudson Terminal Building, No. 30 Church Street.

Mr. Moyer, of the Committee on Uses and New Uses, made an extended verbal report upon the work of the Committee in promot-

ing the use of concrete roads, giving the results of interviews with the Highway Commissions of Rhode Island, Connecticut, Maryland, Pennsylvania, New Jersey, and indicating the arrangements made as to similar work in Massachusetts, New Hampshire, Vermont and New York.

[fol. 1621] Mr. Gerstell made a statement concerning the work done in arranging with the officials of West Virginia to lay a concrete road at a prominent point in that State.

The report of the Committee on Packages, referring to the peculiar requirements of the United States Government in regard to packages, was read.

Mr. Young read a supplemental report from the Committee on Trade Practices.

The Chairman stated that the matter of statistics had been considered by the Executive Committee and it had been decided to deal with them merely as totals, as the National Association does, except that instead of making the totals in two districts, they would be made in three districts.

Mr. Gerstell, of the Committee on Traffic, made a statement concerning freight rates, pointing out that the rates from the Lehigh Valley to various points are very much higher than the rates from any other cement producing district and that some of the rates are one hundred and ninety per cent. per ton per mile higher than from the Universal Mills, and that the rates upon coal and limestone used by the cement mills in the Lehigh Valley are also unfair. This matter was discussed by several members, the views expressed being all to the effect that the matter is of the utmost importance and the Association should undertake to have these rates corrected.

There being no further business the meeting then adjourned.

—— ——, Secretary.

[fol. 1621½] Special Meeting of the Executive Committee Held February 28, 1913, at the Recess Club at 12:30 p. m.

The meeting was called to order by the President, Mr. John R. Morron; in addition to the President there were present Messrs. W. S. Mallory, Joseph Brobston, John B. Lober, W. H. Harding, E. M. Young, T. H. Dumary, A. W. Paige, W. A. Holman, Archibald Cox of Counsel and J. W. Kittrell, Secretary.

Mr. Cox read an opinion recommending that the Association proceed no further, and upon motion duly made, seconded and unanimously carried, it was

Resolved that the Executive Committee unanimously recommend to the Association that it proceed no further, in view of the recommendations of Counsel filed herewith.

The roll call on the above resolution resulted as follows:

John R. Morron voting Aye.
W. S. Mallory " "
Joseph Brobston " "
John B. Lober " "
W. H. Harding " "
E. M. Young " "
T. H. Dumary " "
A. W. Paige " "

The Treasurer and Secretary were instructed to prepare a full statement of the unpaid obligations of the Association to be presented to the Executive Committee at the next regular meeting on Tuesday, March 4th.

There being no further business the meeting adjourned.

—— ——, Secretary.

[fol. 1622] Regular Monthly Meeting of the Executive Committee held March 4, 1913, at the Railroad Club, 30 Church Street, New York City, at one p. m.

The meeting was called to order by the President, Mr. John R. Morron. The other members of the Committee present were Messrs. W. S. Mallory, Joseph Brobston, E. M. Young, W. H. Harding, John B. Lober, A. W. Paige, T. H. Dumary, Archibald Cox of Counsel and J. W. Kittrell, Secretary.

The minutes of the last meeting were read and approved.

The Treasurer reported that the total net liabilities of the Association on dissolution would be Three Thousand Dollars in excess of the amount on hand plus unpaid dues for current quarter.

On motion duly made, seconded and unanimously carried, the Treasurer was instructed to assess each Company of the Association One Hundred Seventy-five Dollars to liquidate all its obligations.

There being no further business the meeting then adjourned.

—— ——, Secretary.

[fol. 1622½] Regular Monthly Meeting of the Eastern Cement Association Held at the Railroad Club, 30 Church Street, New York City, on March 4, 1913, at 2:30 p. m.

The meeting was called to order by the President Mr. John R. Morron. The following were present:

R. S. Weaver representing the Allentown;
Mr. Hennessey representing the Alpha;
Robert S. Sinclair, W. P. Corbett representing the Alsen's;
John R. Morron, A. de Navarro, W. A. Holman representing the Atlas;
B. F. Stradley representing the Bath;
M. E. Calkins representing the Cayuga;

F. L. Loeb, C. H. Breerwood representing the Coplay;
Joseph Brobston representing the Dexter;
W. S. Mallory representing the Edison;
George F. Bayle representing the Glens Falls;
T. H. Dumary representing the Helderberg;
E. M. Young representing the Lehigh;
A. W. Paige, J. A. Horner representing the Nazareth;
R. E. Griffith representing the Norfolk;
W. E. Erdell representing the Penn-Allen;
W. N. Beach, J. W. Alker representing the Pennsylvania;
J. W. Walker representing the Phœnix;
Charles Warner, Charles Catlett representing the Security;
John B. Lober, Albert Moyer representing the Vulcanite;
[fol. 1623] W. H. Harding, W. C. Kent representing the Whitehall;
Archibal Cox of Counsel and J. W. Kittrell, Secretary.

By direction of the President the Secretary read the resolution adopted at the special meeting of the Executive Committee held February 28, 1913, as follows:

Resolved that the Executive Committee unanimously recommend to the Association that it proceed no further, in view of the recommendations of Counsel filed herewith.

Mr. Cox then read the opinion making the recommendations stated above.

On motion duly made, seconded and unanimously carried it was

Resolved that the Association be discontinued in accordance with the unanimous recommendation of the Executive Committee stated above.

There being no further business, the meeting adjourned.

—— ——, Secretary.

[fol. 1623½] Suggested Plan for the Organization of an Association of Cement Manufacturers

It having been suggested that the interests of those engaged in the manufacture of Portland Cement in the Eastern part of the United States can be best conserved by the organization of an Association, the undersigned respectfully submit the following suggestions:

That an Association be formed having for its object the discussion of the various questions of interest to the industry arising from time to time and to exchange views as to the best methods of manufacturing, extending, developing and conducting the business and to do all things incidental and conducive to the attainment of the above objects.

That the Association be composed of corporations, firms or individuals engaged in the manufacture of Portland Cement in the States of New York, Eastern Pennsylvania, New Jersey, Maryland and Virginia.

That the Association maintain a central office in charge of a Secretary or Manager, in which office all records pertaining to statistics, contracts, etc. shall be filed.

That the By-Laws shall provide for the appointment of active Committees, among which shall be the following:

Committee on Statistics.
Committee on Publicity.
[fol. 1624] Traffic Committee.
Committee on Trade Conditions.
Committee on Exports.
Committee on Packages.
Committee on Accident Prevention.

Committee on Statistics

This Committee to have charge of and arrange for complete records of production, shipments and stocks on hand, prepare estimates of the probable domestic and export consumption and keep the Executive Committee advised as to the probability of a surplus or shortage of Cement in the then immediate future.

Committee on Publicity

This Committee to have charge of a general publicity campaign for the purpose of developing the maximum demand in our home market for the product of our mills.. The work of this Committee shall also include a general campaign to develop new uses for Cement and to educate the public in the numerous applications of this product to useful, ornamental and utilitarian purposes.

One of the great advantages of co-operation in a general publicity campaign, directed from one source is the saving in duplicating publicity material, as is now done. Under existing conditions, there are dealers and contractors who receive the same literature from several companies,—a considerable waste of money, both for the literature itself and postage.

[fol. 1624½] This Committee should devote a large part of its time and effort to a campaign of education in connection with the construction of concrete roads. These roads are successfully built and used in Wayne County, Michigan and elsewhere. By following intelligently the lead thus open to us, we can develop an immense new market for our product. The need of substantial and cheap roads, requiring a minimum of expense for maintenance, was never greater than at the present time. This type of road requires from 2,000 to 3,000 barrels of Cement per mile. If 1% of all the roads constructed each year in the United States were constructed of concrete, the annual consumption of Cement for this purpose would amount to over 5,000,000 barrels.

It is stated by the Government Bureau of Roads that the average cost of maintenance per mile per year of the macadam roads in the United States is from $400 to $860. Four years' experience at Detroit shows maintenance cost of concrete roads to be about $10 a mile.

For this purpose the Association should maintain close relations

with the Association of American Portland Cement Manufacturers, employing the services of their engineers and using the valuable data on file in the office of that Association. This will greatly facilitate the work and minimize the expense.

Traffic Committee

This Committee to study and report upon the traffic problems of the home territory as compared with those of competitive dis-
[fol. 1625] tricts. It should also study and handle questions relating to local freights, not only on Cement, but supplies of coal, limestone, etc.

Committee on Trade Conditions

This Committee to arrange for forms for uniform contracts with dealers and consumers. This will tend to promote the interests of the Cement industry and of the public. There is probably no one department of our business into which so many pernicious practices have crept as this. For instance, it is a common occurrence for buyers who have received quotations from a number of mills on a specific job, to inform these mills that they have lower quotations from other mills, for the purpose of obtaining lower prices. Nine times out of ten these statements are false and it is suggested that if the members of this Association would file with the Secretary copies of their quotations on specific jobs, these false statements could be detected and the manufacturers protected from the consequences of this practice.

The practice of selling dealers unlimited quantities of Cement for delivery throughout the year is also one that should be eliminated. These so-called sales are not in reality sales, but merely options, as the dealer promptly repudiates the contract if the market price declines and if it advances, demands every barrel due him. Under existing conditions the manufacturer has no redress. It is in the power of such an Association as is here suggested, to put a stop to this practice.

[fol. 1625½] Committee on Exports

In what is known as the Lehigh District there is a capacity to produce largely in excess of the requirements of the natural market of that District and it is suggested that it would be wise to have this Committee devote its time and efforts to the building up of a larger export business by obtaining information regarding the requirements of the countries that are obliged to buy their supplies of Cement in foreign markets, the rates of freight and best methods of shipping, the most effective means of advertising our product in those countries and generally collecting and disseminating information that will enable us to successfully compete with England and Germany in the sales of our surplus.

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Committee on Packages

This Committee to have referred to it all questions relating to the purchase and handling of cotton sacks, paper bags and the manufacture of barrels. At the present time there is more or less demoralization and loss due to the methods in vogue in connection with the return of and purchase of empty sacks. A uniform method of dealing with this question should be adopted.

Committee on Accident Prevention

This Committee should take up and carefully consider the subject of prevention of accidents. Some of the States in which members of the proposed Association are now operating have already [fol. 1626] passed compulsory compensation laws and undoubtedly all states in our home district will pass such laws in the near future.

Experience in Germany and England shows that such laws increase the cost of accidents to the employer and that the real solution of the problem, from the standpoint of the employer, lies in taking the necessary steps to prevent accidents.

This Committee should study how to minimize the number and severity of accidents to employees and how to reduce the cost of same to a minimum under the employer's liability laws. It is suggested that in this connection an expert inspector might be employed by the proposed Association to inspect the plants of the members and make recommendations as to the best means of reducing accidents and their cost to a minimum.

Following these suggestions, the undersigned submit herewith a draft of Constitution and By-laws for such an Association as is here outlined.

[fol. 1626½] Constitution and By-laws of the Eastern Cement Association

Constitution

1. The name of the Association shall be Eastern Cement Association.

2. The Association is formed for the purpose of discussing the various questions of interest to the industry arising from time to time, and to exchange views as to the best method of manufacturing, extending, developing and conducting the business, and to do all things incidental and conducive to the attainment of the above objects.

3. The Association has no Capital Stock, and the members thereof shall be composed of the subscribers and their associates and of such persons as may from time to time be admitted by vote in such manner and upon such requirements as may be prescribed by the By-laws. The Association shall, nevertheless, have power to exclude, expel or suspend members for just or legal cause subversive of the best inter-

ests and morals of the business and in such legal manner as may be ordained and directed by the By-laws.

[fol. 1627] 4. The By-laws of the Association shall be admitted and taken to be its laws subordinate to this Constitution and the Constitution of the United States; they shall be altered and amended as provided for by the By-laws themselves, and shall prescribe the powers and functions of the Executive Committee herein mentioned and those to be hereafter elected, the times and places of meetings of the Committee and this Association, the number of members who shall constitute a quorum at the meetings of the Association and of the Committees, the qualifications and manner of electing members, the manner of electing officers, and the powers and duties of such officers, and all others concerned, and all internal arrangements of the said Association.

5. Proposed amendments to the Constitution signed by at least three (3) members must be presented in writing to the Executive Committee at least two (2) weeks before the next meeting of the Association. In the notices of this meeting the proposed amendment or amendments shall be presented. At the meeting, the proposed amendment or amendments may be discussed and amended. They shall then be sent out to letter ballot. If two-thirds of the total membership as signified by letter ballot are in favor of the amendment or amendments, it or they shall be adopted.

[fol. 1627½]

By-Laws

Article I

Members

Section 1. Any corporation, firm or individual engaged in the manufacture of Portland Cement in the States of New Jersey, Eastern Pennsylvania, New York, Maryland and Virginia, is eligible for membership.

Section 2. Any corporation, firm or individual as above limited, can become a member of the Association upon being proposed by two members of the Association and being elected by a majority of the Executive Committee.

Section 3. Applications for membership and resignations from membership must be transmitted in writing to the Secretary.

Article II

Officers and Their Election

Section 1. The officers shall be a President, Vice-President, Secretary and Treasurer.

Section 2. These officers except the Secretary, shall be elected at the annual meeting and shall hold office for one year. The Secretary shall be appointed by the Executive Committee.

[fol. 1628] Section 3. The Executive Committee shall consist of the President, Vice President, Treasurer and six members to be elected at each annual meeting. A majority of the Committee shall constitute a quorum.

Section 4. The Secretary may receive a salary to be fixed by the Executive Committee.

Section 5. The President, Vice-President, Treasurer and members of the Executive Committee, elected under these By-Laws, shall serve for their respective terms to which they have been duly elected, or until their successors have been duly elected.

Section 6. The Executive Committee shall have the power to fill any vacancies occurring in their number by death, resignation or otherwise, and to appoint such committees and such other officers and employees as may be necessary to carry out the objects of this Association. They shall also fill vacancies in the general offices.

Section 7. At all meetings each membership shall have one vote.

Section 8. Except the Secretary, the election of officers and members of the Executive Committee shall be by ballot. The Executive Committee, before each annual meeting, shall appoint a Nominating Committee of three from the members of the Association, not members of its own body, whose duty it shall be to nominate a full list of officers. The list of nominations so made shall be submitted to the [fol. 1628½] membership not more than six (6) weeks nor less than three (3) weeks before the coming annual meeting.

Further nominations signed by at least five members may be submitted to the Secretary in writing at least two (2) weeks before the annual meeting, and such nominations shall also be submitted to the membership on the official ballot.

Article III

Duties of Officers

President

Section 1. It shall be the duty of the President to preside at all meetings of the Association and of the Executive Committee. He shall himself be ex-officio a member of all committees. He shall sign all orders on the Treasurer for the payment of money; he shall see to the enforcement of the By-Laws, and shall carry into execution all resolutions of the Association and of the Executive Committee.

Vice-President

Section 2. The Vice-President shall, in the event of the death, resignation, disability or absence of the President, perform all the duties of said officer.

[fol. 1629] Secretary

Section 3. It shall be the duty of the Secretary to give notice of all meetings of the Association and of the Executive Committee; to keep a record of all proceedings had at such meetings; to preserve all communications received by him pertaining to the affiairs of the Association; to draw and attest all orders on the Treasurer; to keep a roll of the members of the Association; and to perform such other duties as usually pertain to the office of Secretary or as the Association or Executive Committee may require.

Treasurer

Section 4. The Treasurer shall receive and collect the dues of the members and al other moneys otherwise belonging to the Association, and shall deposit the same in a depository to be designated by the Executive Committee. He shall pay out such moneys only upon the order of the President, attested by the Secretary, and shall preserve the proper vouchers for all payments so made. He shall keep proper books of account, which shall be open at all times to the inspection of the Executive Committee, and at the close of his term of office, he shall deliver to his successor, all moneys, books, papers and other valuables belonging to the Association, which shall be in his custody or possession.

No obligation shall be incurred on behalf of the Association except by order of the Executive Committee.

[fol. 1629½] Article IV

Meetings

Section 1. The Association shall meet monthly, the time and place of meeting to be fixed by the Executive Committee.

Section 2. Special meetings may be called whenever the Executive Committee shall deem it necessary or upon request of three members.

Section 3. A majority of all the members shall constitute a quorum.

Section 4. Order of Business: Roll Call, Minutes of last meeting shall be read, Reports of Officers, Reports of Committees, Unfinished Business, New Business.

Article V

Dues

Section 1. The fiscal year shall begin on the first day of January and dues shall be payable quarterly in advance on the first day of January, April, July and October.

Section 2. The annual dues of each member shall be Two Hundred Dollars ($200).

[fol. 1630] Section 3. Any member of the Association whose dues shall remain unpaid for a period of three (3) months shall forfeit the privilege of membership. If such member neglects to pay the dues within thirty days thereafter and after notification from the Secretary, the name of such member may be stricken from the roll of membership by the Executive Committee.

Article VI

Discipline of Members

Any member may be suspended or expelled for causes, by a vote of three-fourths of all the members of the Association, as expressed by secret ballot, and upon charges preferred by the Executive Committee, one month's previous notice in writing having been given to the member with a copy of the charges preferred against him.

Article VII

Section 1. Proposed amendments to these By-Laws, signed by at least three (3) members, must be presented in writing to the Executive Committee at least two (2) weeks before the next meeting of the Association. In the notices of this meeting, the proposed amendment shall be printed. At meeting, the proposed amendment may be discussed and adopted by a two-thirds vote of those present.

Section 2. The Executive Committee is authorized to number articles and sections of the By-Laws to correspond with any changes that may be made.

[fol. 1630½] Eastern Cement Society

Constitution

Article I

Name

The name of the Society shall be Eastern Cement Society.

Article II

Objects

The objects of the Society are as follows:

A. To promote publicity in the transaction of business.

B. To promote cordial and friendly relations among members, by means of monthly and other stated meetings, thereby removing, so far as possible, misunderstandings and ill feelings due to the spread-

ing of false reports and baseless charges, and to ignorance of conditions prevailing in the industry.

C. To collect and disseminate accurate information concerning the manufacture and sale of cement, including correct statistics regarding the capacities and outputs of all plants engaged in the manufacture of cement, together with periodical reports regarding outputs, shipments, orders and prices; to gather and publish accurate [fol. 1631] information regarding labor conditions, material markets and all conditions affecting the industry generally, to the end that each member, however small his output, may be placed, in so far as data for the intelligent conduct of his business goes, on a footing of equality with other companies having larger facilities, it being one of the underlying convictions of the Society that intelligent competition is far better for the industry than ignorant. In this connection it is one of the objects of the Society to ultimately make the information gathered official in character and publish statistical results for the information of the public generally.

D. To maintain high and uniform standards in the manufacture of cement, to the end that customers may be guaranteed the character and quality of cement purchased.

E. To devise ways and means for promoting the use of cement, in new ways and for new purposes, it being the firm belief of those engaged in the industry that organized effort can very materially extend the use of cement.

F. To take up and intelligently discuss the many traffic questions which can be dealt with only by an organization.

G. To co-operate with customers in the correction of unfair and pernicious practices and customs, and in this connection to work out, so far as practicable, uniform contracts, which will be fair and satisfactory to the trade and to the public.

[fol. 1631½] H. To systematically investigate foreign markets with a view to promoting the export trade.

I. To devise and recommend to purchasers and customers more uniform methods in the handling of packages, especially in connection with the return and purchase of same, to the end that all buyers may be placed upon a more nearly equal footing in these respects, and secret practices, amounting to secret and unfair rebates, be brought out into the open.

J. To take up and carefully consider sanitary, hygienic and safety measures and appliances and, in this connection, the insurance and pensioning of employes and the welfare of employes generally.

K. To devise and recommend for general adoption a scientific system of cost accounting, to the end that each member may accurately know the cost of his product. In this connection, it is not the purpose of the Society to impose upon any member any cost system, or to use in any manner a cost system as a means for con-

trolling prices. The sole object is to secure, if possible, the adoption of a scientific system of cost accounting, without in any manner seeking to have disclosed the actual costs of a member.

L. The introduction of the open price policy, which simply means, as the phrase indicates, the bringing out into the open of all competitive conditions, without in any manner, directly or indirectly, restraining the freedom of any member to quote such prices as it [fol. 1632] pleases, each member being as free to compete, both with those within and with those without the Society, as if the Society did not exist.

Article III

Officers

Section 1. The officers shall be a President, Vice-President, Secretary, Treasurer and General Counsel.

Section 2. All officers, except Secretary and General Counsel, shall be elected at the annual meeting and shall hold office for one year, or until their successors have been duly elected.

The Secretary and General Counsel shall be appointed by the Executive Committee and shall receive such salaries as may be agreed upon.

Section 3. The Executive Committee shall consist of the President, Vice-President, Treasurer and four members, to be elected at each meeting.

A majority of the Committee shall constitute a quorum.

Section 4. The Executive Committee shall have power to call meetings whenever deemed advisable, to fill vacancies occurring in its number, to fill vacant offices until the next stated or special meeting, to employ such other officers and employes as may be necessary to carry out the objects of the Society, and to perform [fol. 1632½] such other acts and duties as shall be for the general interest of the Society and its members.

Article IV

Members

Section 1. Any corporation, firm or individual engaged in the manufacture of Portland Cement in the States of New Jersey, Eastern Pennsylvania, New York, Maryland and Virginia is eligible to membership and may become a member by being proposed by two members of the Society and being elected by a majority of the Executive Committee.

Section 2. Application for membership and resignations must be transmitted in writing to the Secretary.

Article V

Meetings

Section 1. The regular meetings of the Society shall be held on the first — after the 4th day of each month, or at such dates and places as the Executive Committee shall name.

Due notice of meetings shall be sent to each member at least ten days in advance.

Section 2. A majority of the members, when present at any meeting, shall constitute a quorum.

[fol. 1633] Section 3. The meeting held in the month of January of each year shall be the Annual Meeting of the Society.

Article VI

Election of Officers

The election of officers shall take place at the regular Annual Meeting in January. Those having the majority of the votes of those present shall be declared elected.

Article VII

Amendments

Amendments to these articles may be proposed at any regular or special meeting of the Society. Due notice of such amendments shall be given in writing to each member at least ten days in advance of the meeting at which such amendments are to be voted upon, and an amendment to be adopted must receive at least a two-third- vote of the members presents.

Article VIII

Freedom of Trade

No member of the Society shall enter into any agreement or understanding of any nature or kind whatsoever, the object of which is to restrain trade, limit competition or do any act which is contrary [fol. 1633½] to the spirit and letter of the law, or which is contrary to the objects of the Society as set forth in this constitution.

Article IX

Publicity

The records of the Society, its files and its correspondence, and its meetings, shall be open at all times to any public official who, in the performance of his duties, is legally authorized to investigate the

workings of the Society, the fundamental object of the Society being perfect frankness and openness in all dealings among members and in all dealings with customers and the public.

By-Laws

Section 1. President.—It shall be the duty of the President to preside at all meetings of the Society and of the Executive Committee, to appoint all committees not otherwise provided for, and, in case of the equal division of the members on any question, to cast the deciding vote. He shall also have power to call the Executive Committee together, at such time and place as he may select, and, upon the written request of five members, he shall be required to call a special meeting of the Society.

Section 2. Vice-President.—It shall be the duty of the Vice-President to perform the duties of the President in the absence of the latter.

[fol. 1634] Section 3. Treasurer.—It shall be the duty of the Treasurer to collect and receive all moneys of the Society, to pay all orders for money, when countersigned by the Secretary, and to keep a correct record of the receipts and disbursements, an abstract of which, together with the necessary vouchers, he shall exhibit at the regular January meeting, or whenever called upon by the Executive Committee.

Section 4. Secretary.—It shall be the duty of the Secretary to keep a careful record of the transactions of the Society and of the Executive Committee, to notify all members at least ten days in advance of the times and places of all meetings of the Society, to examine all bills and countersign all orders on the Treasurer, to conduct the correspondence of the Society, to collect statistics and information contemplated in the constitution, and to perform such other duties as may be assigned to his office.

He shall carefully collect all information regarding trade conditions and present same in a report at each regular meeting, and be then and there present to give the data upon which his report is based.

He shall combine the reports received from individual members into total monthly and annual figures which will be an indication of the state of the trade.

Section 5. Executive Committee.—The Executive Committee shall have the management of the affairs of the Society and fix the dates and amounts of assessments. They shall also fix, subject to the ap-
[fol. 1634½] proval of the Society, the compensation and terms of employment of the Secretary and the General Counsel, and provide for such other expenditures as may be necessary. They shall fix the time and place for their meetings and provide rules for their government.

Section 6. Membership.—Applications for membership in the Society may be acted upon at each monthly meeting, due notice of application having been given to the Secretary at least ten days before the meeting at which action shall be taken, so that the Secretary can notify the members of such application. All applications for membership shall be presented by a member of the Society.

Section 7. Voting Power.—Members may be represented at any meeting by authorized delegates, who shall be entitled to full rights and privileges of the members they represent, but only one vote shall be cast on behalf of each member.

Section 8. Dropping of Members.—By a two-thirds vote of the members present at any meeting, a member, providing he has been given ten days' notice of the proposed action and an opportunity to be heard, may be dropped for failure to pay any assessments within thirty days after same are made, or for failure to conform to the constitution and the by-laws of the Society.

Section 9. Regular Committees.—The following committees will be appointed by the Executive Committee:

[fol. 1635] Committee on Statistics.
Committee on Promoting the Use of Cement.
Committee on Traffic Conditions.
Committee on Trade Conditions.
Committee on Export Trade.
Committee on Packages and Standardization.
Committee on Welfare of Employes.

Section 10. Order of Business.—The order of business shall be as follows:

1. Calling of the roll.
2. Reading of the minutes.
3. Election of new members.
4. Reports of officers.
5. Reports of committees.
6. Receiving of communications.
7. Reports from members of conditions affecting the industry.
8. Unfinished business.
9. New business.
10. Election of officers.

Section 11. Amendments to By-Laws.—Amendments to by-laws may be proposed at any regular or special meeting of the Society. A copy of such proposed amendment must be sent to each member by the Secretary, in writing, at least ten days in advance of such meeting. To adopt any amendment it must receive a two-thirds vote of the members present.

[fol. 1635½] Reporting Plan

To carry out the open price policy of the Society, and bring all competitive conditions out into the open, the following reporting plan is adopted:

Each member will file with Secretary:

1. All price lists and terms upon which goods are sold. The lists must include rebates, discounts and concessions of every kind, together with any discretion allowed salesmen or agents in making prices or terms; also terms and conditions upon which sacks are returned or purchased—in short, prices and all inducements, direct and indirect, offered to secure trade.

Every change in prices or terms; every sale and every contract made at prices or terms other than the list filed.

2. Every specific contract for a specific job, and said report shall state the number of barrels covered by the contract, together with the name, location and description of the job, so that the Secretary's office may check up and report upon the amount contracted for and the amount actually used.

3. All orders booked each week and all cancellations of orders in whole or part with names of parties cancelling and amounts canceled.

4. All shipments each week.

5. Business ahead each month express in time.

6. Where bids are made upon specific jobs in response to inquiries, each bidder will file a carbon copy or correct abstract of his bid as made, together with all revisions and changes in same as same are made.

[fols. 1636 & 1637] Secretary will deal as follows with above information:

A. Interchange immediately all price lists and all revisions thereof and send out immediately all reports of sales and contracts made at prices and terms other than the prices and terms filed by the member, also reports of cancellations with names of parties cancelling and amounts cancelled.

B. Where bids upon specific jobs are filed, same shall be interchanged as follows:

The first bid filed will be kept strictly confidential in the Secretary's office until the second bid covering the same work comes in, whereupon a copy of the first bid shall be sent to the second bidder and a copy of the second bid to the first bidder, and so on as each successive bid comes in. No information regarding such bids is sent to any member who is not an actual bidder upon such specific job. In this connection, it is distinctly understood that each member is free at all times to revise and change his bid as he pleases, both before

and after he receives information concerning bids filed by others, but if any member learns through the operation of the open price plan that he is not a low bidder, and he revises his bid to quote lower than some other member, the spirit of the open price policy requires that the member who so changes his price shall, in all fairness, give the other member or members interested sufficient notice of his lower bid to enable such other member or members to come in and still further compete for the order. To this end, each member who revises his figures to make a lower price than that made by another member will, with the consent of the customer, postpone the actual closing of the ——.

[fol. 1637½] GOVT. Ex. No. 556

December 14, 1912.

Mr. E. Myer, Mgr. of Sales, New York, N. Y.

DEAR SIR: Confirming verbal instructions given you yesterday, please note that under no circumstances are any orders to be extended beyond the date of their expirations on Dec. 31st, 1912, and also in making quotations to dealers to apply after January 1st, 1913, to please arrange that every quotation shall be made for acceptance in seven days, and only cover deliveries for thirty days.

Do not fail to impress this matter upon all your salesmen, as I do not want anything to come up in the new Association which is going to embarrass me in any way.

Yours very truly, W. S. Mallory, President. WSM-RBS.

[fol. 1638] GOVT. Ex. No. 557

"2/10/13.

W. S. Mallory to E. Meyer

* * * It is my wish that our company absolutely stick to the 30 day delivery basis, so far as it relates to dealers, as I am firmly of the opinion that conditions are such that the greater demand for cement during this year, coupled with a shortage of labor, which in my judgment is going to interfere with manufacturing to the maxi-
[fol. 1638½] mum, is going to warrant an advance in price later in the year, and inasmuch as our company has already booked over 1,000,000 barrels, the average price of which today is about 80 cents, if we are going to accomplish what we hope to accomplish in the way of financial returns for the year, we cannot do it if we so handle our business as to permit the dealers to make the profit instead of our own company doing it * * * and it is my firm belief that all the companies of this section are adhering strictly to the plan of only quoting and shipping the dealers for their requirements for 30 days. In fact, I know several of the large companies who are having nearly all their specific contracts checked up and one com-

pany has already discharged seven salesmen for accepting specific contracts which upon investigation proved to be dealers' contracts."

[fol. 1639] Govt. Ex. No. 558

March 5, 1913.

Mr. E. Meyer, Mgr. of Sales, New York, N. Y.

Dear Sir: Confirming telephone message of yesterday, would state: "Because of a recent decision of the Court of Appeals in the State of New York, and the recent Wilson bills passed by the State of New Jersey, it has been deemed wise to discontinue the Eastern Cement Association, not because it is illegal, but to avoid the possibility of our action being misinterpreted. We will make no changes in our trade practice or prices."

I am writing this to you merely to have it a matter of record, and I understand that you have already issued a copy of the above to all our sales offices.

Yours very truly, W. S. Mallory, President. WSM-RBS.

[fol. 1639½] Govt. Ex. No. 559

Carbon Copy Letter E. Meyer to W. S. Mallory

"3/20/13.

Mr. Banker, Member of the firm of the Colonial Coal Co. at Tuckahoe, N. Y., informs us that the Lehigh Portland Cement Co. quoted direct to the East Chester Contracting Co., Tuckahoe, N. Y., 1.67 per barrel/ * * * this price is one cent under the dealers' price and six cents under the book price to contractors. * * * Can you not get the Lehigh to withdraw this quotation, or permit us to meet it?"

[fol. 1640] Govt. Ex. No. 560

Alpha Portland Cement Co.

Litherage

New York, N. Y., January 27, 1913.

Amsterdam Building Co., 43 West 27th Street, City.

Gentlemen: Referring to your inquiry of —— —, ——, we beg to quote you the following prices on Alpha Portland Cement delivered in Carload lots f. o. b. cars, Troy, N. Y.

Price, per Barrel.—Alpha Portland Cement, in Wood, including barrels, $—; in Cloth, including bags, $1.64; in Paper, including sacks, $—.

Bags.—If shipped in Cotton Bags we will purchase the empty bags, returned in good condition, subject to our count and inspection, at 10 cents each, delivered to our works, Alpha, N. J., freight prepaid.

Quantity.—These prices are on aquantity of—10,000—bbls. to be used in erection of Samaritan Hospital.

Deliveries.—Deliveries to be completed Dec. 31, '13.

Weight.—The weight of a barrel of cement in cotton or paper, including package, is 380 lbs. The weight of a barrel of cement in wood, including package, is 400 lbs.

[fol. 1640½] Demurrage Regulations

Consignee's Wharf.—Twenty-four hours will be allowed "free of charge" for unloading any one shipment of 500 barrels or less. For each additional 500 barrels or part thereof, 24 hours additional "free time" will be allowed. "Free time" begins at the hour lighter or barge reports for berth, weather permitting the unloading of the cargo.

A charge of $15.00 will be collected by the lighterman for each 24 hours or fraction thereof after "free time" has expired; which charge constitutes demurrage, due to failure on part of consignee to unload within the prescribed time.

Public Wharf.—When shipments are consigned to public wharf, the lighterage company or lighterman will assume delay incident to securing berth. As soon as lighter is in berth, which will enable consignee to unload cargo, the "free time" allowance begins, and the same conditions and charges as provided for under the head of "Consignee's Wharf" will apply.

Terms

First.—Shipments in paper are made only at consignee's risk.

Second.—Strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine, or other contingencies beyond the control of either the Seller or Buyer shall during the existence of any of said causes, excuse either party from the performance of this con-
[fol. 1641] tract and operate as a proportionate rescission thereof, provided that prompt notice shall be given by the party suffering from such disability to the other party, in writing, specifying the cause; otherwise, this agreement shall remain in full force and effect. The purchaser shall not in any event, however, be entitled to demand or receive deliveries of cement from the Seller subsequent to the date herein specified for the expiration of the agreement.

Third. Terms of Payment.—On approved credit, 1 cent per barrel off for cash in ten days from date of invoice, or 30 days net from date

of invoice. If, during the life of this agreement, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the Alpha Portland Cement Co., cash payments with above discount must be made or satisfactory security must be given by the purchaser.

This quotation shall not be binding upon this Company unless accepted by the purchaser on or before March 28, 1913, nor until approved at the home office at Easton, Pa., and a copy with such approval returned to the purchaser.

Awaiting the favor of your acceptance, we remain,

Yours very truly, Alpha Portland Cement Company, by John B. Wright.

[fol. 1641½] Acceptance.—The foregoing quotation is hereby accepted at the prices and upon the terms and conditions named therein, and constitutes a contract between us.

Approved at Easton, Penna., —— —, 191-.

Dated —— —, 191-.

Alpha Portland Cement Co., by —— ——. (Purchaser sign here.) —— ——, by —— ——.

[fol. 1642] Govt. Ex. No. 561

The Edison Portland Cement Co.

E. Meyer, Manager of Sales

Amsterdam Building Co., New York.

Jan. 20, '13.

Amsterdam Bldg. Co., 43 W. 27 St., N. Y. C.

Gentlemen: We beg to acknowledge receipt of yours of the 17th and all you say carefully noted.

[fol. 1642½] We are sorry but we cannot give you price f. o. b. Mill. The price will have to be f. o. b. destination.

Yours truly, The Edison Portland Cement Co., per S. Churchill, New York Representative.

[fol. 1643] Govt. Ex. No. 562

The Helderberg Cement Company

Albany, N. Y.

January 18, 1913.

T. H. Maxwell, President Amsterdam Building Co., 43 West 27th St., New York.

Dear Sir: We have your favor of the 17th instant and regret, very much, that we cannot comply with your request and quote you

price f. o. b. our mill. We are, however, sending you quotation covering delivery of this cement on the job, which we trust you will find to your advantage to accept.

Yours very truly, The Helderberg Cement Co., by C. R. Parks, Sales Agent.

[fol. 1643½] GOVT. EX. NO. 563

Vulcanite Portland Cement Company

New York

New York, December 21, 1912.

Messrs. Amsterdam Building Co., 43 West 27th St., New York City.

GENTLEMEN: We quote below our prices and terms to you on Vulcanite Portland Cement.

A.—F. O. B. cars B. & M. R. R. tracks, Troy, N. Y.
B.—F. O. B. cars N. Y. C. & H. R. R. tracks, Troy, N. Y.
To be used in construction job known as Troy Samaritan Hospital.
This Company reserving the right to determine the route of transportation.
In quantities as ordered but not less than carload bbls. at each shipment.
Nor exceeding 2,500 bbls. within any one calendar month.
[fol. 1644] Quantity.—Quantity to which this quotation applies. 10,000 bbls. est. quantity to complete work.
Shipment not to begin before December 23, 1912.
Whole amount to be ordered for shipment before December 31, 1913, est. life job.

Price

	A	B
In cotton sacks, per bbl. (4 sacks to the bbl.), including sacks; gross weight 380 lbs.	$1.75	1.64
In paper bags, per bbl., including bags; gross weight 380 lbs.	.....	....
In export wooden bbls., per bbl., including barrels; gross weight 400 lbs.	.....	....
In flat hoop wooden bbls., per bbl., including barrels; gross weight 400 lbs.	.....	....

Terms.—On approved credit, one (1) cent per bbl. discount will be allowed for cash in ten days from date of shipment or net cash thirty days from date of each shipment. Sacks positively to be paid for with the Cement. If during the life of this agreement the financial responsibility of the purchaser becomes impaired or unsatisfactory to this Company, it may require cash payments or satisfactory security.

Sacks.—Cotton Vulcanite sacks returned to this Company at Vulcanite, N. J., freight prepaid, within sixty days from delivery of the cement will be purchased by this Company at ten (10) Cents each, if in good condition, but only on the inspection and count of this Company at its works, which shall be conclusive.

[fols. 1644½ & 1645] Rejected sacks may be destroyed or otherwise disposed of by this Company without liability, unless removed by you within ten days after notice of rejection.

Useless sacks will not be purchased. Barrels and paper bags are not returnable.

We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us.

This quotation is void unless accepted prior to January 20, 1913.

Remarks: ——.

Very truly yours, Vulcanite Portland Cement Co. Albert Moyer, Manager Sales Dept.

Accepted — day of ——, 191-, at ——. (Signature) —— ——.

[fol. 1646] GOVT. EX. NO. 564

Knickerbocker Portland Cement Company

General Sales Office: New York City

Dec. 20, 1912.

Amsterdam Building Co., 43 West 27th St., New York City.

GENTLEMEN: Acknowledging your inquiry of December 18th, we beg to quote you on approximately 10,000 barrels of Knickerbocker in cloth sacks, carload lots f. o. b. cars Troy, N. Y. at $1.64 per barrel including sacks, usual terms and sack conditions governing as noted on the reverse side hereof, shipments to be made from time to time as the work in question requires.

This quotation expires December 31st.

The geographical location of our mill enables us to give better service at Troy than you can possible secure elsewhere.

Would also call your attention to the fact that the return freight on sacks for such a short distance will not amount to much.

[fols. 1646½-1649] Trusting you can favor us with the business, we remain

Yours very truly, Knickerbocker Portland Cement Company, by H. H. Ward, Sales Manager. HHW:RR.

[fol. 1649½] Govt. Ex. No. 566

The Edison Portland Cement Co.

Sales Offices: New York, Philadelphia, and Boston

Jan. 8, '13.

Amsterdam Bldg. Co. (Con.), 43 W. 27 St., N. Y. C.

Dear Sirs: We beg to quote you on Edison Portland Cement, guaranteed to pass the Standard Specifications of the American Society of Civil Engineers, and (or) — in carload lots, for use exclusively in the building or construction of Samaritan Hospital, Troy, N. Y.

(Owners: Trustees of Samaritan Hospital.)
(Arch.: Geo. B. Post & Sons.)
(Name and Location of Work: ——.)

In cloth, including bags..... $1.64 per barrell.
In paper, " " .... "
In domestic wooden barrels, including barrels.. ..... "
In export wooden barrels, including barrels.... ..... "

Delivered F. O. B. cars, Troy, N. Y.

Terms.—Cash 30 days or 1¢ bbl. discount for cash in 10 days from date of shipment.

[fol. 1650] Quantity.—20,000 bbls.

Shipments—prior to Jan. 1st, 1914.

Freight.—Freight charges are to be paid by the purchaser and will be deducted from the face of the invoices when rendered.

Bags.—We will purchase from you the empty cotton bags bearing our label at ten (10) cents each, delivered at our mill, New Village, N. J., freight prepaid, in serviceable condition, subject to our inspection and count. Shipment in paper bags shall be made at purchaser's risk as to breakage and loss of cement.

Exceptions.—Sellers will not be bound or held responsible for delays or non-delivery due to strikes, shortage of cars at sellers' works, inter-uptions or delays in transportation, or other causes beyond the control of the sellers.

Terms of payment being the essence of this contract, non-compliance therewith shall give sellers the right of cancellation, and indulgence as to any payment or payments shall not be construed as destroying this right.

If, during the life of this agreement, the financial responsibility of the purchaser becomes impaired or unsatisfactory to this company, it may require cash payments or satisfactory security.

Acceptance.—This quotation must be accepted on or before Feb. 7, '13, and shall not be binding until approved by the Manager of Sales and until signed and accepted either by the Credit Manager or an officer of the Edison Portland Company at its home office at New Village, N. J.

[fol. 1650½] Accepted by —— ——, (Purchaser). —— —, ——. (Date).

The Edison Portland Cement Co. The Edison Portland Cement Co., per S. Churchill, New York Representative.

Approved by —— ——, Manager of Sales.

[fol. 1651] GOVT. EX. No. 567

Sales Office Pennsylvania Cement Company

New York, January 8, 1913.

Amsterdam Bldg. Co., 43 West 27th St., New York City.

DEAR SIR: In line with conversation with you to-day we beg to submit quotations on "Pennsylvania" Portland Cement as follows:

F. O. B. Cars (carload lots) Troy, N. Y. @ $1.64 per bbl. in cloth;

F. O. B. Dock, Troy, N. Y. @ $1.66 per bbl., in cloth.

For const. of Samaritan Hospital. (G. B. Post & Son, Architects, Troy, N. Y.)

In Barrels.....	$....	per bbl.,	including barrels.
In Duck Bags.....	....	" "	including bags.
[fol. 1651½] In Paper Bags..	....	" "	including bags.

The price is on a quantity not to exceed 12,000 barrels.

Shipments to be made in C/L or boatload lots as required.

Freight charges are to be paid by you and will be deducted from the face of the invoices when rendered.

This quotation must be accepted within 15 days.

Shipments will be made in paper bags at buyers' risk only.

If cement is taken in duck bags we will repurchase the bags from you at 10 cents each upon receipt of same in good condition, freight charges prepaid to our works, Bath, Northampton County, Pa., within 60 days from date of shipment. No foreign bags will be accepted. Our report as to count and condition will be final.

All agreements are contingent upon fire, floods, strikes, accidents, delays of carriers or failure of transportation lines to furnish the necessary equipment in which to transport the commodity, or other delays unavoidable or beyond our control.

Terms: — 30 days net or 1 c. per bbl. discount, cash 10 days from date of invoice in New York City funds. Terms for export shipments, Cash against B/L.

Respectfully, Pennsylvania Cement Company. C. T. Taylor.

All orders placed under prices named herein Must refer to above Quotation Number.

[fol. 1652] GOVT. EX. No. 568

Quotation from The Helderberg Cement Co.

Albany, N. Y., December 23, 1912.

To Amsterdam Building Company, 43 West 27th St., New York City.

DEAR SIR: We will furnish you Helderberg Portland Cement in carloads of not less than 106 barrels of 376 pounds each net of cement at prices and on terms as follows, F. O. B. cars Troy, N. Y.

Prices

Packed in 4 paper bags, including bags, — per bbl., bags not returnable.

Packed in 1 wood barrel, including bbl., — per bbl., bbl. not returnable.

Packed in 4 cloth bags, including bags 1.64 per bbl., good bags returnable if received at Howes Cave, N. Y., within 90 days from date of shipment. All Helderberg cloth bags so received in good [fol. 1652½] condition, freight prepaid, will be purchased at 10c each, the payment being based on mill count and tally which is to be conclusive. Bags which cannot again be used will not be bought. No liability will be assumed for returned useless bags which will be destroyed or removed ten days after notice of rejection, unless ordered removed by the shipper.

Terms.—Payments on approved credit to be net cash thirty (30) days in New York City funds. A discount of one cent per barrel will be allowed, if payment is made within ten (10) days from date of invoice.

Freight charges are to be paid by the consignee and original paid freight bills returned promptly to this office for credit. Prices are made subject to change in freight rates, when freight is involved.

All claims for shortage or damage must be made within five days after receipt of shipment. Claims must be acompanied by the shipping card which is sent in each car and must be verified by the railroad freight agent at the receiving station.

Limitations

The total quantity is about 10,000 barrels.

Shipments are not to exceed in any calendar month — barrels.

The first shipment is not to be ordered before —— —, 191-.

The last shipment is to be ordered before December 31st, 1913.

This quotation is void unless accepted in writing before January 7th, 1913.

[fol. 1653] This quotation is subject to the conditions and limitations endorsed hereon.

Yours truly, The Helderberg Cement Co., by C. R. Parks, Sales Agent.

[fol. 1654] GOVT. EX. No. 569

Glens Falls Portland Cement Company

"Iron Clad" Portland Cement

Albany, N. Y., 12/6/12.

Amsterdam Bldg., Co., 43 West 27th St., New York, N. Y.

DEAR SIR: We beg to quote you the following prices on Iron Clad Portland Cement:

Prices

Iron Clad Portland Cement in wood, including barrels, $— per bbl.

Iron Clad Portland Cement in cloth, including bags, $1.64 per bbl.

Iron Clad Portland Cement in paper, including bags, $— per bbl.

The above prices are quoted you for delivery f. o. b. Troy, N. Y. Samaritan Hospital.

[fol. 1654½] Quantity, which is covered by this quotation is 5,000 bbls. or all cement required.

Shipments will begin when ordered by you and continue at a rate not to exceed 5,000 bbls. in any one calendar month, and no shipment to contain less than 160 bbls. and the whole amount to be ordered for shipment before completion of work.

Quotation to be accepted on or before January 6, 1913.

Terms.—On approved credit, 1c per barrel discount will be allowed for cash in ten days from date of invoice; or 30 days net from date of invoice.

If, during the life of this agreement, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the Glens Falls Portland Cement Co., cash payments with the above discount must be made, or satisfactory security must be given by the purchaser.

Bags.—If shipped in cloth we will repurchase the "Iron Clad" bags, returned in good condition, subject to our count and inspection, at 10 cents each (40 cents per barrel), delivered at our works, Glens Falls, N. Y., freight prepaid. Bags will be purchased only from the party to whom the sale was made by this company.

Paper Bags.—Shipment in paper bags will be made only at the purchaser's risk of breakage and resultant loss of Cement.

Freights.—Freight charges are to be paid by you and will be deducted from the face of the invoices when rendered. Receipted freight bills are to be forwarded to us.

Strikes.—No responsibility shall be attached to this Company for [fol. 1655] any loss or damage which may be incurred by the purchaser by reason of strikes, customs tariffs, accidents to machinery, fires, car shortages, deficient transportation, or other causes beyond our control.

Acceptance—The foregoing quotation is hereby accepted at the prices and upon the terms and conditions named therein, and constitutes a contract between us for — bbls. Iron Clad, put up in —.

Yours very truly, The Glens Falls Portland Cement Co., by F. W. Douglas.

Accepted — day of ——, 191-, at ——. (Signature) —— ——.

[fol. 1655½] Govt. Ex. No. 570

Lehigh Portland Cement Co.

New York

December 24th, 1912.

Amsterdam Bldg. Company, 43 West 27th St., New York City.

Gentlemen: On December 16th we quoted you on "Lehigh" Portland Cement, to be used for the construction of the Samaritan Hospital Bldg., Peoples Ave. to Jacobs Street, Troy, N. Y. The price mentioned was $1.64 per bbl. F. O. B. cars Troy, N. Y.

We regret to advise you that we are compelled to withdraw this price, but name you a price of $1.79 per bbl. delivered on site of job, which we think will be equally satisfactory.

If tested cement will be required an additional charge of 6¢ per bbl. will be added to the above price.

Your acceptance should be in our office prior to January 16th, 1913.

[fols. 1656-1659] We do not think you will object to our alteration in the price and trust our cement will be used on the job.

Very truly yours, Lehigh Portland Cement Co. H. A. Brocas, Manager New York Office. FP'FIL.

[fol. 1660] Govt. Ex. No. 571

Specific Work—Sales Contract

1. Agreement, made and entered into this — day of ——, 192-, by and between The Atlas Portland Cement Company, of Pennsylvania (General Office, 30 Broad Street, New York City, New York), hereinafter called the Cement Company, and —— ——, of ——, hereinafter called the purchaser.

2. Witnesseth: That the Cement Company agrees to sell and the Purchaser agrees to purchase and receive the full Portland Cement requirements of the following described work but not exceeding the estimated requirements of — barrels of "Atlas" Portland Cement.

3. No assignment of this contract shall be made by the Purchaser without the consent of the Cement Company. The Purchaser represents that the cement has been sold by him for the express purpose mentioned in the contract and to and for use by the party named as user in the contract. If said representation is untrue, or if any of the cement is used for any other work, or for any other purpose, or sold (without the written consent of the Cement Company) to, or for use by any other party, the Cement Company shall have the right to terminate this contract and to refuse further deliveries of cement under it.

4. Description of Work: ——.

5. User of Cement: ——.

6. Shipments.—The cement shall only be ordered and shipped as nearly as practicable to meet the necessities of the work as it progresses, but under no circumstances shall the Cement Company [fol. 1660½] be obligated to ship hereon more than — barrels during any thirty consecutive days or subsequent to ——.

7. Price.—(Including four (4) cloth sacks at —c. each.)

8. It is understood and agreed that in the event of any change in the rates of transportation or delivery charges, made effective during the term of this contract or agreement, the price shall be increased or decreased accordingly, effective the same date.

9. If at any time the cost of new cloth sacks increases or decreases to such an extent that the Cement Company deems it advisable to change the above charge for cloth sacks, the above price for all shipments thereafter shall, at the option of the Cement Company, be accordingly increased or decreased from time to time by a sum determined by the Cement Company not in excess of the amount of increase or decrease in such cost of sacks to the Cement Company. See back of this agreement regarding repurchase of cloth sacks.

10. If at any time the Cement Company shall experience such difficulty in securing cloth sacks as, in its opinion, makes shipment in cloth sacks impracticable, then upon — days notice to the Purchaser it may (until such difficulty is removed) ship in paper sacks at a price of $— per barrel, f. o. b. cars destination. Paper sacks will not be repurchased by the Cement Company.

11. Terms of Payment: ——.

12. Original paid freight bills to be sent to Cement Company promptly for comparison. If Purchaser fails to comply with terms of payment or with any of the other terms of this contract, the Cement Company reserves the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts; [fol. 1661] and if at any time Purchaser's responsibility be or become, in Cement Company's opinion impaired or unsatisfactory,

the Cement Company reserves the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

13. All conditions herein contained, together with the printed conditions on the back of this sheet which form a part of this Agreement are agreed to by the Cement Company and the Purchaser for themselves and their successors.

The Atlas Portland Cement Company, by —— ——. Purchaser's Signature: —— ——.

Witness: —— ——.

14. Cloth Bags.—The Cement Company will purchase at the price charged on its invoices, only from the Party to whom the sale was made, and not from any Assignee or Trustee, empty cloth bags bearing its brand and proper identification marks, purchased of the Cement Company, upon their receipt in serviceable condition at the Cement Company's mill if returned with- ninety (90) days after their purchase, freight prepaid, subject to the Cement Company's inspection and count. Cement Company does not purchase bags bearing brands other than its own, or bags that have been wet or are otherwise useless.

15. Freights.—The Cement Company reserves the right to prescribe the route by which shipments shall be forwarded and to make shipments prepaid or collect at its option. In making delivered prices, the Cement Company only guarantees cost at destination, and will not be responsible for shortage or damage occurring in transit.

[fol. 166½] 16. General.—The Purchaser shall not have the right to transfer or sublet this agreement in whole or in part, or sell or use any portion of the cement for other purpose than herein specified.

17. The Purchaser shall give the Cement Company shipping instructions in writing a reasonable time before shipments are to be made, and the Cement Company shall not be responsible for delays in manufacture or shipping cement, caused by Strikes, Accidents, Fires, Breakdowns, Failure of Machinery, Embargoes, Car Shortage, Labor Scarcity, Labor Agitation, Failure to Receive Coal from Mines from which the Cement Company secures its supplies of coal, Delays in Transportation, Acts of God, or other causes beyond its control. In any of such events the Cement Company may determine as nearly as practicable the pro rata share of cement of each of its customers after reserving the Cement Company's usual percentage of its shipments for its dealers' warehouse trade, and may limit and reduce shipments hereunder according to such pro rata share of the Purchaser. The Cement Company shall have the right to sell or agree to sell, from time to time, its cement under other agreements and orders, and in the event the Cement Company shall at any time for any cause whatsoever be unable to make and ship cement in accordance with its agreements and orders, the Cement Company may

determine as nearly as practicable the pro rata share of the cement of each of its customers under its agreements and orders after reserving the Cement Company's usual percentage of its shipments for its dealers' warehouse trade, and may limit and reduce shipments hereunder according to such pro rata share of the Purchaser. The Cement Company shall not be obligated to make up any such limitation or reduction and its determination as to the necessity [fol. 1662] for prorating and the pro rata share of the Purchaser shall be final.

18. The Purchaser shall, on or about the first day of each month, if requested by and on forms furnished by the Cement Company, correctly inform the Cement Company of the amount of Atlas Portland Cement delivered for or used on the work herein described during the preceding month or months since date hereof.

19. In case, while this contract is unfulfilled by either party, there shall be another contract between the same parties, for the sale and delivery of cement by the Cement Company, and under such other contract the Purchaser shall be in default, the Cement Company shall be under no obligation to make shipments under this contract while such default exists, and for such default the Cement Company shall have the right to demand cash payments hereunder or to cancel this contract without affecting the obligation of the Purchaser on any unpaid accounts.

20. "Atlas" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of tseting recommended by the American Society of Civil Engineers, but the Cement Company cannot be responsible for improper use of cement, therefore Cement Company will not guarantee finished work.

[fol. 1662½] Govt. Ex. No. 572

Allentown Portland Cement Co.

Allentown, Pennsylvania

March 28, 1921.

Sales Contract (for Specific Work) No. —.

Allentown Portland Cement Company (hereinafter called the "Company"), hereby sells and agrees to ship to and B. F. Marsh Company, Worcester Mass. (hereinafter called the "Purchaser") hereby agrees to receive, accept, purchase and pay for 10,000 standard barrels of Allentown Portland Cement in the quantity and under and subject to the following terms and conditions:

1. Work or Job.—The cement hereby contracted is sold and purchased and intended for use exclusively and only in the construction of the following work:

The Pine Hill Reservoir Job.

Name of contractor: —— ——.

2. Shipping directors: ——.

3. Time and Manner of Delivery.—As Instructed to Dec. 31, 1921.

4. Price.—Per standard barrel, including four (4) cloth sacks, $3.81 f. o. b., Company's mill, Evansville, Pa., freight allowed to Holden, Mass. $— f. o. b., Company's mill Evansville, Pa., freight allowed to —— $— f. o. b., Company's mill, Evansville, Pa., freight allowed to —— Shipments in paper bags, if any, will be charged for at 75 cents a barrel less than price charged for shipment in cloth. [fol. 1663] The price herein named is based upon the freight rate in effect on the date of this contract, as furnished to the Company by the carrier, and is subject to carrier's advances, revisions, corrections and changes. Any and all sales, transportation and other tax or taxes, state or Federal; prepaid freight, and all demurrage, car-service, terminal and other transportation charges, not herein expressly allowed by the Company; shall be assumed and paid by the Purchaser, as part of the purchase price. If bin-tested cement is required, three (3) cents a barrel shall be added to the above price.

5. Package.—The Company will credit or pay to the Purchaser herein named 25 cts. each for empty cloth bags purchased from it and bearing its brand and proper identification marks, upon their receipt in serviceable condition, at the Company's mill, if returned in ninety (90) days after date of shipment of cement, freight prepaid, subject to Company's inspection, count and acceptance. The Company does not purchase sacks bearing brands other than its own, or sacks that have been wet or otherwise damaged or useless. Rejected sacks may be destroyed or disposed of by the Company without liability, unless removed by the original purchaser within thirty (30) days after notice of rejection.

If at any time the cost of new cloth sacks increases or decreases to such an extent that the Company deems it advisable to change the price at which empty sacks will be purchased, the price named in this contract will be advanced or reduced accordingly.

Should the Company experience such difficulty in securing cloth sacks as in its pinion would make shipment in cloth sacks impracticable, then it may, until such difficulty is removed, ship either in paper sacks or in bulk when practicable, at the net price in cloth [fol. 1663½] sacks. (The net price in cloth sacks is the price after deducting the repurchase price of empty cloth sacks.)

All shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

6. Shipments.—This contract is made and entered into on the express condition that the cement herein mentioned is bought for use only on the specific job or work herein named, and not for stock or sale. Subject to delays in manufacturing, shipping or delivery, caused by strikes, accidents, delays of carriers, embargoes and other causes unavoidable and beyond its control, the Company shall be required to make shipments on this contract only as near as practicable to meet the necessities of the work, and it shall have the right from time to time prior to the date fixed in Paragraph 3 to prorate-deliveries of such cement as it may then be able to manufacture and ship to and among its customers, according to all of the unfilled orders then on its books, in the event of any of the delays or contingencies above mentioned.

Under no circumstances shall the Company be required to ship more than — barrels during any consecutive thirty days, or after the expiration date above mentioned, unless it should otherwise so elect, in writing.

The Purchaser agrees that not more than five (5) per cent of the whole quantity of cement hereby purchased shall be kept or placed in or ordered for stock or reserves at any time during the period of this contract. If the Purchaser fails to order said cement shipped within time provided, then the Company reserves the right to extend the time of delivery of said cement but shall not be obligated, except at its option, to ship any part of said cement after above date.

The Company shall have the right to direct the route by which all shipments hereunder shall be forwarded.

[fol. 1664] The Company will not be responsible for shortage or damage occurring in transit.

Carrier's Bill of Lading or Receipt shall be conclusive as to the quantity and good condition of both cement and package when loaded on car.

7. Settlement.—Terms of payment and due date of all invoices are 30 days net from date of invoice, in cash, at our office at Allentown, Pa. A discount of 10 cents a barrel will be allowed for payment in full within 10 days from date of invoice, accompanied by original paid freight bills, which shall be delivered and belong to us when payment is made. All orders are subject to our approval of Purchaser's credit. If, at any time, the Purchaser's credit or responsibility, in our opinion, shall be or become impaired or unsatisfactory, or if the Purchaser fails to comply with any of the terms of payment or with any other terms of this contract, we shall have the right, at our option (on one days' written notice) to suspend or cancel deliveries or to require cash payments in advance, or to require security satisfactory to us for all payments due or to become due from the purchase hereunder.

8. Warranty.—Allentown Portland Cement to be furnished hereunder shall, when shipped, conform in every respect to the specifications then prescribed or adopted by the United States Government, or to the Standard Specifications for Portland Cement of the American Society for Testing Materials, when tested by methods of testing

recommended by the American Society of Civil Engineers. We are not responsible for the improper use of our cement or for the finished work of for any damages resulting from its use, in any respect or to any extent whatsoever, any and all such claims being waived by the purchaser by the acceptance of this contract.

[fol. 1664½] 9. Miscellaneous.—If this contract is with a dealer for resale of cement for use in work described, it is subject to a written contract between such dealer and his customer in conformity herewith on our regular form furnished for dealers' use, a copy thereof to be filed with and approved by us, otherwise we shall not be required to make delivery hereunder.

Purchaser shall have no right to assign this contract. The material covered by it is sold to purchaser upon the representation that it is purchased for use only in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give Cement Company the option to terminate this contract and to refuse to deliver any more cement under it.

This contract is void if not accepted within fifteen (15) days from date hereof. Upon the return of this contract, signed by you and an official of Cement Company, it is effective according to terms and conditions hereon.

Allentown Portland Cement Co., Manufacturer, By —— ——.

Accepted. (Place and Date.) —— ——, Purchaser.

[fol. 1665] Govt. Ex. No. 573

Memorandum of agreement made and entered into this — day of ——, 192-, by and between the Alpha Portland Cement Company, Easton, Pa., hereinafter called the Cement Company, and —— ——, of ——, hereinafter called the Buyer,

Witnesseth: That the Cement Company agrees to sell and the Buyer agrees to purchase Alpha Portland Cement as follows: — barrels in carloads f. o. b. cars ——.

In cloth sacks $— per standard barrel (376 lbs. net).

If shipped in paper sacks seventy-five (75c) cents per barrel less than cloth price.

If shipped in Bulk, one dollar five ($1.05) cents less than cloth price.

Cement Company will not be responsible for breakage and resultant loss when shipments are made in paper bags.

Shipments to be made according to contract requirements prior to —— —, ——.

Terms of Payment.—10 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

If, during the life of this agreement, the financial responsibility of the Buyer becomes impaired or unsatisfactory to the Cement

Company, cash payments with above discount must be made before shipment, or satisfactory security must be given by the Buyer.

[1665½] The Cement Company reserves the right to prescribe the routing by which the shipments shall be forwarded.

The prices herein quoted are the prices on cement. If shipped in cloth sacks, the cloth sacks containing the cement are not sold, but remain the property of the Cement Company and must not be sold or used other than as containers of cement manufactured by the Alpha Portland Cement Company. The Purchaser agrees to return said sacks to the Cement Company within ninety (90) days of date of shipment of cement by the Cement Company. A rebate of twenty-five (25c) cents for each sack returned will be allowed by the Cement Company from the invoice price of the cement when the sacks are returned to the Cement Company in good condition, freight prepaid, subject to Cement Company's count and inspection. Cement Company will not accept for rebate sacks bearing brands other than its own or bags that have been wet or are otherwise worthless. Such sacks if received will be held at shipper's risk subject to his order for thirty days only. Should the Alpha Portland Cement Company change its cloth sack basis, the right is reserved to adjust the delivered price of the cement accordingly.

The price on cement stated herein is based on the transportation charges in effect at the present time and is subject to advance or reduction as the transportation charges may be advanced or reduced.

This contract shall not be fully completed and operative, nor binding upon the Cement Company, until the same shall have been approved at the home office, at Easton, Pa., and a copy with such approval returned to the Buyer.

In making delivered prices Cement Company only guarantees cost at destination and will not be responsible for shortage or damage [fol. 1666] occurring in transit. Cement Company's responsibility ceases when shipments are delivered to Railroad Company on cars at its Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

The Purchaser shall give Cement Company shipping instructions in writing a re-sonable time before shipments are to be made. The Cement Company will not be responsible for delays in transit. All orders and contracts are accepted subject to governmental restrictions, strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine, or other contingencies beyond the control of either the Cement Company or Buyer, and said causes shall, during their existence, excuse either party from the performance of this contract and operate as a proportionate rescission thereof. Provided, that prompt notice shall be given by the party suffering from such disability to the other party, in writing, specifying the cause, otherwise this agreement shall remain in full force and effect. The Buyer shall not in any event, however, be entitled to demand or receive deliveries of cement from the Cement Company

subsequent to the date herein specified for the expiration of the agreement.

Any decline in Cement Company's market price during the life of this agreement shall apply to shipments under this agreement made after date of reduction and during such period as the lower market price may be in effect.

The cement covered by this agreement is purchased and sold with the understanding that it will be used only and exclusively in the construction of the particular operation mentioned below and for shipment as the progress of the work may require.

[1666½] The quantity of Alpha Portland Cement mentioned is for use in the work described and if Buyer shall sell or otherwise dispose of any portion of said cement or use any portion thereof in any work other than that described herein, or fail to comply with terms of payment or any of the conditions and limitations in this agreement, the Cement Company may at its option decline to make further deliveries hereunder, the Buyer remaining liable for all unpaid accounts.

The terms, conditions, and limitations herein specified are not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Alpha Portland Cement to be furnished hereunder is to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but Cement Company cannot be responsible for improper use of cement, therefore it will not guarantee finished work.

This contract shall be binding upon the heirs, executors, administrators, successors or assigns of the respective parties hereto, but shall not be assigned by Buyer without written consent of Cement Company.

[fol. 1667] In Witness whereof, the parties hereto have executed this agreement the day and year first above written.

Alpha Portland Cement Company, by ——— ———. ——— ———,
Buyer.

Witness as to Alpha Portland Cement Co.: ——— ———; as to buyer: ——— ———.

The above contract is this — day of ———, A. D. 192-, approved by the Alpha Portland Cement Company at its home office.

Alpha Portland Cement Company, by ——— ———.

[fol. 1667½] Govt. Ex. No. 574

Bath Portland Cement Company

Memorandum of agreement made and entered into this — day of ——, 192-, by and between the Bath Portland Cement Company, Phila., Pa., hereinafter called the Cement Company, and —— ——, of ——, hereinafter called the Buyer,

Witnesseth: That the Cement Company agrees to sell and the Buyer agrees to purchase Bath Portland Cement as follows: — Barrels ——,

In cloth sacks $— per standard barrel (376 lbs. net), including (4) sacks.

If shipped in paper sacks, — cents per barrel less than cloth price.

Cement Company will not be responsible for breakage and resultant loss when shipments are made in paper bags.

Shipments to be made according to contract requirements prior to —— —, ——.

Terms of Payment.—5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

If, during the life of this agreement, the financial responsibility of the Buyer becomes impaired or unsatisfactory to the Cement Company, cash payments with above discount must be made before shipment, or satisfactory security must be given by the Buyer.

The Cement Company reserves the right to prescribe the routing by which the shipments shall be forwarded.

Cement Company will pay original purchaser — cents each for [fol. 1668] empty cloth cement sacks purchased hereunder on their receipt in serviceable condition at its mill, freight prepaid, subject to its inspection and count. Cement Company will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

This agreement shall not be binding on the Cement Company until same shall have been approved by the General Sales Manager, signed by one of its executive officers, and a copy thereof so signed and mailed or otherwise delivered to the Buyer.

In making delivered prices, Cement Company will not be responsible for shortage or damage occurring in transit. Cement Company's responsibility ceases when shipments are delivered to Railroad Company on cars at its mill. Railroad Company bills of lading shall be conclusive as to quantity and good condition of both Cement and Packages when loaded on cars. The Buyer to have the benefit of any reduction and be liable for any advance in freight rates.

The Purchaser shall give Cement Company shipping instructions in writing a reasonable time before shipments are to be made. The Cement Company will not be responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond the control of either the Cement Com-

pany or Buyer, and said causes shall, during their existence, excuse either party from the performance of this contract and operate as a proportionate rescission thereof. Provided that prompt notice shall be given by the party suffering from such disability to the other party in writing, specifying the cause, otherwise this agreement shall re-[fol. 1668½] main in full force and effect. The Buyer shall not in any event, however, be entitled to demand or receive deliveries of cement from the Cement Company subsequent to the date herein specified for the expiration of the agreement.

The cement covered by this agreement is purchased and sold with the understanding that it will be used only and exclusively in the construction of the particular operation mentioned below, and it is a condition of this contract that the Buyer and user of the cement covered by this agreement have heretofore contracted for the work in question.

. . . . . .

. . . . . .

The quantity of Bath Portland Cement mentioned is for use in the work described, and if Buyer shall sell or otherwise dispose of any portion of said cement or use portion thereof in any work other than described herein, or fail to comply with terms of payment or any of the conditions and limitations in this agreement, the Cement Company may at its option decline to make further deliveries hereunder, the Buyer remaining liable for all unpaid accounts.

The terms, conditions and limitations herein specified are not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Bath Portland Cement to be furnished hereunder is to conform in [fol. 1669] every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the America Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but Cement Company cannot be responsible for improper use of cement, therefore it will not guarantee finished work.

This contract shall be binding upon the heirs, executors, administrators, successors or assigns of the respective parties hereto, but shall not be assigned by Buyer without written consent of Cement Company.

In Witness whereof, the parties hereto have executed this agreement the day and year first above written.

Bath Portland Cement Company, by —— ——. —— ——,
Buyer.

Witness as to cement company: —— ——. Witness as to buyer: —— ——.

The above contract is this — day of ——, A. D., 192-, approved.
—— ——, General Sales Manager.

[fol. 1669½] Govt. Ex. No. 575

Contract No. 2008

Memorandum of agreement made and entered into this 14th day of November, 1919, by and between the Coplay Cement Manufacturing Company, Coplay, Pa., hereinafter called the Cement Company, and Windsor Cement Company, Inc., of Hartford, Conn., hereinafter called the Buyer.

Witnesseth: That the Cement Company agrees to sell and the Buyer agrees to purchase Saylor's Portland Cement as follows: Two Thousand (2,000) barrels f. o. b. car, Hartford, Conn., in carload lots.

In cloth sacks $2.94, per standard barrel (376 lbs. net), including (4) sacks.

If shipped in paper sacks, thirty-five (35c) cents per barrel less than cloth price.

Cement Company will not be responsible for breakage and resultant loss when shipments are made in paper bags.

Shipments to be made according to contract requirements prior to December 31st, 1920.

Terms of Payment: 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

If, during the life of this agreement, the financial responsibility of the Buyer becomes impaired or unsatisfactory to the Cement Company, cash payments with above discount must be made before shipment, or satisfactory security must be given by the Buyer.

[fol. 1670] The Cement Company reserves the right to prescribe the routing by which the shipments shall be forwarded.

Cement Company will pay original purchaser 15 cents each for empty cloth cement sacks purchased hereunder on their receipt in serviceable condition at its mill, freight prepaid, subject to its inspection and count. Cement Company will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

If shipments should be required from bins set aside for the storage of specially tested cement, a charge of three cents per barrel will be made for storage service in addition to the price named in this contract.

This agreement shall not be binding on the Cement Company until same shall have been approved by the General Sales Manager, siged by one of its executive officers, and a copy thereof so signed and mailed or otherwise delivered to the Buyer.

In making delivered prices, Cement Company will not be responsible for shortage or damage occurring in transit. Cement Company's responsibility ceases when shipments are delivered to Railroad Com-

pany on cars at its mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and Packages when loaded on cars. The Buyer to have the benefit of any reduction and be liable for any advance in freight rates.

The Purchaser shall give Cement Company shipping instructions in writing a reasonable time before shipments are to be made. The Cement Company will not be responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employes, accidents to machinery, fire, flood, car famine [fol. 1670½] or other contingencies beyond the control of either the Cement Company or Buyer, and said causes shall, during their existence, excuse either party from the performance of this contract and operate as a proportionate rescission thereof. Provided that prompt notice shal be given by the party suffering from such disability to the other party in writing, specifying the cause, otherwise this agreement shall remain in full force and effect. The Buyer shall not in any event, however, be entitled to demand or receive deliveries of cement from the Cement Company subsequent to the date herein specified for the expiration of this agreement.

The cement covered by this agreement is purchased and sold with the understanding that it will be used only and exclusively in the construction of the particular operation mentioned below, and it is a condition of this contract that the Buyer and user of the cement covered by this agreement have heretofore contracted for the work in question.

Gasoline station for Atlantic Refining Company, Hartford, Conn. Contractor: Metzger & Fisher, Philadelphia, Pa. Attention is called to the paragraph on the back of this sheet which is a part of this contract.

The price named herein is subject to change in the price of cloth bags. The change, however, will not affect the net price of cement, as we will repurchase cloth bags at the same price charged for them.

The price mentioned herein will be advanced to the extent of any additional War Taxes on transportation charges on cement imposed by the U. S. Government.

The quantity of Saylor's Portland Cement mentioned is for use in the work described, and if Buyer shall sell or otherwise dispose of any portion of said cement or use portion thereof in any work other [fol. 1671] than described herein, or fail to comply with terms of payment or any of the conditions and limitations in this agreement, the Cement Company may at its option decline to make further deliveries hereunder, the Buyer remaining liable for all unpaid accounts.

The terms, conditions and limitations herein specified are not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Saylor's Portland Cement to be furnished hereunder is to conform in every respect to specifications of United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but Cement Company cannot be responsible for improper use of cement, therefore it will not guarantee finished work.

This contract shall be binding upon the heirs, executors, administrators, successors or assigns of the respective parties hereto, but shall not be assigned by Buyer without written consent of Cement Company.

In Witness whereof, the parties hereto have executed this agreemnt the day and year first above written.

Coplay Cement Manufacturing Company, by Emil Loeb, 1st Vice-Pres. A. A. Jackson, Vice-Pres. Windsor Cement Co., Inc., Buyer.

[fol. 1671½] Witness: E. J. Dongan, as to cement company.
Witness: R. H. Seguine, as to buyer.

The above contract is this seventeenth day of November, A. D., 1919, approved.

J. F. Twamley, General Sales Man-ger.

Should the market price of Saylor's Portland Cement decline during the life of this contract, we shall apply to shipments on account of it, the market price of Saylor's Portland Cement in effect the day shipments move.

Coplay Cement Manufacturing Co., By J. F. Twamley, General Sales Manager.

[fol. 1672] GOVT. EX. No. 576

Dexter Portland Cement Company

Nazareth, Pa.

Specific Work—Sales Contract, No. 1066

This Agreement, and a duplicate hereof, made this 31st day of August, 1918, by and between Dexter Portland Cement Company (a corporation), Nazareth, Pa., hereinafter called "Seller," and Ruffin & Payne, of Richmond, Va., hereinafter called "Buyer," Witnesseth:

That in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof, which it is hereby mutually understood and expressly agreed are a part hereof, Seller hereby sells and agrees to deliver, and the Buyer hereby purchases and agrees to receive and pay for 900 barrels

of "Dexter" Portland Cement, at a price of $2.67 per standard bbl., in 4 cloth bags, in carload lots, f. o. b. cars South Richmond, Va., to be used in the following described work, and shipped between the date hereof and December 31, 1918.

Description of work.—Virginia Baking Company's new building, South Richmond, Va. (9th & Perry Sts.). Contractor E. L. Bass & Bros., South Richmond, Va.

"If at any time during the life of this contract the Seller advances or reduces the repurchase price of cloth bags in accordance with terms on back hereof, the price named herein shall be advanced or reduced accordingly."

The price stated herein is based on the freight rates in effect at the present time, and is subject to advance or reduction, as the freight [fol. 1672½] rates may be advanced or reduced, and will also be advanced to the extent of any additional war taxes imposed by the Government on transportation charges.

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland Cement which Buyer shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland Cement required for the said work is estimated by Buyer at 900 barrels, but nothing herein contained shall obligate Seller to furnish hereunder more than the quantity of "Dexter" Portland Cement actually furnished by Buyer for, and used in, said work. Said cement is to be shipped as nearly as practicable to meet the necessities of the work; it being understood, however, that under no circumstances shall Seller be obligated to ship hereon more than — barrels during any one calendar month; or during any 30 day period; it being further provided, however, that Buyer shall in any event receive and pay for in accordance with price and terms hereof, all cement shipped hereunder.

This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by Buyer without written consent of Seller.

Entered into and signed, subject to official written approval of an Executive Officer of Seller at its General Office, Nazareth, Pa., the day and year first above written.

Dexter Portland Cement Company, Seller, By H. P. Yeisley.
Ruffin & Payne, Buyer.

Approved Sept. 9th, 1918, by R. W. Hilles, at Nazareth, Pa.

[fol. 1673] Other Terms, Conditions, and Limitations Governing This Contract

The quantity of "Dexter" Cement mentioned on reverse side hereof is for use in the work described, and if Buyer shall sell or otherwise dispose of any portion of said cement, or use any portion thereof in any work other than above described or assign this contract or any part thereof, or fail to comply with terms of payment, or any of

the conditions and limitations in this agreement set out, or if in the opinion of Seller the Buyer's credit be or become impaired, then, in any such event or events, Seller may, at his option, decline to make further deliveries hereunder, Buyer remaining liable for all unpaid accounts.

Buyer, when ordering cement to be shipped hereon, shall refer to this contract by its number and date, and the Buyer shall, on or about the first day of each month, if requested by and on forms furnished by Seller, correctly inform the Seller of the amount of "Dexter" Cement delivered or used by him on the above described work during the preceding month or months since date hereof.

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is Paid in Full within 10 days from date of shipment, 5 cents per barrel discount will be allowed, provided the Purchaser has satisfied all past due prior indebtedness to us; payments to be made in cash or equivalent at Seller's Office, Nazareth, Pa. Freight charges per tariff applying, from Nazareth, Pa., to point of delivery specified, shall be paid by Buyer for account of Seller, and the original paid freight bills sent to Seller promptly for proper credit.

The price herein provided includes the packages in which the cement shall be shipped, and is based upon the present freight rate and is subject to advance or reduction as the freight rate may be advanced or reduced.

Seller will pay original purchaser 10 cents each for empty cloth cement bags purchased hereunder bearing its brand, on their re-
[fol. 1673½] ceipt in serviceable condition at Seller's Mill, if returned within 90 days after their purchase, freight prepaid to Nazareth, Pa., subject to Seller's inspection and count. Seller will not purchase bags bearing brands other than its own, or bags that have been wet or are otherwise useless.

All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, Buyer.

The price specified on the reverse side hereof is a firm price, and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Seller reserves the right to determine and direct the route by which shipmnts hereunder shall be forwarded.

Buyer shall give Seller shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond Seller's control and Seller will not be responsible for delays in transit.

The "Dexter" Portland Cement to be shipped hereunder is when shipped to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society

of Civil Engineers, but Seller cannot be responsible for improper use of Cement therefore will not guarantee finished work.

A test sheet signed by our chemist will be sent to each purchaser as evidence of our compliance with the above guarantee.

Time is the essence of this contract.

[fol. 1674] GOVT. EX. No. 577

Duplicate

The Edison Portland Cement Co.

Boston, Mass.; New York, N. Y.; Philadelphia, Pa.

The Edison Portland Cement Company, a corporation of New Jersey (hereinafter called the "Cement Company") sells, and Watertown Coal Company, Watertown, Mass. (hereinafter called the "Purchaser") purchases, Edison Portland Cement on the following terms and conditions:

The purchaser does hereby represent to Cement Company that Thirteen Hundred Ninety-two (1392) barrels of cement are to be used in the construction of Drainage Work, Watertown, Mass. Owner—Town of Watertown, Mass. (day work by owners). Name of street and number of barrels to be used for each street work as specified on rider. Boylston St., 90 bbls.; Chauncy St., 54 bbls.; Adams Ave., 54 lbs.; California St., 102 bbls.; Concord Rd., 39 bbls.; Dartmouth St., 24 bbls.; Fairfield St., 27 bbls.; Porter St., 36 bbls.; Putnam St., East, 33 bbls.; Putnam St., West, 48 bbls.; Beechwood Ave., 51 bbls.; Hardy Ave., 57 bbls.; Hillside Rd., 63 bbls.; Maplewood St., 96 bbls.; Pleasant St., 84 bbls.; Summer St., 36 bbls.; Crawford St., 45 bbls.; Stewart St., 84 bbls.; Summit Rd., 36 bbls.; Maplewood Rd., 96 bbls.; Arlington St., 156 bbls.; Kimball Rd., 30 bbls.; Templeton Park, 24 bbls.; Edgecliff St., 27 bbls.; and that he hereby purchases the full Portland Cement requirements of the work herein described, and that no portion thereof [fol. 1674½] will be used for any other purposes, whatsoever.

Place of delivery: Union Market, Mass.

Time of delivery: As advised prior to December 31st, 1920.

The Purchaser shall give the Cement Company shipping instructions, in writing, a reasonable time before shipments are to be made; the Cement Company shall not be obliged, except at its option, to make deliveries after December 31st, 1920. The Cement Company shall have the right to direct the route by which all shipments hereunder shall be forwarded. The price in cloth is based on a cloth sack basis of 15 cents and should we change our cloth sack basis during the life of this contract the right is reserved to adjust the delivered price of cement accordingly.

The Cement Company shall not be responsible for delays in manu-

facture or shipping, due to strikes, differences with employees, scarcity of labor, accident, inability to secure cars, coal or material, fire, flood, warfare, or other causes not under its control, nor for any delay in transportation. All railroad and lighterage demurrage, car service and terminal charges at destination shall be settled for and borne by the purchaser.

Price: Per standard barrel, including package, (376 lbs. net). $2.94 in cloth sacks, carload lots. $2.59 in paper bags, carload lots.

Price includes freight from mill to destination and will be increased at the option of the Cement Company to cover any advance in freight rates or taxes thereon at any time during the life of this contract.

The Cement Company will not be responsible for loss or damage to cement or packages in transit. The Railway Company's bills of lading shall be conclusive as to quantity and good condition of [fol. 1675] cement when loaded on cars, at the Cement Company's plant.

Payment: Five cents (5c) per barrel discount for cash in ten (10) days from date of invoice, or net cash in thirty (30) days.

Sacks must be paid for at the same time as cement.

If, at any time, the financial responsibility of Purchaser is unsatisfactory to the Cement Company, it reserves the right to require payments in advance, or satisfactory security or guarantee that invoices will be promptly paid when due.

If Purchaser fails to comply with terms of payment, the Cement Company reserves the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

Package: The value of the packages are included in the herein stated prices. Shipments made in paper bags are at the Purchaser's risk of breakage and resultant loss of cement. If cement is shipped in cloth sacks, the Cement Company will repurchase from the original Purchaser, at fifteen cents (15c) each, the empty cloth sacks bearing the "Edison" brand, which are received by it in good condition, freight prepaid, at its works at New Village, N. J., within ninety (90) days from date of shipment of cement.

Claims for loss or damage will not be considered unless supported by seal record and railroad agent's acknowledgment on freight bill. Freight over-charge claims must be accompanied by original receipted freight bill.

Cancellation: It is understood and agreed by the parties hereto, that if any of the representations made by said Purchaser to Cement Company in and about securing the execution of this contract by Cement Company, are untrue, or, if any of the cement delivered [fol. 1675½] hereunder is used for any purpose other than as represented, that then, and in such case, upon learning thereof, the Cement Company may cancel this contract, or the undelivered portion thereof, or any other order given to the Cement Company by said Purchaser, and such cancellation shall in no wise release said Purchaser from unpaid accounts, or from liability to said Cement Company at the contract price for cement delivered prior to such cancellation.

Specifications: The cement delivered under this contract is, when shipped, to conform in every respect to specifications of the United States Government for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers. The Cement Company cannot be responsible for improper use of cement and, therefore, will not guarantee finished work.

Assignment of Contract: This contract shall not be assigned by the Purchaser, except upon written assent thereto by the Cement Company.

Executed by the parties hereto, this 12th day of April, 1920, at Watertown, Mass.

The Edison Portland Cement Company, By A. C. Bruff, Vice President & New England District Sales Manager. (Purchaser's Signature:) Watertown Coal Co., by P. T. Sprague.

The above contract is this the 14th day of April, 1920, approved for The Edison Portland Cement Company at its General Office, New York, N. Y.

The Edison Portland Cement Co., by J. C. La Rue, Secretary. (Seal.) W. D. C.

[fol. 1676] GOVT. EX. No. 578

Glens Falls Portland Cement Co., Manufacturers "Iron Clad" Portland Cement

Glens Falls, N. Y.

Boston Office: 18 Tremont St. Telephone: 2830-Main

Boston, Mass.

Specific Work—Sales Contract, No. —

This agreement, and a duplicate hereof, made this — day of ——, 19—, by and between Glens Falls Portland Cement Company (a Corporation, of Glens Falls, N. Y.,) hereinafter called "Seller," and —— ——, of ——, hereinafter called "Buyer," witnesseth:

That in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof, which it is hereby mutually understood and expressly agreed are a part hereof, Seller hereby sells and agrees to deliver, and the Buyer hereby purchases and agrees to receive and pay for approximately — barrels of Iron Clad Portland Cement, at a price of $— per standard bbl. in 4 cloth bags, — 4 paper bags.

The prices on cement stated herein are based on the freight rates in effect at the present time and are subject to advance or reduction as the freight rates may be advanced or reduced. These prices will

be advanced to the extent of any additional war taxes, on transportation charges on cement, imposed by the Government.

If bin-tested cement is required 3 cents per barrel must be added to the above price.

[fol. 1676½] In carload lots, f. o. b. cars — to be used in the following described work, and shipped between the date hereof and —.

Any decline in Seller's market price during the life of this agreement shall apply to shipments under this agreement made after date of reduction, and during such period as the lower market price may be in effect.

Description of Work

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland Cement which Buyer shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland Cement required for the said work is estimated by Buyer at — barrels, but nothing herein contained shall obligate Seller to furnish hereunder more than the quantity of Iron Clad Cement actually furnished by Buyer for, and used in, said work. Said cement is to be shipped as nearly as practicable to meet the necessities of the work; it being understood, however, that under no circumstances shall Seller be obliged to ship hereon more than — barrels during any one calendar month; or during any 30 day period; it being further provided, however, that Buyer shall in any event receive and pay for in accordance with price and terms hereof, all cement shipped hereunder.

Buyer shall have no right to assign this contract. The material covered by it is sold to Buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give Seller the option to terminate this contract and to refuse to deliver any more cement under it.

[fol. 1677] This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by Buyer without written consent of Seller.

Entered into and signed, subject to official written approval of an Executive Officer of Seller at its General Office, Glens Falls, N. Y., the day and year first above written.

Glens Falls Portland Cement Company, Seller, by —— ——.
—— ——, Buyer.

Approved —— —, 19—, by —— ——, at Glens Falls, N. Y.

Other Terms, Conditions, and Limitations Governing This Contract

Buyer, when ordering cement to be shipped hereon, shall refer to this contract by its number and date, and the Buyer shall, on or about the first day of each month, if requested by and on forms

furnished by Seller, correctly inform the Seller of the amount of Iron Clad Cement delivered or used by him on the work described during the preceding month or months since date hereof.

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is Paid in Full within 10 days from date of shipment, 10 cents per barrel discount will be allowed, payments to be made in cash or equivalent at Seller's Office, Glens Falls, N. Y. Freight [fol. 1677½] charges per tariff applying, from Glens Falls, N. Y., to point of delivery specified, shall be paid by Buyer for account of Seller, and the original paid freight bills sent to Seller promptly for proper comparison.

If at any time the financial responsibility of Buyer becomes impaired or unsatisfactory to Seller it reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If Buyer fails to comply with terms of payment, Seller reserves the right to cancel unfilled portion of any contract or order, Buyer remaining liable for all unpaid accounts.

The price herein provided includes the packages in which the cement shall be shipped.

Seller will pay original purchaser, and not any assignee, or trustee, 10 cents each for empty cloth cement bags purchased hereunder bearing its brand, on their receipt in serviceable condition at Seller's mill, if returned within 90 days after their purchase, freight prepaid, subject to Seller's inspection and count. Seller will not purchase bags bearing brands other than its own, or bags that have been wet or otherwise made useless.

Buyer shall report to Seller all claims for shortage or damage within five (5) days after receipt of shipment. Claims must be accompanied by the shipping card which is sent in each car, and must be verified by notation, on the paid Freight Voucher, by the Freight Agent at the receiving station.

The price specified on the reverse side hereof is a firm price and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

[fol. 1678] Seller reserves the right to determine and direct the route by which shipments hereunder shall be forwarded. All railroad demurrage car service and terminal charges at destination shall be settled for and borne by purchaser.

Buyer shall give seller shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond Seller's control, and Seller will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, Seller reserves the right to prorate its shipment of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder Seller may have accepted and may from time to time accept, other orders and contracts so as to have a market for its

entire estimated output of cement under normal conditions; therefore in the event Seller shall at any time, because of any such contingency, be unable to deliver to all its customers the entire quantity of cement required and called for by all its contracts then in force, the total of Seller's production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on Seller's part for the reduction so made.

The Iron Clad Portland Cement to be shipped hereunder is, when shipped, to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but Seller cannot be responsible for improper use of cement, therefore will not guarantee finished work.

Time is the essence of this contract.

[fol. 1678½] Govt. Ex. No. 579

Duplicate

Giant Portland Cement Company

Main Office 603-610 Pennsylvania Building, Philadelphia, Pa.; New York Office: 30 Church Street

Specific Work—Sales Contract No. P-1130

This agreement, in triplicate, made this fourth day of February, 1921, by and between Giant Portland Cement Company (a corporation) of Delaware, U. S. A., hereinafter called "Seller" and E. M. Rodrock Company, Paterson, N. J., hereinafter called "Buyer," witnesseth:

That in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof, which it is hereby mutually understood and expressly agreed are a part hereof, Seller hereby sells and agrees to deliver, and the Buyer hereby purchases and agrees to receive and pay for 2,500 barrels of Giant Portland Cement at a price of $3.53 per standard barrel in 4 cloth sacks, in carload lots f. o. b. cars Paterson, New Jersey, to be used in the following described work, and shipped between the date hereof and Dec. 31st, 1921, under Buyer's contract dated ——, 192-.

Price in cloth sacks includes sacks at 25 cents each.

If at any time the Seller shall experience such difficulty in securing cloth sacks as, in its opinion, makes shipment in cloth sacks impracticable (of which difficulty and impracticability it shall be the [fol. 1679] sole judge), then upon 30 days' notice to the Buyer, it

may (until such difficulty is removed), ship either in paper sacks at a price of $2.78 per barrel, or at the option of the Buyer in bulk where practicable, at a price of $2.48 per barrel f. o. b. cars destination above specified.

Price is based on present rate of freight and is subject to advance or reduction in present rate from the Seller's mills to point of delivery specified above. Price for water delivery is based on present rail rate and cost of water transportation and is subject to advance or reduction in the present rates.

Description of Work: Repairs at Crew SF Co. plant. New building and addition to plant- National Silk Dyeing Company—F. G. Pittet Constr. Co., contrs. Any shipments made on this contract will be at the current price of "Giant" Portland Cement if such price is below contract price herein mentioned.

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland Cement which Buyer shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland Cement required for the said work is estimated by Buyer at 2,500 barrels, but nothing herein contained shall obligate Seller to furnish hereunder more than a maximum quantity of 2,750 barrels (said maximum quantity being 110% of estimated requirements). Said cement is to be shipped as nearly as practicable to meet the necessities of the work; it being understood, however, that under no circumstances shall Seller be obligated to ship hereon more than 500 barrels during any one calendar month, or during any 30 day period; it being further provided, however, that Buyer shall in any event receive and pay for in accordance with price and terms hereof, all cement shipped hereunder.

[fol. 1679½] This contract shall be binding upon the heirs, executors, administrators, successors, or assigns of the respective parties hereto, but shall not be assigned by Buyer without written consent of Seller.

Entered into and signed, subject to official written approval of an Executive Officer of Seller at its general office, Philadelphia, Pa., the day and year first above written. This contract must be returned within ten (10) days from date or it becomes null and void at our option.

Giant Portland Cement Company, Seller, by Charles F. Conn, President.

Accepted February 7, 1921, by E. M. Rodrock Co.

Other Terms, Conditions, and Limitations Governing This Contract

The quantity of Giant Portland Cement mentioned on reverse side hereof is for use in the work described, and if Buyer shall sell or otherwise dispose of any portion of said cement, or use any portion thereof in any work other than within described or assign this contract or any part thereof, or fail to comply with any of the conditions and limitations in this agreement set out, Seller may, a its option, decline

to make further deliveries, Buyer remaining liable for all unpaid accounts.

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is paid full, within ten (10) days from date of shipment and there are no past due bills outstanding for prior shipments, 10 [fol. 1680] cents per barrel discount will be allowed, payments to be made in cash or equivalent at Seller's office, Philadelphia, Pa.

Freight charges per Tariff applying from Seller's mill from which shipment is made to point of delivery specified, shall be paid by Buyer for account of Seller, and the original paid freight bills sent to Seller promptly for proper credit.

Seller reserves the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges imposed at destination shall be settled for, and borne by, Buyer.

Orders are subject to approved credit and if the Buyer fails to fulfill the terms of payment under this or other existing contracts between the Buyer and the Seller, the Seller may defer further shipments until such payments are made, or may, at its option, terminate the contract. The Seller reserves the right, even after partial shipments on account of this contract, to require from the Buyer satisfactory security for performance of the Buyer's obligations; and refusal to furnish such security, will entitle the Seller to suspend such shipments until such security is furnished or to terminate this contract. Termination of the contract under any of these conditions, shall not prejudice any claim for damages that the Seller may be entitled to make.

Buyer, when ordering cement to be shipped hereon, shall refer to this contract by its number and date, and the Buyer shall, on or about the first of each month, if requested by and on forms furnished by the Seller, correctly inform the Seller of the amount of Giant Cement delivered or used by him on the above described work during the preceding month or months since date hereof.

Seller will pay original Buyer the amount per cloth sack included in price invoiced for sacks purchased hereunder, bearing its brand on [fol. 1680½] their receipt in serviceable condition at Seller's mill, Egypt (Lehigh County), Pa., Ironton Railroad delivery, freight prepaid, if returned within 90 days after their purchase, subject to Seller's inspection and count. Seller will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

If at any time during the life of this Contract, the Seller should make a general advance or reduction in price of cloth sacks in its quotations, such advance or reduction shall apply to any unfilled portion of this contract, and such sacks will be repurchased by Seller at the same price at which they are billed to the original Buyer, under terms as outlined hereon in the clause governing the return of cloth sacks.

Seller's invoice quantities shall be the basis for settlement, and Buyer shall not hold Seller responsible for shortage of, or damage to, either cement or packages occurring in transit. Railroad Company's

bills of lading at the point of shipment shall be conclusive as to quantity and good condition of cement and packages when loaded on cars at Seller's mill.

The price specified on the reverse side hereof is a firm price, and not subject to change or alteration except as may be herein otherwise expressly stipulated, any agreement, oral or otherwise, with the salesman or any other person to the contrary notwithstanding; it being further understood and agreed that all conditions of the sale are herein wholly set out.

Delays.—The Buyer shall give shipping instructions in writing a reasonable time before shipments are to be made. The Seller shall not be responsible for delays in manufacture or shipping, due to strikes, differences with empolyees, scarcity of labor, accident, ina- [fol. 1681] bility to secure cars, coal or material, fire, flood, warfare, acts of the public enemy, regulation or control of any State or of the United States, or of any public authority or agency thereof, or other causes not under its control, nor for any delay in transportation.

Should any contingency at any time arise whereby production or shipments are curtailed or delayed, Seller reserves the right to prorate shipments of cement to all buyers of record at such time. In addition to orders or contracts accepted hereunder, Seller may have accepted and shall from time to time accept other orders and contracts, so as to have a market for its entire estimated output of cement under normal conditions. Therefore in the event Seller shall at any time or for any cause be unable to deliver to all customers the entire quantity of cement required and called for by all its contracts then in force, the total of its production then available shall be applied pro rata on all said contracts, according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on Seller's part for the reduction so made.

Specifications.—Giant Portland Cement is guaranteed to meet the requirements of the standard specifications adopted by the American Society for Testing Materials. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

Under this contract Seller will not provide bins for the storage of specially tested cement, unless otherwise expressly agreed.

[fol. 1681½] GOVT. EX. No. 580

Hercules Cement Corporation

Executive Office: Finance Building, Philadelphia, Pa.; General Sales Office: 23 West 43d Street, New York City

Contract No. —

Hercules Cement Corporation hereinafter called Seller, hereby agrees to sell and —— ——, hereinafter called Purchaser, agrees to

purchase Hercules Portland Cement on the following terms and conditions:

Place of Delivery: F. O. B. ——.

Time of Delivery: ——.

Seller shall not be obliged to ship hereunder more than — bbls. during any one calendar month or during any 30-day period.

Seller shall not be liable for delays in manufacture or shipping, caused by strikes, scarcity of labor, accident to plant or machinery, inability to secure cars, coal or material, fire, flood, warfare, acts of God, or other causes not under Seller's control; neither shall Seller be liable for delays in transportation.

Description of Work.—Purchaser hereby agrees that all of the cement purchased hereunder shall be used in the following described work, to wit: ——, and that no portion hereof will be resold by the Purchaser for use on any other work, or used for any purpose or for any work other than above described.

[fol. 1682] Quantity: —.

Additional Quantity: In case the quantity herein specified proves insufficient for the needs of the Purchaser for Portland Cement within the time limit of delivery herein on the above-described work, Purchaser agrees to purchase and Seller agrees to sell a reasonable additional quantity of Hercules Cement at the same price and on same terms and conditions as herein specified, to meet the said reasonable additional needs of Purchaser for said work within said time limit.

Price: — per standard barrel including package, in carload lots, to be packed in —.

Price includes freight at present rates, and will be increased to cover any advance in freight rates, and any additional Government tax on freight, at any time during the life of this contract. Purchaser shall pay all freight charges for account of Seller.

Terms of Payment: Net cash in 30 days or 5c. per bbl. discount for payment in full within 10 days from date of invoice, provided all then prior existing indebtedness shall have been satisfied. Sacks must be paid for at same time as cement.

If at any time the financial responsibility of Purchaser becomes impaired or unsatisfactory to Seller, the latter reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due.

Shipping Instructions: Purchaser shall give to Seller shipping instructions in writing a reasonable time in each instance before shipments are to be made.

Routing and Terminal Charges: Seller shall have the right to direct the route by which all shipments hereunder shall be forwarded. All demurrage, car service and terminal charges imposed at destination shall be settled for and borne by Purchaser. Claims for [fol. 1682½] loss or damage will not be considered unless presented within 60 days from date of shipment, supported by seal record and railroad agent's acknowledgment thereof on original paid freight bill. Freight over-charge claims must be supported by original paid freight bill.

Sacks: Seller will re-purchase from the Purchaser at 25c. each the empty cloth sacks bearing the Hercules brand which are received by it in good condition, freight prepaid, at its works at Hercules, Penna., within 90 days from date of shipment of cement.

Specifications: The Hercules Cement to be shipped hereunder is to conform in every respect to "Standard Specifications and Tests for Portland Cement" C9-17 of the American Society for Testing Materials.

Assignment of Contract: This contract shall not be assigned by Purchaser except with written prior consent of the Seller.

The seller reserves the right to increase the repurchase price of its sacks and upon notice to this effect the Price mentioned above shall be advanced proportionately per barrel on all deliveries thereafter.

If Purchaser at any time fails to comply with any of the terms or conditions of this contract, Seller reserves the right to cancel the then unfilled portion of this and/or other then existing contracts (and orders) between the parties, Purchaser remaining liable for all then unpaid accounts.

Executed by the parties hereto, this — day of ——, 191-.

(Purchaser's Signature:) —— ——. Hercules Cement Corporation, by —— ——, Sales Manager.

Approved —— —, ——.

Form 47-1M-2-19.

[fol. 1683] GOVT. EX. No. 581

Special Sale Contract

The Knickerbocker Portland Cement Company, Inc., hereinafter called the Seller, sells and agrees to furnish and deliver; and Manchester & Hudson Company, Providence, R. I., hereinafter called the Buyer, purchases and agrees to receive and pay for Five Thousand (5000) barrels, more or less, of Knickerbocker Portland Cement, on the terms and conditions hereinafter expressed. The variance shall not in any case exceed Ten (10) per cent.

The purchase covers the entire quantity of Portland Cement required by the Buyer on the following described work: Building for Indian Packing Company, Providence, R. I.

Seller will not be required to deliver more than One Thousand Five Hundred (1500) barrels in any one calendar month.

Price per barrel in cloth packages, in carload lots, $2.94 f. o. b. cars Providence, R. I.

When shipped in cloth sacks, it is agreed that the empties may be returned, subject to Seller's count and inspection, and for all received in good condition at Seller's factory, Hudson Upper, N. Y., with carrying charges prepaid by the Buyer, credit will be allowed at the rate of fifteen cents (15c.) each. A barrel of Knickerbocker Portland Cement, when packed in wood, weighs four hundred (400) pounds gross. When packed in cloth or paper sacks there are

four to the barrel, each weighing ninety-five (95) pounds gross. Shipments in paper sacks will be made only at Buyer's risk of [fol. 1683½] breakage and resultant loss of cement.

Terms of Payment: Thirty (30) days net on approved credit; five cents (5c.) per barrel discount will be allowed for payment in full within ten (10) days from date of invoice; all bills payable at 30 East 42nd Street, N. Y., in New York or Boston exchange.

If, during the life of this contract, the financial responsibility of the Buyer becomes impaired or unsatisfactory to the Seller, it reserves the right to require the Buyer to make payment in advance, or to give satisfactory security or guarantee that invoices will be promptly paid when due.

Transportation: Seller reserves the right to control the routing of all shipments under this contract. Buyer agrees to give Seller shipping instructions a reasonable time before shipments are to be made. Seller or Buyer shall not be responsible for delays due to the existence of war, strikes, lockouts, scarcity of labor, accidents, inability to secure cars, coal or material, transportation delays, fire, flood, acts of God, or other causes beyond the control of either the Seller or Buyer, preventing or interfering with the production, shipment or use of all or any part of the cement herein referred to.

Seller shall not be held responsible for shortage or damage to cement or packages occurring in transit. Transportation Company's Bill of Lading shall be conclusive as to quantity, also as to cement and packages being in good condition when loaded at Seller's factory.

Freight Rates: In case freight rates affecting transportation of any part of the cement covered hereby shall be increased or decreased during the life of this contract, the price hereinbefore set forth shall be advanced or decreased accordingly.

[fol. 1684] Specifications: Knickerbocker Portland Cement is guaranteed to meet the requirements of the Standard Specifications for Portland Cement adopted by the American Society for Testing Materials. Seller will not be responsible for the improper use of cement, therefore will not guarantee finished work.

It is understood and agreed that the cement sold and to be delivered under this contract is not to be used for any other purpose than for the work specified herein, nor may this agrement be transferred or sublet by Buyer without written consent of the Seller being obtained.

Executed by the parties hereto, this 30th day of December, 1919.

Knickerbocker Portland Cement Company, Inc., by A. D. Naylor, Vice-President. Manchester & Hudson Co. E. D. Allen, Treas.

Deliveries under this contract will be made subject to decline in the market on any unfilled portion thereof.

Shipments to be made prior to December 31st, 1920.

[fol. 1684½] GOVT. EX. No. 582

Contract No. —

This agreement, made this — day of ——, 19—, between The Lawrence Cement Company of New York, party of the first part, hereinafter called the Cement Company, and —— ——, party of the second part, hereinafter called the Buyer, Witnesseth:

That the Buyer agrees to purchase and receive and the Cement Company agrees to sell Dragon Portland Cement for the full Portland Cement requirements of the hereinafter described work estimated at — barrels.

Price (per Standard Barrel, Including Package)

In four (4) cloth sacks	$....	per bbl.
In four (4) paper sacks	....	" "
In cargo, In carload, In truckload lots f. o. b.	....	" "

Description of Work: ——.

Special Provisions: The price mentioned in this contract is our present price for Dragon cement. Should we fix a lower price to the general trade prior to the date of the expiration of this contract, we will bill all cement shipped on account of this contract after such reduction in price at our prevailing price for Dragon Cement on the day of actual shipment by us; but should the price of our cement subsequently rise to or higher than the price mentioned in this contract, then the contract price mentioned herein shall govern.

Payments for cement, including sacks, to be made within thirty (30) days from date of shipment, subject to discount of 10c per [fol. 1685] barrel if paid within ten days of the date of invoice, provided all past due indebtedness shall have been paid. If amount of any invoice under this contract shall not be paid when due, the Cement Company may, at its option, cancel all further deliveries under this agreement, and the Buyer shall remain liable for all unpaid accounts. If in the Cement Company's opinion, the Buyer's credit becomes impaired or unsatisfactory, it reserves the right to require payment in advance.

Sacks: The price named herein for shipments in cotton sacks includes a charge of — cents each for cotton sacks. The Cement Company will repurchase from the original Buyer each cotton sack shipped on this contract at the price charged for it if returned within ninety (90) days from date of invoice, in good condition, freight prepaid, subject to Cement Company's inspection and count. The right is reserved to increase the price at which sacks are charged and repurchased at any time without notice, but the change will not affect the net price of the cement. Paper bags are not return-

able. The Cement Company will not purchase sacks bearing other brands, nor sacks that have been wet or are not otherwise in serviceable condition. Rejected sacks will be held at owner's risk for thirty (30) days only.

Time of Delivery: The Buyer shall give the Cement Company shipping instructions in writing a reasonable time before shipments are to be made; and the Cement Company shall not be obliged to supply cement for the work at a faster rate than the job requires, nor to make deliveries, except at its option, after —— —, 192-.

Transportation: This contract is based on the present cost of transportation, including railroad freight rates and rates by automobile or boat. Buyer is to have the benefit of any reduction and [fol. 1685½] be liable for any advance in rates, or other charge imposed by the Government or any State or Municipality.

The Cement Company reserves the right to prescribe the route by which shipments shall be forwarded. In making delivered prices the Cement Company only guarantees cost at destination; its responsibility ceases when shipments are delivered to railway company on cars; and it is not responsible for shortage or damage occurring in transit or thereafter. The Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when delivered on cars.

Specifications: The cement sold under this contract is guaranteed to meet the requirements of the standard specifications for Portland Cement of the American Society for Testing Materials. The Cement Company is not responsible for improper use of cement, and shall be free from any responsibility for finished work.

Exceptions: It is agreed that in the event of any strike, labor trouble, fire, breakdown, failure of machinery or other cause resulting in stoppage or partial stoppage of the production of the Cement Company's cement or in the destruction of or damage to cement manufactured or in course of manufacture, or deficient transportation preventing the shipment of cement or inability to procure containers, or the normal supplies of coal or raw materials used in the manufacture of cement, shipments under this contract may be suspended or partially suspended as the case may be. In the event of such interruption, the Cement Company may prorate or discontinue shipments on all existing contracts, including those with other parties, during such interruptions.

Cancellations: It is understood and agreed that if any statement or representation made by the Buyer concerning the use to be made [fol. 1686] of the cement or other matter involved in this contract is untrue, the Cement Company may cancel this contract and if any cement delivered under this contract is used for work other than that mentioned in the contract, the undelivered balance shall be cancelled, and such cancellation shall not release Buyer from any unpaid account. In addition thereto, all cement so diverted may be billed at the price prevailing for "Dragon" cement on the day of shipment.

This agreement shall not be binding on the Cement Company until the same shall have been signed by one of its officers or by its Sales Manager and delivered to the Buyer.

The terms and conditions of this agreement shall extend to and be binding upon the legal representatives, successors and assigns of the parties hereto; but this contract is not assignable by the Buyer without the consent in writing of the Cement Company.

In Witness Whereof the parties hereto have duly executed this agreement in duplicate the day and year first above written.

The Lawrence Cement Company, by —— ——. (Buyer's signature:) —— ——.

Witnesses: —— ——.

[fol. 1686½] GOVT. EX. NO. 583

Lehigh Portland Cement Co.

Chicago, Ill.; Allentown, Pa.; Spokane, Wash.

The Lehigh Portland Cement Company, a corporation of Pennsylvania (hereinafter called the "Cement Company") sells, and E. M. Rodrock Co., Paterson, N. J. (hereinafter called the "Purchaser") purchases, Lehigh Portland Cement on the following terms and conditions:

The Purchaser does hereby represent to Cement Company that 3,000 barrels of cement are to be used in the construction of a silk mill for the Alco Silk Co. at Paterson, N. J. (J. W. Ferguson, Paterson, N. J., contractor) and that he hereby purchases 3,000 barrels of Lehigh Portland Cement from the Cement Company, for use in such work; and that no portion thereof will be used for any other purposes, whatsoever.

Place of Delivery: In carload lots f. o. b. cars Patterson, N. J.

Time of Delivery: Prior to Dec. 31st, 1920.

The Purchaser shall give the Cement Company shipping instructions, in writing, a reasonable time before shipments are to be made; the Cement Company shall not be obliged, except at its option, to make deliveries after Dec. 31st, 1920. The Cement Company shall have the right to direct the route by which all shipments hereunder shall be forwarded.

The Cement Company shall not be responsible for delays in man- [fol. 1687] ufacture or shipping, due to strikes, differences with employes, scarcity of labor, accident, inability to secure cars, coal or material, fire, flood, warfare, or other causes not under its control, nor for any delay in transportation.

Price: Per standard barrel, including package, $2.72 f. o. b. cars Paterson, N. J., subject to future fluctuations in prices quoted by Cement Co., but not to exceed price named herein except by reason of an advance in freight rates.

This price is based on present freight rates and is subject to variation in proportion as the freight rates may be advanced or reduced; it is also subject to advance to the extent of any additional war taxes on transportation charges on cement which may in the future be imposed by the government.

This price, which is special, has been given the Purchaser, by the Cement Company, because of the Purchaser's representations as to the use of the cement.

Payment: Net cash in thirty (30) days, or five cents (5c) per barrel discount for cash in ten (10) days from date of invoice. Payable in New York or Chicago Exchange.

Sacks must be paid for at the same time as cement.

If, at any time, the financial responsibility of Purchaser becomes impaired or unsatisfactory to the Cement Company, it reserves the right to require payments in advance, or satisfactory security or guarantee that invoices will be promptly paid when due.

If Purchaser fails to comply with terms of payment, the Cement Company reserves the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

[fol. 1687½] Package: Cement to be packed in cloth. If cement is shipped in cloth sacks, the Cement Company will repurchase from the original Purchaser, at fifteen cents each, the empty cloth sacks bearing the Lehigh Brand, which are received by it in good condition, freight prepaid, at its works at West Coplay, Penna., or New Castle, Penna., within ninety (90) days from date of shipment of cement.

Claims for loss or damage will not be considered unless supported by seal record and Railroad agent's acknowledgment on freight bill. Freight over-charge claims must be accompanied by original receipted freight bill.

Cancellation: It is understood and agreed by the parties hereto, that if any of the representations made by said Purchaser to Cement Company in and about securing the execution of this contract by Cement Company, are untrue, or, if any of the cement delivered hereunder is used for any purpose other than as represented, then, and in such case, upon learning thereof, the Cement Company may cancel this contract, or the undelivered portion thereof, or any other order given to the Cement Company by said Purchaser, and such cancellation shall in no wise release said Purchaser from unpaid accounts, or from liability to said Cement Company at the contract price for cement delivered prior to such cancellation.

Specifications: The cement delivered under this contract is to conform to standard specifications for Portland Cement adopted August 16, 1909, by the American Society for Testing Materials with methods of testing recommended January 17, 1912, as amended by the American Society of Civil Engineers, or to U. S. Government specifications for Portland Cement, as set forth in Circular of the Bureau of Standards, No. 33.

[fol. 1688] Assignment of Contract: This contract shall not be assigned by the Purchaser, except upon written assent thereto by the Cement Company.

Executed by the parties hereto, this 31st day of December, 1919, at New York.

Lehigh Portland Cement Co. by F. W. Douglass, Eastern Sales Manager. (Purchaser's signature:) E. M. Rodrock Co., by E. M. Rodrock, Prest.

Approved: Geo. G. Sykes, Secretary.

[fol. 1688½] Govt. Ex. No. 584

Specific Job Quotation

Nazareth Cement Company

Main Office and Works: Nazareth, Pa.; Sales Offices: New York, Boston, Philadelphia; Boston Office: 161 Devonshire Street

Phone: Fort Hill 425

John W. Ramsay, New England Sales Manager

In reply refer to File No. —.

Boston, Mass., April 1, 1920.

Messrs. The C. H. Spring Company, Newton Falls, Mass.

Gentlemen: We quote you on Nazareth Portland Cement for shipment according to contract requirements, between date hereof and 12/31/20, subject to all the terms, conditions and limitations on both sides hereof. Quantity to be shipped not to exceed, however, — bbls. within any one month.

Nazareth Portland Cement in 4 cloth sacks at $2.94 per standard bbl., including the sacks.

Nazareth Portland Cement in 4 paper bags, at $— per standard bbl., including the bags.

[fol. 1689] Nazareth Portland Cement in Wood at $— per standard bbl.

F. O. B. Lowell, Mass.

The prices on cement stated herein are based on the freight rates in effect at the present time, and are subject to advance or reduction, as the freight rates may be advanced or reduced. These prices will be advanced to the extent of any additional War Taxes on transportation charges on cement, imposed by the Government.

This quotation covers the entire and actual quantity (estimated at 6,000 barrels) of Portland Cement which buyer shall furnish or use in the following described work. The estimated quantity is more or less within 10 per cent.

Description of Work: Ansonia Hotel Building, Lowell, Mass., E. A. Abbott Company, 9 Park St., Boston, Mass., Contractors.

This quotation is for acceptance within 5 days of formal award

of contract for work described, but is void if not accepted within 15 days from date hereof.

We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us.

Remarks: It is agreed that if between now and the termination of this contract the market price of Nazareth Cement should be less than that indicated above, we are to give you the benefit of that lower price or prices on shipments following such reductions and applying on this contract.

Respectfully yours, Nazareth Cement Co. John W. Ramsay.

Accepted 4/2 day of ——, at ——. (Signature:) M. C. S.
For other clauses which are part of this quotation see other side.

[fol. 1689½] Terms, Agreements and Limitations

Thirty days net; 5 cents per barrel discount for Payment in Full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Nazareth, Pa.

If Purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time Purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

Sacks: We will pay to original purchaser 15 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

[fol. 1690] Quantity: Unless otherwise agreed, the quotation on reverse side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by Purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by Purchaser.

Strikes, etc.: The Purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time.

Specifications: "Nazareth" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Nazareth Cement Company.

[fol. 1690½] GOVT. EX. No. 585

Penn-Allen Cement Company

Commonwealth Building, Allentown, Pa.; General Sales Office: Widener Building

Philadelphia, Pa., 2/17/20.

B. F. Marsh Company, 22 Garden Street, Worcester, Mass.

GENTLEMEN: We quote you on Penn-Allen Portland Cement for the requirements of the work herein described, subject to all terms, conditions and limitations on both sides hereof, for delivery in carload lots f. o. b. Worcester, Mass. The price named in this quotation is subject to change in freight rates, and any additional war tax on freight on cement that may be imposed by the Government.

In cloth sacks $2.92 per standard barrel including four (4) sacks. In paper sacks $— per standard barrel including four (4) sacks.

Quantity.—This quotation covers the entire and actual quantity (estimated at 1,250 barrels) of Portland Cement which Buyer shall furnish or use solely in the following described work.

Work.—Riley Industrial Plant, Worcester, Mass. E. J. Cross Company, contrs. (The price named in this quotation is subject to any change in the price of bags that may become effective during the life of the job.)

[fol. 1691] Shipments.—As required during progress of work to be completed prior to July 1st, 1920. If shipments are required from bins set aside for the storage of specially tested cement, an additional charge of three (3) cents per barrel will be made for storage service.

Acceptance.—This quotation is for acceptance within five (5) days of formal award of contract for work described, but is void if not accepted within fifteen (15) days from date hereof. We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing it shall constitute a contract between us, subject to the approval of Cement Company.

Yours respectfully, Penn-Allen Cement Company. T. O. Bretherton, General Sales Manager. TOB/T.

Accepted — day of ——, 19—, at ——. (Signature:) —— ——.

For other clauses which are part of this quotation, see other side.

Terms: On approved credit, net thirty days, or five (5) cents per barrel discount for payment in full including sacks within ten days from date of invoice.

If Purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, Purchaser remaining liable for all unpaid accounts.

[fol. 1691½] Orders are subject to approved credit, and if at any time the Purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance, and pending the same may withhold shipment and if within a reasonable time in the judgment of this Company such cash or approved credit has not been furnished, we may declare the order or contract cancelled.

Loss or Damage: In making delivered prices we only guarantee cost at destination and will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to railroad company on cars or at mill. Railroad Company's bill of lading shall be conclusive as to the quantity and good condition of both cement and packages when loaded in the cars.

Sacks: Price of cloth sacks is included in invoice, which must be paid without deduction. We will pay to the original purchaser 15 cents each for empty cloth sacks bearing our brand, on their receipt in serviceable condition at our mill, if returned within ninety days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or are otherwise useless. Rejected or foreign sacks will be held at owner's risk, subject to his order, for thirty days only. Shipments in paper bags will be made at Purchaser's risk of breakage and resultant loss.

Routing: We reserve the right to prescribe routing by which the shipment shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for by the Purchaser.

Delays: The Purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. We will [fol. 1692] not be responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal strikes in either the anthracite or bituminous coal regions, differences with em-

ployees, accidents to machinery, fire, flood, car famine or other contingencies beyond control of either Buyer or Seller. Therefore, in the event we shall at any time or for any cause be unable to deliver to our customers the entire quantity of cement required and called for by all our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively and the amount delivered on each contract may be reduced accordingly and there shall be no liability on our part for the reduction so made.

Specifications: Penn-Allen Portland Cement is guaranteed to meet the requirements of the Standard Specifications for cement of the American Society for Testing Materials, serial designation C-9-17. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

[fol. 1692½] Govt. Ex. No. 586

Sales Office Pennsylvania Cement Company, Manufacturers
"Pennsylvania" Portland Cement

42nd St. Building, New York

L. D. Telephone: Murray Hill 6347

(May 1, 1919.)

This quotation is void unless accepted in writing by the Purchaser and approved by the Seller as hereinafter provided within — days from date.

Quotation No. —.

Dear Sir: We submit quotations on "Pennsylvania" Portland Cement as follows: —— F. O. B. ——, all cement covered by this quotation is to be used only in the construction of ——.

In Barrels..... $— per bbl. including barrels.
In Duck Bags..... $— " " including bags, which includes a charge of —¢ for each bag.
In Paper Bags..... $— " " including bags.

This price is based upon the present freight rate and tax on same and is subject to advance or reduction as the freight rate or tax may be advanced or reduced. The price named is subject to change in [fol. 1693] the price of bags, as may become the custom of the trade. Freight charges are to be paid by you and will be deducted from the face of the invoices when rendered. The quantity of cement required under this quotation is not to exceed — barrels.

If the expression "more or less" should be used as to quantities, it is understood to imply a leeway of not more than 15%. Any cement furnished under this quotation is to be used solely for the purpose and upon the work particularly specified above, and to be furnished in about equal monthly proportions.

The Seller may require the Purchaser to furnish evidence satisfactory to the Seller that the cement is being used in the construction of the work specified, and if there shall be any diversion the Seller may thereupon, at its option, terminate this agreement.

All cement furnished under this quotation must be ordered out prior to —— —, ——, unless the time is extended in writing by the Seller.

Shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

Specifications.—The cement delivered under this contract is to comply with the requirements of the Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials, when tested in accordance with the methods of test recommended by the American Society of Civil Engineers. If you desire to have the cement tested for your account and stored for that purpose in bins at our mill, there will be a charge of — cents per barrel additional for such service.

If the cement is delivered in bags, the bags are not sold, but remain [fol. 1693½] the property of the Cement Company. The Purchaser agrees to return all such bags within 90 days from receiving same.

The charge of — made for each bag shipped, will be credited by the Company to the Purchaser's account or paid in cash if nothing is due from the Purchaser when such bags are returned to the Cement Company within such time in good condition, freight prepaid. The Company's count and inspection to be final. No credit will be given for worthless bags or for bags other than those shipped by this Company.

Terms of Payment.—30 days net from date of invoice or — per barrel discount allowed for cash in 10 days from date of invoice. Export shipments are cash f. a. s.

If during the life of this agreement the financial responsibility of the Purchaser shall become unsatisfactory to the Seller, it may require cash payments or security satisfactory to it, in default of which this agreement may be thereupon terminated by the Seller.

Failure to comply with any of the provisions of this agreement shall be sufficient reason for forthwith terminating the same by the Seller, and waiver of such right shall not be implied from any failure to exercise the same.

All agreements are contingent upon Government restrictions, regulations or requirements, fire, floods, strikes, accidents, delays of carriers or failure of transportation lines to furnish the necessary service and equipment in transporting the commodity, or other delays unavoidable or beyond our control.

It is mutually understood and agreed that the terms and stipulations of the within agreement are to apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties to these presents.

[fol. 1694] This contract shall not become operative or binding upon the Seller, the Pennsylvania Cement Company, until it has been approved by one of the Executive Officers of said Company, and a copy with such approval forwarded to the Purchaser.

It is understood and agreed that any and all oral, verbal or implied agreements are superseded by this quotation.

Respectfully, Pennsylvania Cement Company, by —— ——.

Acceptance.—The undersigned hereby accepts the above proposition and agrees to buy on the terms and conditions above set forth.

Dated —— —, 19—.

(Purchaser sign here:) —— ——.

The above contract is this — day of ——, 19—, approved by the Pennsylvania Cement Company, at its New York Office, by —— ——.

———

[fol. 1694½] GOVT. EX. No. 587

Specific Work Quotation

Phœnix Portland Cement Company

Real Estate Trust Building, Philadelphia, Pa.

March 8, 1918.

Mr. Fred Kilgus, Newark, N. J.

DEAR SIR: We quote you on Phœnix Portland Cement for shipment according to contract requirements, between date hereof and September 1st, 1918, subject to all the terms, conditions and limitations on both sides hereof. Quantity to be shipped not to exceed, however, — bbls. within any one month.

Phœnix Portland Cement in 4 cloth sacks at $2.18 per standard bbl. including sacks.

Phœnix Portland Cement in 4 paper bags at $— per standard bbl. including bags.

F. O. B. Irvington, N. J.

This quotation covers the entire and actual quantity (estimated at 500 barrels) of Portland Cement which Buyer shall furnish or use in the following described work.

Description of Work.—For use in full requirements of small concrete building for industrial plant. Owner:—Irvington Smelting & Refining Co. Contractor:—Fred. Kilgus. Architect:—Fred Phelps. [fo. 1695] This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within 15 days from date hereof. We send you this proposition in duplicate. Please return both copies to us, and after same are approved by an officer of this Company, it will constitute a contract between us. We will then return one copy for your files.

For other clauses which are part of this quotation, see other side.

Respectfully yours, Phœnix Portland Cement Co., by Lindley C. Morton, General Sales Manager.

Newark, N. J.

Accepted 21st day of March, at Irvington, N. J., delivery. (Signature) Frederick Kilgus, Inc., per H. M. Coleman.

The above contract is this — day of ——, A. D. ——, approved.
Phœnix Portland Cement Co., Lindley C. Morton.

Concrete for Permanence

Terms, Conditions, and Limitations

Payment: Thirty days net; 5 cents per barrel discount for Payment in Full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia. Original paid freight bills to be sent us promptly for comparison.

[fol. 1695½] If Purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, Purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time Purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

Sacks: We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count, and Cement Company's Credit Memorandum mailed to the Buyer to be conclusive as to the number and quality of sacks repurchased. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

Quantity: Unless otherwise agreed, the quotations on reverse side are limited to one carload of cement and applies only on shipments billed to and unloaded at point of delivery specified.

[fol. 1696] Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by Purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by Purchaser.

Strikes, etc.: The Purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time.

Specifications: Phœnix Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Price includes freight at present rates and will be increased to cover any advance in freight rates at any time during the life of this contract, or any tax charge upon them.

Phœnix Portland Cement Company.

[fol. 1696½] GOVT. EX. No. 588

Security Cement & Lime Company

Specific Job Quotation

One Million Barrels Security Portland Cement Annual Capacity

Main Offices: Hagerstown, Md.; Branch Offices: Baltimore-Washington-Philadelphia

Contract No. —

Washington, D. C., January 2, 1920.

Mr. T. W. Perry, Chevy Chase, Md.

DEAR SIR: For shipment according to contract requirements, between this date and July 2, 1920 (subject to all the terms, conditions and limitations on both sides hereof), quantity to be shipped not to exceed, however, — bbls. within any one month—we quote you:

Security Portland Cement in 4 cloth sacks at $2.81 per standard bbl., including the sacks.

Security Portland Cement in 4 paper bags, thirty-five (35c) cents per bbl. less than the cloth package.

F. O. B. Chevy Chase, Md.

This quotation covers the entire and actual quantity (estimated at 500 barrels) of Portland Cement which buyer shall furnish or use in the following described work.

[fol. 1697] Description of Work: Houses—32nd & Rittenhouse Sts.—Bailey & Carlton, contractors.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within fifteen (15) days from date hereof.

This proposition is submitted in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us.

Remarks: The prices named in this quotation are subject to changes in transportation charges.

Very truly, Security Cement & Lime Company, by J. S. J. Clark, District Manager.

Accepted 2nd day of Jan. 1920, at —. (Signature) T. W. Perry.

For other clauses which are part of the quotation, see other side.

Terms, Conditions, and Limitations

Terms: Thirty days net or five (5) cents per barrel discount for Payment in Full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Hagerstown, Md. Original paid freight bills to be sent us promptly for credit.

Credit: If Purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

If at any time Purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to [fol. 1697½] require payment in advance or satisfactory assurance that bills will be promptly paid when due. If such assurance is not forthcoming within a reasonable time, we reserve the right to cancel this quotation and contract.

Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars. Loading cards inside each car properly filled out as indicated, endorsed and returned to us will greatly facilitate quick handling of damage claims.

Sacks: We will pay to original purchaser fifteen (15c) cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, Security, Md., if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks will be held at owner's risk, subject to his order, for thirty days after notice of rejection only.

Paper bags are not returnable. Shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

Quantity: The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Routing: We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by Purchaser.

[fol. 1698] Delays: The Purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time on basis of tonnage available, and our liability will be reduced accordingly.

Specifications: Security Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials. We cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Security Cement & Lime Co.

[fol. 1698½] Govt. Ex. No. 589

Vulcanite Portland Cement Company

Specific Job Quotation

Quo. No. —. Job. No. 7270

Main Office: Land Title Bldg., Philadelphia; Works Office: ——; P. O. Address: Easton, Pa.; Main Sales Office: 8 W. 40th St., New York; New England Office: 161 Devonshire St., Boston.

Albert Moyer, Manager of Sales

New York, December 10, 1919.

Messrs. E. M. Rodrock Company, Paterson, New Jersey:

We quote you on Vulcanite Portland Cement for shipment according to contract requirements, subject to all terms, conditions and limitations on both sides hereof. Quantity to be shipped not to exceed, however, 1000 bbls. within any one month. Price below quoted is based on present conditions and is for shipment to be made before December 31st, 1920, when this contract shall expire. No order under this contract will be received after that date, unless the date of expiration shall have been extended by express agreement in writing.

Vulcanite Portland Cement in 4 cloth sacks, at $2.72 per standard bbl., including the sacks.

Vulcanite Portland Cement in 4 paper bags, at $2.37 per standard [fol. 1699] bbl., including the bags.

Vulvanite Portland Cement in bulk, at $2.07 for 376 lbs.

F. O. B. cars, Paterson, N. J., in carload lots.

The Buyer to have the benefit of any reduction and to be liable for any advance in freight rates. Any tax on freight bills is to be paid by the Buyer. In the event of prepayment of freight or other railroad or terminal charges the Buyer shall settle these in cash on presentation of invoice by the Seller.

This quotation is intended to cover the entire and actual quantity not to exceed 1500 barrels of Vulcanite Portland Cement which buyer shall be required to, in fact shall furnish or use in the following described work. If upon investigation it is found that the work described will not require the number of barrels stated above we will reduce this quantity to accord with the requirements of the job.

Description of Work: Thirty houses, East 34th St., between 18th and 19th Ave. Contractors—Collier & Sprang.

Charge for Bin Test: If cement is held in bins at our works awaiting result of tests, a charge of 3c. per barrel will be made. We, however, will not agree to hold cement in such bins for a period longer than 45 days except by special arrangement.

Buyer shall have no right to assign this contract. The material covered by it is sold to the Buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified, or disposition of it for any other purpose, or resale of it for use in other than above described work, shall give the Seller the option to terminate this contract and to refuse to deliver any more cement under it.

[fol. 1699½] This quotation is void unless accepted within fifteen days from this date.

We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us, subject to execution in writing by this Company.

Remarks: If at any time during the life of this contract the Vulcanite Portland Cement Company reduces its price at above destination the price named in this contract will be reduced accordingly on all unshipped balances at date reduction is made.

Respectfully yours, Vulcanite Portland Cement Co. ——
——, Manager of Sales.

Accepted — day of ——, at ——. (Signature:) —— ——.

For other clauses which are part of this quotation, see other side.

[fol. 1700] Terms, Conditions, and Limitations

Payment: Thirty days net; 5 cents per barrel discount for Payment in Full within 10 days from date of invoice. Pawments to

be made in cash or equivalent at our office, Philadelphia, U. S. A. Original paid freight bills to be sent us promptly for comparison.

If Purchaser fails to comply with terms of payment or within any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

If at any time Purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

Sacks: Sacks bearing our brand, or trade mark, properly bundled, and so marked as to insure complete identification, received by us in serviceable condition at our mill will be purchased from the original purchaser at 15 cents each, if purchased of us containing "Vulcanite" portland Cement, which cement was used in the work described on front of this contract, provided these sacks are shipped within ten days after being emptied, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or otherwise useless. [fol. 1700½] Rejected sacks, or sacks bearing other brands, may be destroyed or otherwise disposed of by this Company without liability, unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at Purchaser's risk of breakage and a resultant loss of cement.

Quantity, Delivery and Job: The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Route and Terminal Charges: We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by Purchaser.

Strikes, etc.: The Purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping and other causes beyond our control; we will not be responsible for delays in transit, delays in manufacturing or in shipping, caused by strikes, differences with workmen, accidents at our plant, inability to procure cars, coal or other material, or for orders, rules or regulations received by us from the United States Government which would prevent our carrying out all the terms and conditions of this contract. Should any such contingencies or other contingencies arise at any time during the period covered by this contract, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time.

Cancellation: If the Buyer shall fail to comply with any of the terms and conditions or limitations of this contract, or if any of the [fol. 1701] Buyer's representations herein are untrue the Seller may cancel this contract for the unfilled portion thereof or any other order given to the Seller by the Buyer. Any cancellation herein provided shall in nowise release the Buyer from unpaid account or from liability to the Seller at the contract price for cement delivered prior to such cancellation.

Specifications: "Vulcanite" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Water Deliveries: Purchaser is responsible for demurrage at prevailing rates.

Vulcanite Portland Cement Company. Albert Moyer, Manager of Sales.

[fol. 1701½] Govt. Ex. No. 590

Index of Subject to Which Specific Contract Clauses Set Out on the Attached Form Relate

I. Contract subject to cancellation if the cement is used in any other work than that specified in the contract or if disposed of for any other purpose.

II. Price subject to advance or reduction in freight rates. Other miscellaneous provisions.

III. Repurchase or acceptance of sacks, subject to cement company's count and inspection.

IV. Impairment of buyer's credit, in cement company's opinion, to authorize cancellation of contract, unless satisfactory security is given.

V. Cement company to have right to pro rate or apportion, its supply amongst all buyers, in named contingencies.

VI. Specifications: U. S. Government or Standard Specifications for Portland Cement of the American Society for Testing Materials, when tested by methods recommended by American Society of Civil Engineers.

VII. Discount: Ten days, thirty days net.

[fol. 1702] Atlas Portland Cement Co.

I

The purchaser represents that the cement has been sold by him for the express purpose mentioned in the contract and to and for use by the party named as user in the contract. If said representation is untrue, or if any of the cement is used for any other work, or for any other purpose, or sold (without the written consent of the Cement Company) to, or for use by any other party, the Cement Company shall have the right to terminate this contract and to refuse further deliveries of cement under it.

II

It is understood and agreed that in the event of any change in the rates of transportation or delivery charges, made effective during the term of this contract or agreement, the price shall be increased or decreased accordingly, effective the same date.

The Cement Company reserves the right to prescribe the route by which shipments shall be forwarded and to make shipments prepaid or collect at its option. In making delivered prices, the Cement Company only guarantees cost at destination, and will not be responsible for shortage or damage occurring in transit.

III

If at any time the cost of new cloth sacks increases or decreases to such an extent that the Cement Company deems it advisable to change [fol. 1702½] the above charge for cloth sacks, the above price for all shipments thereafter shall, at the option of the Cement Company, be accordingly increased or decreased from time to time by a sum determined by the Cement Company not in excess of the amount of increase or decrease in such cost of sacks to the Cement Company.

The Cement Company will purchase at the price charged on its invoices, only from the party to whom the sale was made, and not from any assignee or trustee, empty cloth bags bearing its brand and proper identification marks, purchased of the Cement Company, upon their receipt in serviceable condition at the Cement Company's mill if returned with- ninety days after their purchase, freight prepaid, subject to the Cement Company's inspection and count.

IV

If at any time purchaser's responsibility be or become, in cement company's opinion, impaired or unsatisfactory, the cement company reserves the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

V

The purchaser shall give the cement company shipping instructions in writing a reasonable time before shipments are to be made, and

the cement company shall not be responsible for delays in manu-
[fol. 1703] facture or shipping cement, caused by strikes, accidents, fires, breakdowns, failure of machinery, embargoes, car shortage, labor scarcity, labor agitation, failure to receive coal from mines from which the cement company secures its supplies of coal, delays in transportation, acts of God, or other causes beyond its control. In any of such events the cement company may determine as nearly as practicable the prorata share of cement of each of its customers after reserving the cement company's usual percentage of shipments for its dealers' warehouse trade, and may limit and reduce shipments hereunder according to such prorata share of the purchaser. The cement company shall have the right to sell or agree to sell, from time to time, its cement under other agreements and orders, and in the event the cement company shall at any time for any cause whatsoever be unable to make and ship cement in accordance with its agreements and orders, the cement company may determine as nearly as practicable the pro rata share of the cement of each of its customers under its agreements and orders after reserving the cement company's usual percentage of its shipments for its dealer's warehouse trade, and may limit and reduce shipments hereunder according to such prorata share of the purchaser. The cement company shall not be obligated to make up any such limitation or reduction and its determination as to the necessity for pro rating and the pro rata share of the purchaser shall be final.

[fol. 1703½] VI

Atlas Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but the cement company cannot be responsible for improper use of cement, therefore cement company will not guarantee finished work.

VII

(In the specific job contract a blank is provided for the specification of terms of payment. The quotation, which precedes and is subject to the execution of the formal contract, however, contains the following:)

Terms of payment: On approved credit 30 days net or 10 cents per barrel discount for payment in full within 10 days from date of invoice, payment to be made to the office from which invoice is dated in funds payable in that city, provided there are no overdue accounts unpaid.

[fol. 1704] Allentown Portland Cement Co.

I

The material covered by it is sold to purchaser upon the representation that it is purchased for use only in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give Cement Company the option to terminate this contract and to refuse to deliver any more cement under it.

II

The price herein named is based upon the freight rate in effect on the date of this contract, as furnished to the company by the carrier, and is subject to carrier's advances, revisions, corrections and changes. Any and all sales, transportation and other tax or taxes, state or Federal; prepaid freight, and all demurrage, car-service, terminal and other transportation charges, not herein expressly allowed by the Company; shall be assumed and paid by the purchaser, as part of the purchase price.

The Company will not be responsible for shortage or damage occurring in transit.

Carriers' Bill of Lading or Receipt shall be conclusive as to the quantity and good condition of both cement and package when loaded on car.

[fol. 1704½] The company shall have the right to direct the route by which all shipments hereunder shall be forwarded.

III

If at any time the cost of new cloth sacks incerases or decerases to such an extent that the Company deems it advisable to change the price at which empty sacks will be purchased, the price named in this contract will be advanced or reduced accordingly.

The Company will credit or pay to the purchaser herein named — cents each for empty cloth bags purchased from it and bearing its brand and proper identification marks, upon their receipt in serviceable condition, at the company's mill, if returned in ninety days after date of shipment of cement, freight prepaid, subject to company's inspection, count and acceptance. The company does not purchase sacks bearing brands other than its own, or sacks that have been wet or otherwise damaged or useless. Rejected sacks may be destroyed or disposed of by the Company without liability, unless removed by the original purchaser within thirty days after notice of rejection.

IV

All orders are subject to our approval of purchaser's credit. If, at any time, the purchaser's credit or responsibility, in our opinion,

shall be or become impaired or unsatisfactory, or if the purchaser fails to comply with any of the terms of payment, or with any [fol. 1705] other terms of this contract, we shall have the right at our option (on one day's written notice) to suspend or cancel deliveries or to require cash payments in advance, or to require security satisfactory to us for all payments due or to become due from the purchaser hereunder.

V

Subject to delays in manufacturing, shipping or delivery, caused by strikes, accidents, delays of carriers, embargoes and other causes unavoidable and beyond its control, the company shall be required to make shipments on this contract only as near as practicable to meet the necessities of the work, and it shall have the right from time to time prior to the date fixed in Paragraph 3 to pro rate deliveries of such cement as it may then be able to manufacture and ship to and among its customers, according to all of the unfilled orders then on its books, in the event of any of the delays or contingencies above mentioned.

VI

Allentown Portland Cement furnished hereunder shall, when shipped, conform in every respect to the specifications then prescribed or adopted by the United States Government, or to the Standard specifications for portland cement of the American Society for Testing Materials, when tested by methods of testing recommended by the American Society of Civil Engineers. We are not responsible for the improper use of our cement or for the finished [fol. 1705½] work or for any damages resulting from its use, in any respect or to any extent whatsoever, and all such claims being waived by the purchaser by the acceptance of this contract.

VII

Terms of payment and due date of all invoices are 30 days net from date of invoice, in cash, at our office at Allentown, Pa. A discount of 10 cents a barrel will be allowed for payment in full within ten days from date of invoice, accompanied by original paid freight bills, which shall be delivered and belong to us when payment is made.

[fol. 1706] Alpha Portland Cement Co

I

The quantity of Alpha Portland Cement mentioned is for use in the work described and if Buyer shall sell or otherwise dispose of any portion of said cement or use any portion thereof in any work other than that described herein, or fail to comply with terms of payment or any of the conditions and limitations in this agree-

ment, the Cement Company may at its option decline to make further deliveries hereunder. * * *

II

The price on cement stated herein is based on the transportation charges in effect at the present time and is subject to advance or reduction as the transportation charges may be advanced or reduced.

In making delivered prices Cement Company only guarantees cost at destination and will not be responsible for shortage or damage occurring in transit. Cement Company's responsibility ceases when shipments are delivered to Railroad Company on cars at its Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

The Cement Company reserves the right to prescribe the routing by which the shipment shall be forwarded.

III

The prices herein quoted are the prices on cement. If shipped [fol. 1706½] in cloth sacks, the cloth sacks containing the cement are not sold, but remain the property of the Cement Company and must not be sold or used other than as containers of cement manufactured by the Alpha Portland Cement Company. The purchaser agrees to return said sacks to the Cement Company within ninety days of date of shipment of cement by the Cement Company. A rebate of twenty-five cents for each sack returned will be allowed by the Cement Company from the invoice price of the cement when the sacks are returned to the cement company in good condition, freight prepaid, subject to cement company's count and inspection. Cement company will not accept for rebate sacks bearing brands other than its own or bags that have been wet or are otherwise worthless. Such sacks if received will be held at shipper's risk subject to his order for thirty days only. Should the Alpha Portland Cement Company change its cloth sacks basis, the right is reserved to adjust the delivered price of the cement accordingly.

IV

If, during the life of this agreement, the financial responsibility of the buyer becomes impaired or unsatisfactory to the cement company, cash payments with above discounts must be made before shipment, or satisfactory security must be given by the buyer.

V

The purchaser shall give cement company shipping instructions in writing a reasonable time before shipments are to be made. The cement company will not be responsible for delays in transit. All [fol. 1707] orders and contracts are accepted subject to governmental

restrictions, strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine, or other contingencies beyond the control of either the Cement Company or buyer, and said causes shall, during their existence, excuse either party from the performance of this contract and operate as a proportionate rescission thereof. Provided, that prompt notice shall be given by the party suffering from such disability to the other party, in writing, specifying the cause, otherwise this agreement shall remain in full force and effect. The buyer shall not in any event, however, be entitled to demand or receive deliveries of cement from the cement company subsequent to the date herein specified for the expiration of the agreement.

VI

Alpha Portland Cement to be furnished hereunder is to conform in every respect to specifications of United States Government, or standard specifications for portland cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but cement company can not be responsible for improper use of cement, therefore it will not guarantee finished work.

VII

Terms of payment: 10 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

[fol. 1707½] Bath Portland Cement Co.

I

The quantity of Bath Portland cement mentioned is for use in the work described, and if Buyer shall sell or otherwise dispose of any portion thereof in any work than described herein, or fail to comply with terms of payment or any of the conditions and limitations in this agreement, the Cement Company may at its option decline to make further deliveries hereunder, the buyer remaining liable for all unpaid accounts.

II

In making delivered prices, Cement Company will not be responsible for shortage or damage occurring in transit. Cement Company's responsibility ceases when shipments are delivered to Railroad Company on cars at its Mill. Railroad Company bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars. The Buyer to have the benefit of any reduction and be liable for any advance in freight rates.

The Cement Company reserves the right to prescribe the routing by which the shipments shall be forwarded.

III

Cement Company will pay original purchaser — cents each for empty cloth cement sacks purchased hereunder on their receipt in [fol. 1708] serviceable condition at its mills, freight prepaid, subject to its inspection and count. Cement company will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

IV

If, during the life of this agreement, the financial responsibility of the buyer becomes impaired or unsatisfactory to the cement company, cash payments with above discounts must be made before shipment, or satisfactory security must be given by the buyer.

V

The purchaser shall give cement company shipping instructions in writing a reasonable time before shipments are to be made. The cement company will not be responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal strikes in either the anthracite or bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond the control of either the cement company or buyer, and said causes shall, during their existence, excuse either party from the performance of this contract, and operate as a proportionate rescission thereof. Provided that prompt notice shall be given by the party suffering from such disadvantage to the other party in writing, specifying the cause, otherwise this agreement shall remain in full force and effect. The buyer shall not in any [fol. 1708½] event, however, be entitled to demand or receive deliveries of cement from the cement company subsequent to the date herein specified for the expiration of the agreement.

VI

Bath portland cement to be furnished hereunder is to conform in every respect to specifications of United States Government or standard specifications for portland cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but cement company cannot be responsible for improper use of cement, therefore it will not guarantee finished work.

VII

Terms of Payment: 5 cents per barrel off in ten days from date of invoice, or 30 days net from date of invoice.

[fol. 1709] Coplay Cement Mfg Co.

I

The quantity of Saylor's Portland Cement mentioned is for use in the work described, and if buyer shall sell or otherwise dispose of any portion of said cement or use portion thereof in any work other than described herein or fail to comply with the terms of payment or any of the conditions and limitations in this agreement, the cement company may at its option decline to make further deliveries hereunder. * * *

II

The price mentioned herein will be advanced to the extent of any additional war taxes or transportation charges on cement imposed by the U. S. Government.

In making delivered prices, cement company will not be responsible for shortage or damage occurring in transit. Cement company's responsibility ceases when shipments are delivered to railroad company on cars at its mill. Railroad company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars. The buyer to have the benefit of any reductions and to be liable for any advance in freight rates.

The cement company reserves the right to prescribe the routing by which the shipments shall be forwarded.

[fol. 1709½] III

The price named herein is subject to change in the price of cloth bags. The change, however, will not affect the net price of cement, as we will repurchase cloth bags at the same price charged for them.

The cement company will pay the original purchaser 15 cents each for empty cloth cement sacks purchased hereunder on their receipt in serviceable condition at its mill, freight prepaid, subject to its inspection and count. Cement company will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

IV

If, during the life of this agreement, the financial responsibility of the buyer becomes impaired or unsatisfactory to the cement company, cash payment with above discount must be made before shipment, or satisfactory security must be given by the buyer.

V

The purchaser shall give Cement Company shipping instructions in writing a reasonable time before shipments are to be made. The Cement Company will not be responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal

strikes in either the Anthracite or Bituminous coal regions, differ-
[fol. 1710] ences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond the control of either the Cement Company or Buyer, and said causes shall, during their existence, excuse either party from the performance of this contract and operate as a proportionate rescission thereof. Provided that prompt notice shall be given by the party suffering from such disability to the other party in writing, specifying the cause, otherwise this agreement shall remain in full force and effect. The Buyer shall not in any event, however, be entitled to demand or receive deliveries of cement from the Cement Company subsequent to the date herein specified for the expiration of this agreement.

VI

Saylor's Portland Cement to be furnished hereunder is to conform in every respect to specifications of United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but Cement Company cannot be responsible for improper use of cement, therefore, it will not guarantee finished work.

VII

Terms of Payment: 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

[fol. 1710½] Dexter Portland Cement Co.

I

The quantity of Dexter Cement mentioned on the reverse side hereof is for use in the work described, and if buyer shall sell or otherwise dispose of any portion of said cement, or use any portion thereof in any work other than above described or assign this contract or any part thereof, or fail to comply with terms of payment, or any of the conditions and limitations in this agreement set out, or if in the opinion of the seller the buyer's credit * * * etc. * * * then in any such event or events, seller may at his option decline to make further deliveries hereunder, buyer remaining liable for all unpaid accounts.

II

The price stated herein is based on the freight rates in effect at the present time, and is subject to advance or reduction as the freight rates may be advanced or reduced, and will also be advanced to the extent of any additional war taxes imposed by the government on transportation charges.

All railroad demurrage, car service, and terminal charges imposed at destination shall be settled for, and borne by, buyer.

Seller reserves the right to determine and direct the route by which shipments hereunder shall be forwarded.

[fol. 1711]

III

If at any time during the life of this contract the seller advances or reduces the purchase price of cloth bags in accordance with terms on back hereof, the price named herein shall be advanced or reduced accordingly.

Seller will pay original purchaser ten cents each for empty cloth cement bags purchased hereunder bearing its brand, on their receipt in serviceable * * * at seller's mill, if returned within ninety days after their purchase, freight prepaid to Nazareth, Pennsylvania, subject to seller's inspection and count. Seller will not purchase bags bearing brands other than its own, or bags that have been wet or are otherwise useless.

IV

If in the opinion of seller the buyer's credit be or become impaired, then, in any such event or events, seller may, at his option, decline to make further deliveries hereunder, buyer remaining liable for all unpaid accounts.

V

Buyer shall give seller shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, [fol. 1711½] and other causes beyond seller's control and seller will not be responsible for delays in transit.

VI

The "Dexter" Portland Cement to be shipped hereunder is when shipped to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but seller cannot be responsible for improper use of Cement, therefore will not guarantee finished work.

VII

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is paid in full within 10 days from date of shipment, 5 cents per barrel discount will be allowed, provided the purchaser has satisfied all past due prior indebtedness to us; payments to be made in cash or equivalent at Seller's Office, Nazareth, Pa.

[fol. 1712] Edison Portland Cement Co.

I

It is understood and agreed by the parties hereto, that if any of the representations made by said purchaser to cement company in and

about securing the execution of this contract by cement company, are untrue, or, if any of the cement delivered hereunder is used for any purpose other than as represented, that then, and in such case, upon learning thereof, the cement company may cancel this contract, or the undelivered portion thereof, or any other order given to the cement company by said purchaser.

II

Price includes freight from mill to destination and will be increased at the option of the cement company to cover any advance in freight rates or taxes thereon at any time during the life of this contract.

The cement company will not be responsible for loss or damage to cement or packages in transit. The railway company's bills of lading shall be conclusive as to quantity and good condition of cement when loaded on cars at the cement company's plant.

All railroad and lighterage demurrage, car service and terminal charges at destination shall be settled for and borne by the purchaser. [fol. 1712½] The Cement company shall have the right to direct the route by which all shipments hereunder shall be forwarded.

III

The value of the packages *are* included in the herein stated prices. Shipments made in paper bags are at the purchaser's risk of breakage and resultant loss of cement. If cement is shipped in cloth sacks, the cement company will repurchase from the original purchaser at 15 cents each, the empty cloth sacks bearing the Edison brand, which are received by it in good condition, freight prepaid, at its works at New Village, N. J., within ninety days from date of shipment of cement.

The price in cloth is based on a cloth sack basis of 15 cents and should we change our cloth sack basis during the life of this contract, the right is reserved to adjust the delivered price accordingly.

IV

If, at any time, the financial responsibility of purchaser is unsatisfactory to the cement company, it reserves the right to require payments in advance or satisfactory security, or guarantee that invoices will be promptly paid when due.

If purchaser fails to comply with terms of payment, the cement company reserves the right to cancel unfilled portions of any contract or order, purchaser remaining liable for all unpaid accounts.

[fol. 1713]

V

The Cement Company shall not be responsible for delays in manufacture or shipping, due to strikes, differences with employees, scarcity of labor, accident, inability to secure cars, coal or material, fire,

flood, warfare, or other causes not under its control, nor for any delay in transportation.

VI

Specifications: The Cement delivered under this contract is, when shipped to conform in every respect to specifications of the United States Government for Portland cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers. The Cement Company cannot be responsible for improper use of cement and, therefore, will not guarantee finished work.

VII

Payment: Five Cents (5¢) per barrel discount for cash in ten (10) days from date of invoice, or net cash in thirty (30) days.

[fol. 1713½] Giant Portland Cement Co.

I

The quantity of Portland cement mentioned on the reverse side hereof is for use in the work described, and if buyer shall sell or otherwise dispose of any portion of said cement, or use any portion thereof in any work other than within described or assign this contract or any part thereof, or fail to comply with any of the conditions and limitations in this agreement set out seller may, at his option, decline to make further deliveries. * * *

II

Price is based on present rate of freight and is subject to advance or reduction in present rate from the seller's mills to point of delivery specified above. Price for water delivery is based on present rail rates and cost of water transportation and is subject to advance or reduction in the present rates. Seller reserves the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges imposed at destination shall be settled for, and be borne by, buyer.

Seller's invoice quantities shall be the basis of settlement and buyer shall not hold seller responsible for shortage of, or damage to, either cement or packages occurring in transit. Railroad company's bills of lading at the point of shipment shall be conclusive [fol. 1714] as to quantity and good condition of cement and packages when loaded on cars at seller's mill.

III

Seller will pay original buyer the amount per cloth sack included in price invoice for sacks purchased hereunder, bearing its brand on

their receipt in serviceable condition at seller's mill, Egypt, Lehigh County, Pa., Ironton Railroad Delivery, freight prepaid, if returned within ninety days after their purchase, subject to seller's inspection and count. Seller will not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

If at any time during the life of this contract, the seller should make a general advance or reduction in price of cloth sacks in its quotations, such advance or reduction shall apply to any unfilled portion of this contract, and such sacks will be repurchased by seller at the same price at which they are billed to the original buyer, under terms as outlined hereon in the clause governing the return of cloth sacks.

IV

Orders are subject to approved credit and if the buyer fails to fulfill the terms of payment under this or other existing contracts between the buyer and the seller, the seller may defer further shipments until such payments are made, or may, at its option, terminate the contract. The seller reserves the right, even after partial shipments on [fol. 1714½] account of this contract, to require from the buyer satisfactory security for performance of the buyer's obligations; and refusal to furnish such security, will entitle the seller to suspend such shipments until such security is furnished or to terminate this contract. Termination of this contract under any of these conditions, shall not prejudice any claim for damages that the seller may be entitled to make.

V

Should any contingency at any time arise whereby production or shipments are curtailed or delayed, seller reserves the right to prorate shipments of cement to all buyers of record at such time. In addition to orders or contracts accepted hereunder, seller may have accepted and shall from time to time accept other orders and contracts, so as to have a market for its entire estimated output of cement under normal conditions. Therefore in the event seller shall at any time or for any cause be unable to deliver to all customers the entire quantity of cement required and called for by all its contracts then in force, the total of its production then available shall be applied pro rata on all said contracts, according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on seller's part for the reduction so made.

[fol. 1715] VI

Specifications: Giant Portland Cement is guaranteed to meet the requirements of the standard specifications adopted by the American Society for Testing Materials. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

VII

The terms of payment shall be as follows; viz: 30 days net, or, if invoice is paid in full, within (10) days from date of shipment and there are no past due bills outstanding for prior shipments, 10 cents per barrel discount will be allowed, payments to be made in cash or equivalent at seller's office, Philadelphia, Pa.

[fol. 1715½] Glens Falls P. C. Co.

I

Buyer shall have no right to assign this contract. The material covered by it is sold to buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified or disposition of it for any other purpose or resale of it for use in other than above described work shall give seller the option to terminate this contract and to refuse to deliver any more cement under it.

II

The prices on cement herein are based on the freight rates in effect at the present time and are subject to advance or reduction as the freight rates may be advanced or reduced. These prices will be advanced to the extent of any additional war taxes, on transportation charges on cement, imposed by the Government.

Seller reserves the right to determine and direct the route by which shipments hereunder shall be forwarded. All railroad demurrage car service and terminal charges at destination shall be settled for and borne by purchaser.

[fol. 1716] III

Seller will pay original purchased and not any assignee, or trustee, 10 cents each for empty cloth cement bags purchased hereunder bearing its brand, on their receipt in serviceable condition at Seller's mill, if returned within 90 days after their purchase, freight prepaid, subject to seller's inspection and count. Seller will not purchase bags bearing brands other than its own, or bags that have been wet or otherwise made useless.

IV

If at any time the financial responsibility of buyer becomes impaired or unsatisfactory to seller it reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If buyer fails to comply with terms of payment, seller reserves the right to cancel unfilled portion of any contract or order, buyer remaining liable for all unpaid accounts.

V

Buyer shall give seller shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond seller's control, and seller will not be responsible for delays in transit. Should any contingency [fol. 1716½] at any time arise, whereby production or shipments are curtailed or delayed, seller reserves the right to prorate its shipment of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder seller may have accepted and may from time to time accept, other orders and contracts so as to have a market for its entire estimated output of cement under normal conditions; therefore in the event seller shall at any time because of any such contingency be unable to deliver to all its customers the entire quantity of cement required and called for by all its contracts then in force, the total of Seller's production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on seller's part for the reduction so made.

VI

The Iron Clad Portland Cement to be shipped hereunder is, when shipped, to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but seller cannot be responsible for improper use of cement, therefore will not guarantee finished work.

[fol. 1717]

VII

The terms of payment shall be as follows, viz.: 30 days net, or, if invoice is paid in full within 10 days from date of shipment, 10 cents per barrel discount will be allowed, payments to be made in cash or equivalent at seller's office, Glens Falls, N. Y. Freight charges per tariff applying, from Glens Falls, N. Y., to point of delivery specified, shall be paid by buyer for account of seller, and the original paid freight bills sent to seller promptly for proper comparison.

[fol. 1717½] Hercules Cement Corp.

I

Purchaser hereby agrees that all of the cement purchased hereunder shall be used in the following described work and that no portion thereof will be resold by the purchaser for use on any work other than above described.

If purchaser at any time fails to comply with any of the terms or conditions of this contract, seller reserves the right to cancel the then unfilled portion of this and/or other then existing contracts (and orders) between the parties, purchaser remaining liable for all then unpaid accounts.

II

Price includes freight at present rates ,and will be increased to cover any advance in freight rates, and any additional Government tax on freight, at any time during the life of this contract. Purchaser shall pay all freight charges for account of Seller.

Seller shall have the right to direct the route by which all shipments hereunder shall be forwarded. All demurrage, car service and terminal charges imposed at destination shall be settled for and borne by Purchaser.

[fol. 1718] III

Sacks: Seller will repurchase from the Purchaser at 25¢ each the empty cloth sacks bearing the Hercules brand which are received by it in good condition, freight prepaid, at its works at Hercules, Penna., within 90 days from date of shipment of cement.

The seller reserves the right to increase the repurchase price of its sacks and upon notice to this effect the price mentioned above shall be advanced proportionately per barrel on all deliveries thereafter.

IV

If at any time the financial responsibility of Purchaser becomes impaired or unsatisfactory to Seller, the latter reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due.

V

Seller shall not be liable for delays in manufacture or shipping, caused by strikes, scarcity of labor, accident to plant or machinery, inability to secure cars, coal or material, fire, flood, warfare, acts of God, or other causes not under Seller's control; neither shall Seller be liable for delays in transportation.

[fol. 1718½] VI

The Hercules Cement to be shipped hereunder is to conform in every respect to "Standard Specifications and Tests for Portland Cement" c9-17 of the American Society for Testing Materials.

VII

Net cash in 30 days or 5c. per bbl. discount for payment in full within 10 days from date of invoice, provided all then prior existing indebtedness shall have been satisfied.

[fol. 1719] Knickerbocker P. C. Co.

I

It is understood and agreed that the Cement sold and to be delivered under this contract is not to be used for any other purpose than for the work specified herein, nor may this agreement be transferred or sublet by Buyer without written consent of the Seller being obtained.

II

In case freight rates affecting transportation of any part of the cement covered hereby shall be increased or decreased during the life of this contract, the price hereinbefore set forth shall be advanced or decreased accordingly.

Seller reserves the right to control the routing of all shipments under this contract.

Seller shall not be held responsible for shortage or damage to cement or packages occurring in transit. Transportation company's bill of lading shall be conclusive as to quantity, also as to cement and packages being in good condition when loaded at Seller's factory.

III

When shipped in cloth sacks, it is agreed that the empties may be returned, subject to Seller's count and inspection, and for all received [fol. 1719½] in good condition at Seller's factory, Hudson Upper, N. Y., with carrying charges prepaid by the Buyer, credit will be allowed at the rate Fifteen (15¢) cents each.

IV

If, during the life of this contract, the financial responsibility of the Buyer becomes impaired or unsatisfactory to the Seller, it reserves the right to require the Buyer to make payment in advance, or to give satisfactory security or guarantee that invoices will be promptly paid when due.

V

Seller or Buyer shall not be responsible for delays due to the existence of war, strikes, lockouts, scarcity of labor, accidents, inability to secure cars, coal or material, transportation delays, fire, flood, acts of God, or other causes beyond the control of either the Seller or Buyer, preventing or interfering with the production, shipment or use of all or any part of the cement herein referred to.

VI

Knickerbocker Portland Cement is guaranteed to meet the requirements of the Standard Specifications for Portland Cement adopted by the American Society for Testing Materials. Seller will [fol. 1720] not be responsible for the improper use of cement, therefore will not guarantee finished work.

VII

Thirty (30) days net on approved credit; five cents (5¢) per barrel discount will be allowed for payment in full within ten (10) days from date of invoice; all bills payable at 30 East 42nd Street, N. Y., in New York or Boston exchange.

[fol. 1720½] Lawrence Cement Co.

I

It is understood and agreed that if any statement or representation made by the buyer concerning the use to be made of the cement or other matter involved in this contract is untrue, the Cement Company may cancel this contract and if any cement delivered under this contract is used for work other than that mentioned in the contract, the undelivered balance shall be cancelled, and such cancellation shall not release Buyer from any unpaid account.

II

This contract is based on the present cost of transportation, including railroad freight rates and rates by automobile or boat. Buyer is to have the benefit of any reduction and be liable for any advance in rates, or other charge imposed by the Government or any State or Municipality.

The Cement Company reserves the right to prescribe the route by which shipments shall be forwarded. In making delivered prices the Cement Company only guarantees cost at destination; its responsibility ceases when shipments are delivered to railway company on cars; and it is not responsible for shortage or damage occurring in transit or thereafter. The railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and [fol. 1721] packages when delivered on cars.

III

The price named herein for shipments in cotton sacks includes a charges of — cents each for cotton sacks. The Cement Company will repurchase from the original Buyer each cotton sack shipped on this contract at the price charged for it if returned within Ninety (90) days from date of invoice, in good condition, freight prepaid, subject to Cement Company's inspection and count. The right is reserved to increase the price at which sacks are charged and repurchased at any time without notice, but the change will not affect the net price of the cement. Paper bags are not returnable. The Cement Company will not purchase sacks bearing other brands, nor sacks that have been wet or are not otherwise in serviceable condition. Rejected sacks will be held at owner's risk for thirty (30) days only.

IV

If in the Cement Company's opinion, the Buyer's credit becomes impaired or unsatisfactory, it reserves the right to require payment in advance.

V

It is agreed that in the event of any strike, labor trouble, fire, breakdown, failure of machinery or other cause resulting in stop-
[fol. 1721½] page or partial stoppage of the production of the Cement Company's cement or in the destruction of or damage to cement manufactured or in course of manufacture, or deficient transportation preventing the shipment of cement or inability to procure containers, or the normal supplies of coal or raw materials used in the manufacture of cement, shipments under this contract may be suspended or partially suspended as the case may be. In the event of such interruption, the Cement Company may prorate or discontinue shipments on all existing contracts, including those with other parties, during such interruptions.

VI

The Cement sold under this contract is guaranteed to meet the requirements of the standard specifications for Portland Cement of the American Society for Testing Materials. The Cement Company is not responsible for improper use of cement, and shall be free from any responsibility for finished work.

VII

Payments for cement, including sacks, to be made within thirty (30) days from date of shipment, subject to discount of 10¢ per barrel if paid within ten days of the date of invoice, provided all past due indebtedness shall have been paid. If amount of any invoice under this contract shall not be paid when due, the Cement Company may at its option, cancel all further deliveries under this agreement, and the Buyer shall remain liable for all unpaid accounts.

[fol. 1722] Lehigh Portland Cement Co.

I

It is understood and agreed by the parties hereto, that if any of the representations made by said Purchaser to Cement Company in and about securing the execution of this contract by Cement Company, are untrue, or, if any of the cement delivered hereunder is used for any purpose other than as represented, then, and in such case, upon learning thereof, the Cement Company may cancel this contract, or the undelivered portion thereof, or any other order

given to the Cement Company by said Purchaser, and such cancellation shall in no wise release said Purchaser from unpaid accounts, or from liability to said Cement Company at the contract price for cement delivered prior to such cancellation.

II

This price is based on present freight rates and is subject to variation in proportion as the freight rates may be advanced or reduced; it is also subject to advance to the extent of any additional war taxes on transportation charges on cement which may be in the future *be* imposed by the Government.

The cement company shall have the right to direct the route by which all shipments hereunder shall be forwarded.

[fol. 1722½] III

Cement to be packed in cloth. If cement is shipped in cloth sacks, the Cement Company will repurchase from the original Purchaser, at Fifteen cents each, the empty cloth sacks bearing the Lehigh brand, which are received by it in good condition, freight prepaid, at its works at West Coplay, Penna., or New Castle, Penna., within ninety (90) days from date of shipment of cement.

IV

If, at any time, the financial responsibility of Purchaser becomes impaired or unsatisfactory to the Cement Company, it reserves the right to require payments in advance, or satisfactory security or guarantee that invoices will be promptly paid when due.

If Purchaser fails to comply with terms of payment the Cement Company reserves the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

V

The Cement Company shall not be responsible for delays in manufacture or shipping, due to strikes, differences with employees, scarcity of labor, accident, inability to secure cars, coal or material, fire, flood, warfare, or other causes not under its control, nor for any delay in transportation.

[fol. 1723] VI

Specifications: The cement delivered under this contract is to conform to standard specifications for Portland Cement adopted August 16, 1909, by the American Society for Testing Materials with methods of testing recommended January 17, 1912, as amended by the American Society of Civil Engineers, or to U. S. Government specifications for Portland Cement, as set forth in Circular of the Bureau of Standards, No. 33.

VII

Payment: Net cash in thirty (30) days, or five cents (5¢) per barrel discount for cash in ten (10) days from date of invoice. Payable in New York or Chicago Exchange.

[fol. 1723½] Nazareth Cement Co.

I

(The Specific Job Quotation becomes the Specific Job Contract when accepted.)

This quotation covers the entire and actual quantity (estimated at * * * barrels) of Portland Cement which buyer shall furnish or use in the following described work.

* * * * * * *

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

II

The prices on cement stated herein are based on the freight rates in effect at the present time, and are subject to advance or reduction, as the freight rates may be advanced or reduced. These prices will be advanced to the extent of any additional war taxes on transportation charges on cement, imposed by the Government.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

We reserve the right to prescribe the route by which shipments [fol. 1724] shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

III

We will pay to original purchaser 15 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection.

IV

Orders are subject to approved credit, and if — any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

V

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and [fol. 1724½] contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time.

VI

"Nazareth" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

VII

Thirty days net; 5 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Nazareth, Pa.

[fol. 1725] Penn-Allen Cement Co.

I

(The Specific Job Quotation becomes the Specific Job Contract when accepted.)

This quotation covers the entire and actual quantity (estimated at — barrels) of Portland Cement which buyer shall furnish or use solely in the following described work.

* * * * * * *

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, purchaser remaining liable for all unpaid accounts.

II

The price named in this quotation is subject to change in freight rates and any additional war tax on freight on cement that may be imposed by the Government.

In making delivered prices we only guarantee cost at destination and will not be responsible for shortage or damage occurring in transit. Our responsiblity ceases when shipments are delivered to Railroad Company on cars or at mill. Railroad Company's bill of lading shall be conclusive as to the quantity and good condition of both cement and packages when loaded in the cars.

We reserve the right to prescribe routing by which the shipment shall be forwarded. All railroad demurrage, car service and terminal [fol. 1725½] charges at destination shall be settled for by the purchaser.

III

Price of cloth sacks is included in invoice, which must be paid without deduction. We will pay to the original purchaser 15 cents each for empty cloth sacks bearing our brand, on their receipt in serviceable condition at our mill, if returned within ninety days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or are otherwise useless. Rejected or foreign sacks will be held at owner's risk, subject to his order, for thirty days only.

IV

Orders are subject to approved credit, and if at any time the purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance, and pending the same may withhold shipment and if within a reasonable time in the judgment of this Company such cash or approved credit has not been furnished, we may declare the order or contract cancelled.

V

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. We will not be [fol. 1726] responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal strikes in either the anthracite or bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond control of either buyer or seller. Therefore, in the event we shall at any time or for any cause be unable to deliver to our customers the entire quantity of cement required and called for by all our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts, according to their

requirements respectively and the amount delivered on each contract may be reduced accordingly and there shall be no liability on our part for the reduction so made.

VII

Penn-Allen Portland Cement is guaranteed to meet the requirements of the Standard Specifications for cement of the American Society for Testing Materials, serial designation C-9-17. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

VII

On approved credit, net thirty days, or five (5) cents per barrel discount for payment in full including sacks within ten days from date of invoice.

[fol. 1726½] Pennsylvania Cement Co.

I

(The Specific Job Quotation when accepted becomes the Specific Job Contract.)

Any cement furnished under this quotation is to be used solely for the purpose and upon the work particularly specified above, and to be furnished in about equal monthly proportions.

The Seller may require the Purchaser to furnish evidence satisfactory to the seller that the cement is being used in the construction of the work specified, and if there shall be any diversion the seller may thereupon, at its option, terminate this agreement.

II

This price is based upon the present freight rate and tax on same and is subject to advance or reduction as the freight rate or tax may be advanced or reduced. Freight charges are to be paid by you and will be deducted from the face of the invoice when rendered.

III

Freight charges are to be paid by you and will be deducted from the face of the invoices when rendered.

[fol. 1727] The charge of * * * made for each bag shipped, will be credited by the company to the purchaser's account or paid in cash if nothing is due from the purchaser when such bags are returned to the cement company within such time in good condition, freight prepaid. The company's count and inspection to be final. No credit will be given for worthless bags or for bags other than those shipped by this company.

IV

If during the life of this agreement the financial responsibility of the purchaser shall become unsatisfactory to the seller, it may require cash payments or security satisfactory to it, in default of which this agreement may be thereupon terminated by the seller.

V

All agreements are contingent upon Government restrictions, regulations or requirements, fire, floods, strikes, accidents, delays of carriers or failure of transportation lines to furnish the necessary service and equipment in transporting the commodity, or other delays unavoidable or beyond our control.

VI

Specifications: The cement delivered under this contract is to com-
[fol. 1727½] ply with the requirements of the Standard Specifications for Portland cement as adopted by the American Society for Testing Materials, when tested in accordance with the methods of test re-ommended by the American Society of Civil Engineers.

VII

Terms of Payment: 30 days net from date of invoice or — per barrel discount allowed for cash in 10 days from date of invoice. Export shipments are cash f. a. s.

[fol. 1728] Phœnix Portland Cement Co.

I

(The Specific Work Quotation when accepted becomes the Specific Job Contract.)

This quotation covers the entire and actual quantity (estimated at — barrels) of Portland Cement which buyer shall furnish or use in the following described work.

* * * * * * *

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, purchaser remaining liable for all unpaid accounts.

II

Price includes freight at present rates and will be increased to cover any advance in freight rates at any time during the life of this contract or any tax charge upon them.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in

transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We reserve the right to prescribe the route by which shipments [fol. 1728½] shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

III

We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count, and Cement Company's Credit Memorandum mailed to the buyer to be conclusive as to the number and quality of sacks repurchased. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection.

IV

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

[fol. 1729]

V

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

VI

Phœnix Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

VII

Thirty days net; 5 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia. Original paid freight bills to be sent us promptly for comparison.

[fol. 1729½] Security Cement & Lime Co.

I

(The Specific Job Quotation when accepted becomes the Specific Job contract.)

This quotation covers the entire and actual quantity (estimated at — barrels) of Portland Cement which buyer shall furnish or use in the following described work.

* * * * * * *

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, purchaser remaining liable for all unpaid accounts.

II

The prices named in this quotation are subject to changes in transportation charges.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

[fol. 1730] III

We will pay to original purchaser fifteen cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our mill, Security, Md., if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks will be held at owner's risk, subject to his order, for thirty days after notice of rejection only.

IV

If at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to re-

quire payment in advance or satisfactory assurance that bills will be promptly paid when due. If such assurance is not forthcoming within a reasonable time, we reserve the right to cancel this quotation and contract.

V

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible [fol. 1730½] for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time on basis of tonnage available, and our liability will be reduced accordaingly.

VI

Security Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials. We cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

VII

Thirty net or five (5) cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Hagerstown, Md. Original paid freight bills to be sent us promptly for credit.

[fol. 1731] Vulcanite P. C. Co.

I

(The Specific Job Quotation when accepted becomes the Specific Job Contract.)

The material covered by it is sold to the buyer upon the representation that it is purchased for use in the construction of work referred to. Use of the cement in any other work than that specified, or disposition of it for any other purpose, or resale of it for use in other than above described work, shall give the seller the option to terminate this contract and to refuse to deliver any more cement under it.

II

The buyer to have the benefit of any reduction and to be liable for any advance in freight rates. Any tax on freight bills is to be paid by the buyer. In the event of prepayment of freight or other

railroad or terminal charges the buyer shall settle these in cash on presentation of invoice by the seller.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and package when loaded on cars.

We reserve the right to prescribe the route by which shipments [fol. 1731½] shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

III

Sacks bearing our brand, or trade mark, properly bundled, and so marked as to insure complete identification, received by us in serviceable condition at our Mill will be purchased from the original purchaser at 15 cents each, if purchased of us containing "Vulcanite" Portland Cement, which cement was used in the work described on front of this contract, provided these sacks are shipped within ten days after being emptied, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or otherwise useless. Rejected sacks, or sacks bearing other brands, may be destroyed or otherwise disposed of by this company without liability, unless they are removed by original purchaser within ten days after notice of rejection.

IV

If at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

[fol. 1732] V

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping and other causes beyond our control; we will not be responsible for delays in transit, delays in manufacturing or in shipping, caused by strikes, differences with workmen, accidents at our plant, inability to procure cars, coal or other material, or for orders, rules or regulations received by us from the United States Government which would prevent our carrying out all the terms and conditions of this contract. Should any such contingencies or other contingencies arise at any time during the period covered by this contract, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

VI

"Vulcanite" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society [fol. 1732½] of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

VII

Thirty days net; 5 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia, U. S. A. Original paid freight bills to be sent us promptly for comparison.

[fol. 1733] GOVT. EX. No. 591

"The Standard by which all other makes are measured"

The Atlas Portland Cement Company

New York, Boston, Philadelphia, Birmingham, Dayton, St. Louis, Des Moines, Chicago

Specific Job Quotation No. —

We quote you on "Atlas" Portland Cement for shipment prior to —— — ——, $— per barrel in 4 cloth sacks; $— per barrel in 4 paper sacks; $— per barrel in bulk, all in car load lots, f. o. b. cars.

Description of Work: ——.

This quotation is intended to cover the full Portland Cement requirements of the work herein described, but not exceeding the estimated requirements of — barrels of "Atlas" Portland Cement.

Any shipments made on a contract accepted under this quotation, will be at the current destination price on "Atlas" Portland Cement on the date of shipment, if such price is below the destination price herein mentioned.

The above price includes a charge of — c. each for cloth sacks. [fol. 1733½] If at any time the cost of new cloth sacks to us shall be in excess of — c. each, the above price for deliveries thereafter shall, at our option, be increased from time to time, by a sum determined by us not exceeding such excess. Cloth sacks will be repurchased at the same price at which they are charged out.

If at any time we shall experience such difficulty in securing cloth sacks as, in our opinion, makes shipment in cloth sacks impracticable,

then upon 5 days' notice to you, we may (until such difficulty is removed) ship in paper sacks or at your option in bulk at the prices shown above. Paper sacks will not be repurchased by us.

Prices herein quoted are subject to any increase or decrease in transportation charges from those now in effect.

Terms of payment: On approved credit 30 days net or 10 cents per barrel discount for payment in full within 10 days from date of invoice, payment to be made to the office from which invoice is dated in funds payable in that city, provided there are no overdue accounts unpaid.

The terms, conditions, and limitations printed on the reverse of this quotation are made a part hereof as fully as if written here.

This quotation is for acceptance prior to —— —, ——.

We hope to be favored with your order.

Yours very truly, The Atlas Portland Cement Company, by —— ——.

[fol. 1734] Acceptance: Please enter my (our) order in accordance with this quotation, as I (we) have sold the cement for the work described. I (we) hereby accept the price and all the conditions of the above specified job quotation and agree, at your option, to execute promptly a contract therefor on your regular Specific Work Sales form, covering Portland Cement required to be used for the work described.

—— ——, Purchaser.

NOTE.—Quotation is made in duplicate; if accepted, please sign and return one copy and retain the other.

Terms, Conditions, and Limitations

Cloth Sacks: The Cement Company will purchase at the price charged on its invoices, only from the Party to whom the sale was made, and not from any Assignee or Trustee, empty cloth sacks bearing its brand and proper identification marks, purchased of the Cement Company, upon their receipt in serviceable condition at the Cement Company's mill if returned within ninety (90) days after their purchase freight prepaid, subject to the Cement Company's inspection and count. Cement Company does not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

Freights: The Cement Company reserves the right to prescribe the route by which shipments shall be forwarded and to make shipments prepaid or collect at its option. In making delivered prices, the [fol. 1734½] Cement Company only guarantees cost at destination, and will not be responsible for shortage or damage occurring in transit.

General: The Purchaser shall not have the right to transfer or sublet this Agreement in whole or in part.

The Purchaser shall give the Cement Company shipping instructions in writing a reasonable time before shipments are to be made, and the Cement Company shall not be responsible for delays in manufacture or shipping cement, caused by Strikes, Accidents, Fires, Breakdowns, Failure of Mechinery, Embargoes, Car Shortage, Labor Scarcity, Labor Agitation, Failure to receive Coal from Mines from which the Cement Company secures its supplies of coal, Delays in Transportation, Acts of God, or other causes beyond its control. In any of such events the Cement Company may determine as nearly as practicable the pro rata share of cement of each of its customers after reserving the Cement Company's usual percentage of its shipments for its dealers' warehouse trade, and may limit and reduce shipments hereunder according to such pro rata share of the Purchaser. The Cement Company shall have the right to sell or agree to sell, from time to time, its cement under other agreements and orders, and in the event the Cement Company shall at any time for any cause whatsoever be unable to make and ship cement in accordance with its agreements and orders, the Cement Company may determine as nearly as practicable the pro rata share of the cement of each of its customers under its agreements and orders after reserving the Cement Company's usual percentage of its shipments for its dealers' warehouse trade, and may limit and reduce [fol. 1735] shipments hereunder according to such pro rata share of the Purchaser. The Cement Company shall not be obligated to make up any such limitation or reduction and its determination as to the necessity for pro rating and the prorata share of the purchaser shall be final.

The Purchaser shall, on or about the first day of each month, if requested by and on forms furnished by the Cement Company, correctly inform the Cement Company of the amount of Atlas Portland Cement delivered for or used on the work herein described during the preceding month or months since date hereof.

In case, while this contract is unfulfilled by either party, there shall be another contract between the same parties, for the sale and delivery of cement by the Cement Company, and under such other contract the Purchaser shall be in default, the Cement Company shall be under no obligation to make shipments under this contract while such default exists, and for such default the Cement Company shall have the right to demand cash payments hereunder or to cancel this contract without affecting the obligation of the Purchaser on any unpaid accounts. "Atlas" Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but the Cement Company cannot be responsible for improper use of cement, therefore Cement Company will not guarantee finished work.

[fol. 1735½] GOVT. EX. No. 592

The Allentown Portland Cement Co.

Allentown, Pennsylvania

Special Quotation for Specific Work

Allentown Portland Cement

We quote you, subject to all the terms, conditions and limitations on both sides hereof, on Allentown Portland Cement for work herein described; and for shipment according to contract requirements, between date hereof and — not to exceed, however, — bbls. in any one month:

Allentown Portland Cement in 4 Cloth Sacks at — per Standard Bbl.; in 4 Paper Bags at — per Standard Bbl.; in carloads, f. o. b. cars, Evansville, Berks Co., Pa., freight allowed to: ——.

This price includes the package in which the Cement is to be shipped.

This quotation is intended to cover the entire and actual quantity (estimated at — barrels) of Portland Cement which buyer shall be required to, and in fact shall, furnish or use in the following described work, but not in any event to exceed the estimated quantity above stated by more than 10%.

[fol. 1736] Description of Work: ——.

The price named is subject to change in the price of bags, as may become the custom of the trade. The change, however, affecting this quotation will not affect the net price as we will repurchase bags at the same price as we charge for them.

This quotation, if to a dealer for resale of Cement for use in the work described, is subject to the execution of a written contract between such dealer and his customer in conformity herewith on our regular form furnished for dealers' use, the original or a duplicate thereof to be filed with us.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within 15 days from date hereof. We send you this proposition in duplicate; upon our receiving one of the copies signed by you it shall constitute a contract between us.

All contracts must be approved by Manager of Sales or Official of the Company.

Yours very truly, The Allentown Portland Cement Co.

Approved: —— ——, Manager of Sales.

Accepted this — day of ——, ——, at ——. (Signature:) —— ——, Purchaser.

[fol. 1736½] Terms, Conditions, and Limitations

Payment: 30 days net; 5 cents per barrel discount for Payment in Full within 10 days from date of invoice. Payments to be made in cash or equivalent at our Office, Allentown, Pa. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we guarantee only cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

We will pay to original purchaser — cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. [fol. 1737] We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Unless otherwise agreed, the quotation on reverse side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control and *and* we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

Allentown Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials, when tested by methods of testing recommended by the American Society [fol. 1737½] of Civil Engineers, but we cannot be responsible for

improper use of Cement, therefore we will not guarantee finished work.

Prices herein are subject to any increase or decrease in freight rates from those now in effect.

These prices will be advanced to the extent of any additional war taxes, on transportation charges on cement, imposed by the Government.

The Allentown Portland Cement Company.

[fol. 1738] Govt. Ex. No. 593

Alpha Portland Cement Co.

Office: Easton, Pa.; Chicago, Ill.

Easton, Pa.

We quote you subject to all the terms, conditions and limitations on both sides hereof on Alpha Portland Cement for work herein described; and for shipment according to contract requirements.

In carload lots, f. o. b. cars.

In cloth sacks $— per standard barrel (376 lbs. net).

If shipped in paper sacks twenty-five (25c.) cents per barrel less than cloth price.

If shipped in bulk forty-five (45c.) cents per barrel less than cloth price.

The price of cement stated herein is based on the transportation charges in effect at the present time and is subject to advance or reduction as the transportation charges may be advanced or reduced.

Contract made under this quotation will include the following provision: "Any decline in Cement Company's market price during the life of this agreement shall apply to shipments under this agreement made after date of reduction and during such period as the lower market price may be in effect."

[fol. 1738½] This quotation is intended to cover the actual quantity (estimated at — barrels) of Alpha Portland Cement for use in the following described work.

Description of Work: ——.

Terms of Payment: On approved credit, 10 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice. If, during the performance of the work, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the Alpha Portland Cement Company, cash payments with above discount must be made before shipment, or satisfactory security must be given by the purchaser.

This quotation shall not be binding upon this Company unless accepted in writing by the purchaser on or before —— —, ——.

Awaiting the favor of your acceptance, we remain,

Yours very truly, Alpha Portland Cement Company, by

—— ——.

Acceptance: I (we) hereby accept the price, terms and all conditions and limitations of the above special quotation and agree to execute promptly a contract therefor on your regular Memorandum of Agreement form, covering Portland Cement required and used for the work described.

Dated —— —, ——.

—— ——, Purchaser.

[fol. 1739] Terms, Conditions, and Limitations

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit; our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and package when loaded in cars.

The prices herein quoted are the prices on cement. If shipped in cloth sacks, the cloth sacks containing the cement are not sold, but remain the property of the Cement Company and must not be sold or used other than as containers of cement manufactured by the Alpha Portland Cement Company. The purchaser agrees to return said sacks to the Cement Company within ninety (90) days of date of shipment of cement by the Cement Company. A rebate of ten (10c.) cents for each sack returned will be allowed by the Cement Company from the invoice price of the cement when the sacks are returned to the Cement Company in good condition, freight prepaid, subject to Cement Company's count and inspection. Cement Company will not accept for rebate sacks bearing brands other than its own or bags that have been wet or are other-
[fol. 1739½] wise worthless. Such sacks if received will be held at shipper's risk subject to his order for thirty days only. Should the Alpha Portland Cement Company change its cloth sack basis, the right is reserved to adjust the delivered price of the cement accordingly.

Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

The Cement Company reserves the right to prescribe the routing by which the shipment shall be forwarded.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. We will not be responsible for delays in transit. All orders and contracts are accepted subject to government restrictions, strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car

famine, or other contingencies beyond the control of either Buyer or Seller.

Alpha Portland Cement to be furnished hereunder is to conform in every respect to specifications of United States Government, or standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

[fol. 1740] GOVT. Ex. No. 594

Original

Quotation No. 299

Bath Portland Cement Co.

June 29th, 1918.

Messrs. Amos E. Stover, Palmyra, Pa.:

We quote you on Bath Portland Cement for shipment according to contract requirements, between date hereof and Oct. 1st, 1918, subject to all the terms, conditions and limitations on both sides hereof. It shall, however, be optional with us to ship a greater quantity than — bbls. within any one month.

Bath Portland Cement in 4 cloth sacks at $2.83 per standard bbl., including the sacks.

Bath Portland Cement in 4 paper bags, 30 cents per bbl. less, including the bags.

If Cement has to be tested and held in bins, a charge of 3 cents per bbl. will be made.

F. O. B. Suedeburg, Pa.

This quotation covers the entire and actual quantity, viz: 170 barrels of Portland Cement which buyer shall furnish or use in the following described work only. The quantity stated is more or less within 10 per cent.

[fol. 1740½] Description of Work: One bridge at Pine Grove Township. Owners' State Highway Commission. State of Pennsylvania.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within 5 days from date hereof.

The above price is based on the present freight rates. The buyer to pay any advance over present rates and to be given the benefit of any reduction. The buyer to pay any tax imposed by the U. S. Government on freight bills.

We send you this quotation in duplicate. If you decide to accept same, return to us one of the copies properly executed, together with

the second copy for our signature. We will then officially execute same and return it to you, which will constitute a contract between us.

Remarks: ——.

Bath Portland Cement Co. J. F. Twamley, 2nd Vice-Pres.

Accepted 1st day of July, 1918, at Palmyra, Pa. (Signature) Amos E. Stover.

This Quotation is subject to terms and conditions on both sides hereof.

[fol. 1741] Terms, Conditions, and Limitations

Terms: Upon approved credit, thirty days net; 5 cents per barrel discount for cash payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Newark, N. J. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order without notice, purchaser remaining liable for all unpaid accounts.

If at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payments in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we guarantee only cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

Sacks: We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their [fol. 1741½] receipt in serviceable condition at our mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection. Paper bags are not returnable. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Quantity: The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Route and Terminal Charges: We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Freight Charges: Freight charges will be deducted from all invoices, and are to be paid by the purchaser at destination, excepting on shipments to prepaid points.

Strikes, etc.: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we [fol. 1742] will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

Specifications: Bath Portland Cement is guaranteed to meet the requirements of the Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore, we will not guarantee finished work.

Bath Portland Cement Company.

[fol. 1742½] GOVT. EX. No. 595

Bath Portland Cement Co.

Works: Bath, Pa.; General Offices: Finance Building, Philadelphia

Terms of Payment: Thirty days net from date of invoice, or ten cents per barrel discount for cash in full within ten days from date of invoice. Orders accepted subject to approved credit. Payments to be made in cash or equivalent at our office, Philadelphia, Pa. If the financial responsibility of the buyer is or becoms impaird or unsatisfactory to us, security must be given by the buyer or cash payments with the above discount allowed must be made before shipment. If the buyer fails to comply with the terms of payment or with any of the other terms of sale, we reserve the right to cancel any unfilled portion of any contract or order without notice, the buyer remaining liable for all unpaid accounts.

Shortage or Damage: In making delivered prices we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to the railroad company in cars at our mill. The railroad company's bill of lading shall be [fol. 1743] conclusive as to quantity and good condition of both cement and packages when loaded on cars. We will not be responsible for breakage and resultant loss when shipments are made in paper sacks.

Freight Charges: When cement is sold at a delivered price freight charges will be deducted from all invoices, and are to be paid by the buyer at destination, excepting on shipments to prepaid points. This quotation is based on present freight rates: the buyer to have the benefit of any reduction and be liable for any advance in freight rates. We reserve the right to prescribe the routing by which shipments shall be forwarded. We are not responsible for delays in transit; railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Sacks: We will pay the original purchaser ten cents each for empty cloth sacks purchased from us bearing our brand on their receipt in serviceable condition at our mill if returned within ninety days after their purchase; freight charges prepaid, subject to our count and inspection. Rejected sacks may be destroyed or otherwise disposed of by this Company without liability, unless they are removed by original purchaser within ten days after notice of rejection. There is no return value for paper sacks.

[fol. 1743½] Strikes: All orders and contracts are accepted subject to strikes, including coal strikes in either the anthracite or bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond the control of either ourselves or the buyer, and said causes shall, during their existence, excuse either party from the performance of an order or a contract, and operate as a proportionate rescission thereof, provided prompt notice shall be given by the party suffering from such disability to the other party in writing specifying the cause, otherwise this agreement shall remain in full force and effect.

Specifications: Bath Portland Cement to be furnished hereunder is to conform in every respect to specifications of the United States Government or Standard Specifications for Portland cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Bath Portland Cement Co.

[fol. 1744] Govt. Ex. No. 596

Specific Work Quotation

Saylor's Portland Cement

Coplay Cement Manufacturing Co.

Mills: Coplay, Lehigh County, Pa.

The First Portland Cement Manufactured in America

New York, March 17, 1919.

Windsor Cement Co., Hartford, Conn.

Gentlemen: We quote you subject to all the terms, conditions and limitations on both sides hereof on Saylor's Portland Cement for work herein described; and for shipment according to contract requirements.

In carload lots, f. o. b. cars at Hartford, Conn.

In cloth sacks $3.49 per standard barrel (376 lbs. net) including four (4) sacks.

If shipped in paper sacks seventy (70) cents per barrel less than cloth price.

If shipments are required from bins set aside for the storage of specially tested cement, an additional charge of three (3) cents per barrel will be made for storage service.

[fol. 1744½] Quantity: Approximately 32,000 barrels.

Description of work: New Filtration Plant.

Terms of Payment: On approved credit, 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice. If, during the performance of the work, the financial responsibility of the purchaser becomes impaired or unsatisfactory to the Coplay Cement Manufacturing Company, cash payments with above discount must be made before shipment, or satisfactory security must be given by the purchaser.

This quotation is for acceptance within 5 days of formal award of contract for work described, but in any event is void if not accepted within 15 days from date hereof; it is further subject to the execution of our regular form of Contract.

Yours respectfully, Coplay Cement Manufacturing Company.
J. F. Twamley, General Sales Manager.

The price named herein is subject to change in the price of cloth bags. The change, however, will not affect the net price of cement, as we will repurchase cloth bags at the same price charged for them.

The price mentioned herein will be advanced to the extent of any [fol. 1745] additional war taxes on transportation charges on cement imposed by the U. S. Government.

☞Note change on reverse side hereof in price of cloth bags.

Terms, Conditions and Limitations

Payment: Thirty days net; 5 cents per barrel discount for Payment in Full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Coplay, Pa., U. S. A. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Rail-[fol. 1745½] road Company's bills of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars

Bags: We will pay to original purchaser 25 cents each for empty

cloth cement bags purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid to Coplay, Pa., subject to our inspection and count. We do not purchase bags bearing brands other than our own, or bags that have been wet or are otherwise useless.

Rejected bags may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Quantity and Routing: We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Shipping Instructions: The purchaser shall give us shipping instructions in writing a reasonable tiem before shipments are to be made.

Strikes, etc.: All orders and contracts are accepted subject to strikes, including coal strikes in either the Anthracite or Bituminous [fol. 1746] coal regions, differences with employees, accidents to machinery, fire, flood, car famine, or other contingencies beyond the control of either Buyer or Seller; and Seller will not be responsible for delays in transit.

Specifications: Saylor's Portland Cement to be furnished hereunder is when shipped to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Coplay Cement Manufacturing Company.

[fol. 1746½] Govt. Ex. No. 597

Specific Work Quotation

Dexter Portland Cement Company

New York, Nazareth, Pa., Philadelphia

We quote you, subject to all the terms, conditions and limitations on both sides hereof, on "Dexter" Portland Cement for work herein described; and for shipment according to contract requirements, between date hereof and —— —, 19—, not to exceed, however — bbls. in any one month.

Dexter Portland Cement in 4 cloth bags at — per standard bbl.

Price in paper bags 25c per bbl. less than in Cloth bags, in carloads, f. o. b. cars, —.

This price includes the bags in which the cement is to be shipped. In the event that the repurchase price of cloth bags is advanced or reduced, the price named herein shall be advanced or reduced accordingly.

The price stated herein is based on the freight rates in effect at the present time, and is subject to advance or reduction, as the freight rates may be advanced or reduced, and will also be advanced to the extent of any additional war taxes imposed by the Government on transportation charges.

This quotation is intended to cover the entire and actual quantity (estimated at — barrels) of Portland Cement, which Buyer [fol. 1747] shall be required to, and in fact shall, furnish or use in the following described work.

Description of Work: This quotation, if to a dealer for resale of Cement for use in the work described, is subject to the execution of a written contract between such dealer and his customer in conformity herewith on our regular form furnished for dealer's use, the original or a duplicate thereof to be filed with us.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within 15 days from date hereof; It is further subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully, Dexter Portland Cement Company. ——

——, Manager of Sales.

Acceptance: I (we) hereby accept the price, terms and all the conditions and limitations of the above special quotation and agree to execute promptly a contract therefore on your regular form Specific Work Sales Contract, covering Portland Cement required and used for the work described.

—— ——, Purchaser.

(Note.—Two copies are enclosed. Please accept and return one and retain the other.)

[fol. 1747½] Terms, Conditions, and Limitations

Payment: 1. Ten Cents (10¢) per barrel discount for full payment in cash or equivalent at our office, Nazareth, Pa., within ten days from date of invoice, provided the purchaser has satisfied all past due prior indebtedness to us.

2. In cash or equivalent at our office, Nazareth, Pa., within 30 days from date of invoice less credits issued.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, im-

paired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Bags: We will pay to original purchaser 10 cents each for empty cloth cement bags purchased of us, bearing the brand of the Dexter Portland Cement Co., on their receipt in serviceable condition at the Mill, if returned within 90 days after their purchase, freight prepaid to Nazareth, Pa., subject to mill inspection and count. We do not purchase bags bearing other brands or bags that have been wet or are otherwise useless.

Rejected bags may be destroyed or otherwise disposed of by the Dexter Portland Cement Company without liability unless they are removed by original purchaser within ten days after notice of rejection.

Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

[fol. 1748] Quantity and Routing: The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded.

All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Shipping Instructions: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made.

Strikes, etc: All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit.

Specifications: "Dexter" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Guarantee: A test sheet signed by our chemist will be sent to each purchaser as evidence of our compliance with the above guarantee.

Dexter Portland Cement Company.

[fol. 1748½] GOVT. EX. No. 598

Edison Portland Cement Co.

79 Milk Street, Boston, Mass.

January Eighteenth, Nineteen Hundred Nineteen.

The City Coal Company, 1095 Main St., Hartford, Conn.

Attention of Mr. G. W. Kierstead, Treas.

GENTLEMEN: For your information would advise that bids are to close January 27th for the Branch House, owner, Libby-McNeil & Libby, your City, same to be reinforced concrete three story,—112 x 48—, and we are therefore pleased to quote you on 2,000 barrels of Edison Cement, as follows:

Prices: $3.49 per bbl. f. o. b. Hartford, Conn., Shipment in cloth; 2.79 per bbl. f. o. b. Hartford, Conn., Shipment in paper.

If shipments are required from bins set aside for the storage of especially tested cement an additional charge of three cents per barrel will be made for storage service.

[fol. 1749] Shipments: As advised prior to April 1st, 1919.

Acceptance: Within fifteen days from date hereof.

Prices shown on this quotation are subject to any increase or decrease that may become effective in current freight rates before shipment is made.

For other terms and conditions of this quotation see reverse side.

The Ellison Construction Company, James H. Grozier and Wilbur A. Wilcox all of your City are figuring this work, and we certainly trust that whoever is successful in securing the contract, that you will be fortunate enough to furnish them Edison Cement for same.

Thanking you in advance for the attention we know you will give this matter, and asking your advice should any information on this project come to you, also awaiting the award of contract with much interest, we are,

Yours very truly, Edison Portland Cement Company. A. C. Bruff, New England Sales Manager. ACB/K.

Terms: On approved credit, net thirty days, or five cents (5c.) per barrel discount for payment in full including sacks within ten days from date of invoice.

Credit. If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all [fol. 1749½] unpaid accounts. Orders are approvable as to credit at Home Office of the Cement Company, New Village, N. J., and if at any time the purchaser's financial responsibility shall be deemed unsatisfactory to the Cement Company, it may require approved security or demand cash payment, and pending same may withhold shipment, and if within a reasonable time, in the judgment of the

Cement Company, such cash or approved security has not been furnished, the Cement Company may declare the order or contract cancelled.

Delivery: In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit, our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and package when loaded in cars.

Sacks: Price of cloth sacks is included in invoice, which must be paid without deduction. We will pay to orginal purchaser ten cents each for empty cloth cement sacks, bearing "Edison" brand, on their receipt in serviceable condition at our mill, New Village, N. J., freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or otherwise useless. Rejected or Foreign sacks will be held at owner's risk, subject to his order, for thirty days only. Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

[fol. 1750] Claims for loss or damage will not be considered, unless supported by seal record and railroad agent's acknowledgment on freight bill. Freight over-charge claims must be accompanied by original receipted freight bill.

Date of Shipment: Orders entered for shipment on a specific date will at our option be shipped on that date unless sooner ordered out by purchaser. However, purchaser shall give the Cement Company shipping instructions a reasonable time before shipments are to be made and the Cement Company shall not be responsible for delays in manufacturing or shipping cement caused by strikes, differences with workmen, accidents at its works, inability to secure cars, coal or other material or other contingencies not under its control, nor for any delays in transportation.

Specifications: The cement is to conform to standard specifications for Portland cement adopted August 16, 1909, by the American Society for Testing Materials, with methods of testing recommended January 17, 1912, by the American Society of Civil Engineers; or to U. S. Government Specifications for Portland cement as set forth in Circular No. 33 of the Bureau of Standards.

[fol. 1750½] Govt. Ex. No. 599

Original. Form C

All agreements contingent upon strikes, accidents or other causes beyond our control.

Giant Portland Cement Company

Main Office: 603-610 Pennsylvania Building, Philadelphia, Pa.

Special Quotation for Specific Work

May 27, 1919.

E. M. Rodrock Company, Paterson, N. J.

DEAR SIR: We quote you, subject to all the terms, conditions and limitations on both sides hereof, on "Giant" Portland Cement for work herein described; and for shipment according to contract requirements, between date hereof and December 31st 1919, not to exceed, however, — bbls. in any one month: "Giant" Portland Cement in 4 cloth sacks, 2.72, 4 paper sacks, — per Standard Bbl. in carloads, f. o. b. cars. Pequannock, N. J.

This price includes the sacks in which the Cement is to be shipped. [fol. 1751] This quotation is intended to cover the entire and actual quantity (estimated at 10,000 barrels) of Portland Cement which buyer shall be required to, and in fact shall, furnish or use in the following described work, but not in any event to exceed 110% of the estimated quantity above stated.

Description of Work: State Road work—Route No. 8 between Pequannock and Butler.

Any shipments made in 1919 on a contract placed under this quotation will be at the current price on Giant Portland Cement if such price is below the price herein mentioned.

Price as noted is based upon present rate of freight and is subject to any advance over present rate from our mills to point of delivery specified above. Also to any additional tax that may be imposed by the Government.

If shipments are required from bins set aside for the storage of specially tested cement, an additional charge of three cents (3¢) per barrel will be made for storage service.

This quotation is for acceptance within 5 days from this date, but is void if not accepted within 15 days from date hereof, and is subject to the execution of our regular form Specific Work Sales Contract.

Yours respectfully, Giant Portland Cement Company. R. E. Griffith, Vice-President. N.

[fol. 1751½] Terms, Conditions, and Limitations

Payment: 30 days net; 5 cents per barrel discount for payment in full, within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia, Pa. Original paid freight bills to be sent us promptly for credit.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

If at any time purchaser's financial responsibility be or become impaired or unsatisfactory, we reserve the right to require payment

in advance or satisfactory assurance that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occuring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser 15¢ each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, Egypt (Lehigh County, Pa.), via Lehigh Valley Railroad and Ironton Railroad, freight prepaid, if returned within 90 days after their purchase, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

[fol. 1752] The quotation on reverse side is limited to the quantity and delivery stipulated and work described.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All deliveries are subject to unavoidable delays, whether caused by lack of transportation, strikes at works on the railroads or in the coal regions, accidents, casualties or any cause beyond our control. Any such cause shall, during its continuance, excuse performance on our part, and shall operate as a proportionate rescission of this agreement, unless otherwise expressly agreed; provided that prompt notice be given to the buyer, of the fact and cause of delay.

"Giant" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Giant Portland Cement Company.

[fol. 1752½] Govt. Ex. No. 600

Hercules Cement Corporation

Philadelphia

Quotation No. —

Gentlemen: We quote you on — Barrels Hercules Portland Cement, for the requirements of the work herein described, subject to

all of the terms set forth below and in the contract form printed on the reverse side hereof, $— per standard barrel, including package, to be packed in —, F. O. B., —.

Description of Work: "Any shipments made during 1922 on a contract placed under this quotation will be at the current destination price on Hercules Portland cement on the date of shipment, if such price is below the destination price herein mentioned."

Shipment between this date and —— — ——, not more than — barrels during any 30-day period.

This quotation is for acceptance prior to —— — ——.

Hoping that we may be favored with your order, we remain,

Yours very truly, Hercules Cement Corporation, by —— ——.

[fol. 1753] Acceptance: I (we) hereby accept the price and all the conditions of the above quotation and agree, at your option, to execute promptly the contract printed on the reverse side hereof, after inserting in the blanks thereof the above terms as to place and time of delivery, description of work, quantity, price and package.

—— ——, Purchaser.

—— —, 191-.

(Note.)—Quotation is made in duplicate and if accepted please sign and return one copy.

Hercules Cement Corporation, hereinafter called Seller, hereby agrees to sell and —— ——, hereinafter called Purchaser, agrees to purchase Hercules Portland cement on the following terms and conditions:

Place of Delivery, F. O. B.: ——.

Time of Delivery: ——.

Seller shall not be obliged to ship hereunder more than — bbls. during any one calendar month or during any 30-day period.

Seller shall not be liable for delays in manufacture or shipping, caused by strikes, scarcity of labor, accident to plant or machinery, inability to secure cars, coal or material, fire, flood, warfare, acts of God, or other causes not under Seller's control; neither shall Seller be liable for delays in transportation.

[fol. 1753½] Description of Work: Purchaser hereby agrees that all of the cement purchased hereunder shall be used in the following described work, to wit: ——, and that no portion hereof will be resold by the Purchaser for use on any other work, or used for any purpose or for any work other than above described.

Quantity: ——.

Additional Quantity: In case the quantity herein specified proves insufficient for the needs of the Purchaser for Portland Cement within the time limit of delivery herein on the above-described work, Purchaser agrees to purchase and Seller agrees to sell a reasonable additional quantity of Hercules Cement at the same price and on same terms and conditions as herein specified, to meet the said

reasonable additional needs of Purchaser for said work within said time limit.

Price: — per standard barrel including package, in carload lots, to be packed in —.

Price includes freight at present rates, and will be increased to cover any advance in freight rates, and any additional Government tax on freight, at any time during the life of this contract. Purchaser shall pay all freight charges for account of Seller.

Terms of Payment: Net cash in 30 days or 10c per bbl. discount for payment in full within 10 days from date of invoice, provided all then prior existing indebtedness shall have been satisfied. Sacks must be paid for at same time as cement.

If at any time the financial responsibility of Purchaser becomes [fol. 1754] impaired or unsatisfactory to Seller, the latter reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due.

Shipping Instructions: Purchaser shall give to Seller shipping instructions in writing a reasonable time in each instance before shipments are to be made.

Routing and Terminal Charges: Seller shall have the right to direct the route by which all shipments hereunder shall be forwarded. All demurrage, car service and terminal charges imposed at destination shall be settled for and borne by Purchaser. Claims for loss or damage will not be considered unless presented within 60 days from date of shipment, supported by seal record and railroad agent's acknowledgment thereof on original paid freight bill. Freight over-charge claims must be supported by original paid freight bill.

Sacks: Seller will re-purchase from the Purchaser at 10c each the empty cloth sacks bearing the Hercules brand which are received by it in good condition, freight prepaid, at its works at Hercules, Penna., within 90 days from date of shipment of cement.

Specifications: The Hercules Cement to be shipped hereunder is to conform in every respect to "Standard Specifications and Tests for Portland Cement" C9-17 of the American Society for Testing Materials.

Assignment of Contract: This contract shall not be assigned by Purchaser except with written prior consent of the Seller.

[fols. 1754½ & 1755] The seller reserves the right to increase the repurchase price of its sacks and upon notice to this effect the price mentioned above shall be advanced proportionately per barrel on all deliveries thereafter.

If Purchaser at any time fails to comply with any of the terms or conditions of this contract, Seller reserves the right to cancel the then unfilled portion of this and/or other then existing contracts (and orders) between the parties, Purchaser remaining liable for all then unpaid accounts.

Hercules Cement Corporation, by —— ——, Sales Manager

Approved —— —, ——. (Purchaser's signature:) —— ——.

Executed by the parties hereto, this — day of ——, 191-.

[fol. 1755½] Govt. Ex. No. 602

The Lawrence Cement Company

Business Established 1832

Selling Agents for Dragon Portland Cement

In Use Since 1889

Sales Office: No. 1 Broadway, New York

Frank H. Smith, Sales Manager

Nov. 15, 1919.

Windsor Cement Company, Hartford, Conn.

Gentlemen: The fulfillment of any agreement herein expressed must be contingent upon strikes, accidents, delays of carriers, and other delays beyond our control; and quotations not limited by date of option, may be Revised by us without notice.

Replying to your letter of Nov. 14th, we take pleasure in quoting you on "Dragon" Portland Cement for work of the Aberthaw Conts. Co. $2.94 per barrel, in cotton sacks, f. o. b. cars Elmwood, Conn. [fol. 1756] This quotation is subject to 5c. per barrel discount for cash in 10 days or net 30 days.

This quotation is based on the present railroad freight rates and war taxes on transportation charges, and the buyer is to have the benefit of any reduction and be liable for any advance in these rates.

The price named herein includes a charge of fifteen cents each for cotton sacks. We will repurchase serviceable cotton sacks of our brand from the original purchaser at the price charged, when returned to our mill, freight prepaid, subject to our count and inspection.

Unless withdrawn by us, this quotation must be accepted by you within fifteen days. Upon receipt of your acceptance we will draw up a contract effective and binding only when signed by you and one of our officers, or the Sales Manager.

Soliciting the favor of your acceptance, we are,

Very truly yours, Frank H. Smith, Sales Manager.

[fol. 1756½] Govt. Ex. No. 603

Lehigh Portland Cement Co.

6 Beacon Street, Boston, Mass.

Nov. 24, 1920.

Messers. Manchester & Hudson Co., Providence, R. I.

Gentlemen: We quote you on Lehigh Portland Cement for the requirements of the work herein described, for delivery in carload

lots, F. O. B. cars Providence, R. I., $4.32 per barrel in cotton, including sacks; $3.62 per barrel in paper, including sacks.

If shipments are required from bins set aside for the storage of specially tested cement, an additional charge of three cents (3c.) per barrel will be made for storage service.

Work: Providence-Biltmore Hotel, Thompson-Starrett Co., Contractors.

Quantity: To be named on acceptance of quotation.

Shipments: During life of work, prior to December 31st, 1921.

Terms: Ten (10) cents per barrel discount for full payment within ten days from date of invoice; thirty days net.

[fol. 1757] Acceptance: This quotation is for your acceptance within five (5) days from date hereof.

Yours respectfully, Lehigh Portland Cement Company. J. A. Gray, District Sales Manager. B.

The prices mentioned in this quotation are subject to future fluctuations in prices quoted by the Cement Company, but not to exceed prices named herein except by reason of an advance in freight rates; and if during the life of the contract, Cement Company increases or decreases the charge and repurchase price of cloth sacks, it is understood that prices named herein will be increased or decreased accordingly.

For other clauses which are a part of this quotation, see other side.

If, at any time, the financial responsibility of Purchaser becomes impaired or unsatisfactory to the Cement Company it reserves the right to require payments in advance, or satisfactory security or guarantee that invoices will be promptly paid when due. If Purchaser fails to comply with terms of payment, the Cement Company reserves the right to cancel unfilled portion of any contract or order. Purchaser remaining liable for all unpaid accounts.

The Cement Company shall not be responsible for delays in manufacture or shipping, due to strikes, differences with employees, [fol. 1757½] scarcity of labor, accident, inability to secure cars, coal or material, fire, flood, warfare or other causes not under its control nor for any delay in transportation.

Sacks must be paid for at the same time as cement.

If cement is shipped in cloth sacks, the Cement Company will repurchase from the original Purchaser, at 25¢ each, the empty cloth sacks bearing the "Lehigh" brand, which are received by it in good condition, freight prepaid at its works at West Coplay, Pennsylvania, New Castle, Pennsylvania, within ninety (90) days from date of shipment of cement. Claims for loss or damage will not be considered unless supported by seal record and railroad agent's acknowledgement on freight bill. Freight over-charge claims must be accompanied by original receipted freight bill.

Specifications: The cement delivered under this contract is to conform to standard specifications for Portland Cement adopted August 16, 1909, by the American Society for Testing Materials with methods of testing recommended January 17, 1912, as amended by the American Society of Civil Engineers; or to U. S. Government specifications

for Portland Cement, as set forth in Circular of the Bureau of Standards No. 33.

[fol. 1758] Govt. Ex. No. 604

Specific Work Quotation

Phœnix Portland Cement Company

Real Estate Trust Building, Philadelphia, Pa.

Works: Nazareth, Pa.

Charles H. Cox, General Sales Manager:

We quote you on the full Portland Cement requirements of the following described work, estimated at — barrels of "Phœnix" Portland Cement.

It is understood that under no circumstances shall the Cement Company be obligated to ship hereon more than — barrels during any thirty (30) consecutive days nor to make any shipments on this contract subsequent to

Price: Phœnix Portland Cement in 4 cloth sacks, at $— per standard bbl., including the sacks; Phœnix Portland Cement in 4 paper bags, at $— per standard bbl., including the bag; Phœnix Portland Cement in bulk, at $— for 376 lbs., equivalent to one (1) barrel net weight. F. O. B.

[fol. 1758½] Description of Work: ——.

Terms of Payment: Thirty days net or ten (10) cents per barrel discount for payment in full within ten days from date of invoice.

This quotation is void unless accepted within — days from date.

Acceptance of this quotation, in writing, will, if approved by this Company, cause us to send you a regular form contract for your signature.

Remarks: ——.

Respectfully, Phœnix Portland Cement Company. —— ——, General Sales Manager.

For other clauses which are part of this quotation see other side.

Cloth Sacks: Sacks bearing the Phœnix brand or trade-mark, properly bundled and so marked as to insure complete identification, received by us in serviceable condition at our Mill, Nazareth, Pa., will be purchased from the original purchaser at Ten (10c.) cents each, if purchased of us containing "Phœnix" Portland Cement which cement was used in the work described, provided these sacks are shipped within ten days after being emptied, freight prepaid, subject to our inspection and count. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of Cement. If, at any [fol. 1759] time, the cost of new cloth sacks increases or decreases to such an extent that the Cement Company deems it advisable to change the price at which empty sacks will be purchased, the price

named in this contract will be advanced or reduced accordingly. If, at any time, the Cement Company shall experience such difficulty in securing cloth sacks, as in its opinion would make shipment in cloth sacks impracticable, then upon ten days' notice to the purchaser it may until such difficulty is removed ship either in paper sacks at a price of Fifteen cents (15c.) per barrel more than the net price in cloth sacks, or in bulk when practicable at the net price in cloth sacks. The net price in cloth sacks is a price after deducting the repurchase price of empty sacks.

In making delivery prices the Cement Company only guarantees cost at destination and will not be responsible for shortage or damage occurring in transit. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by the Purchaser. The Cement Company shall not be responsible for delays in manufacture or shipping cement caused by Strikes, Accidents, Fires, Breakdowns, Failure of Machinery, Embargoes, Car Shortage, Labor Scarcity, Labor Agitations, Strikes in coal mines from which the Cement Company secures its coal supply, Acts of God or any other causes beyond its control or for any delay in transportation whereby shipments are curtailed or entirely suspended.

"Phœnix" Portland Cement to be furnished hereunder is when shipped to conform in every respect to the specifications of the United [fol. 1759½] States Government as of this date or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials.

Freight Rates: The purchaser to have the benefit of any reduction and to be liable for any advance in freight rates. Any tax on freight bills is to be paid by the purchaser. In the event of prepayment of freight or other railroad or terminal charges the purchaser shall settle these in cash on presentation of invoice by the seller.

[fol. 1760] GOVT. EX. No. 605

Specific Job Quotation

Nazareth Cement Company

Main Office and Works: Nazareth, Pa., 1202 Wilson Bldg.

1270 Broadway, New York, N. Y.

In reply refer to file No. —.

Messrs. —— ——:

We quote you on Nazareth Portland Cement for shipment according to contract requirements, between date hereof and —— —, ——, subject to all the terms, conditions and limitations on both sides hereof. Quantity to be shipped not to exceed, however, — bbls., within any one month.

Nazareth Portland Cement in 4 cloth sacks at $— per standard bbl. (376 lbs. net); Nazareth Portland Cement in 4 paper bags, at $— per standard bbl., including the bags; Nazareth Portland Cement in bulk, 45¢ per barrel less than cloth price. F. O. B.

The prices on cement stated herein are based on the freight rates and transportation charges to destination named in effect at the [fol. 1760½] present time, and are subject to advance or reduction, as said charges may be advanced or reduced. These prices will be advanced to the extent of any additional War Taxes imposed by the Government on transportation charges or otherwise.

This quotation covers the entire and actual quantity (estimated at — barrels) of Portland Cement which buyer shall furnish or use in the following described work. The estimated quantity is more or less within 10 per cent.

Description of Work: ——.

This quotation is for acceptance within 5 days of formal award of contract for work described, but is void if not accepted within — days from date hereof.

We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing, it shall constitute a contract between us.

Remarks: ——.

Respectfully yours, Nazareth Cement Co.

Accepted — day of ——, ——, at ——. (Signature:) —— ——.

For other clauses which are a part of this Quotation see other side.

[fol. 1761] Terms, Agreements, and Limitations

Thirty days net; 5 cents per barrel discount for payment in full within 10 days from date of invoice. Payment to be made in cash or equivalent at our office, Nazareth, Pa.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

Sacks: When shipped in cloth sacks, the sacks are not sold but remain the property of the Nazareth Cement Company as the prices

quoted herein are on cement only. These sacks must not be sold or used other than as containers of Nazareth Portland Cement. The [fol. 1761½] purchaser agrees to return said sacks to us, freight charges prepaid, within ninety (90) days from date of shipment of the cement by us. Upon their receipt at our mill and after our inspection and count a rebate of 10¢ for each serviceable sack will be allowed by us from the invoice price of the cement. We will not accept for rebate sacks bearing brand other than our own or sacks that have been wet or are otherwise useless. Such sacks may be destroyed or otherwise disposed of by this company without liability unless they are removed by the shipper within (30) days after notice of rejection. Paper bags are not returnable for rebate. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Quantity: Unless otherwise agreed, the quotation on the reverse side is limited to the quantity named and applies only on shipments billed to and unloaded at point of delivery specified and for the work described.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Strikes, etc.: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manu- [fol. 1762] facturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time.

Specifications: "Nazareth" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Nazareth Cement Company.

[fol. 1762½] GOVT. EX. NO. 606

Penn-Allen Cement Company

Commonwealth Building, Allentown, Pa.

General Sales Office: Widener Building

Form in use after change of July 15, 1920

Philadelphia, Pa.

We quote you on Penn-Allen Portland Cement for the requirements of the work herein described, subject to all terms, conditions and limitations on both sides hereof, for delivery in carload lots f. o. b.

The price named in this quotation is subject to change in freight rates and any additional war tax on freight on cement that may be imposed by the Government.

In cloth sacks, $— per standard barrel, including four (4) sacks; in paper sacks, $— per standard barrel, including four (4) sacks.

Quantity: This quotation covers the entire and actual quantity (estimated at — barrels) of portland cement which buyer shall furnish or use solely in the following described work.

Work: ——.

Shipments: As required during progress of work to be completed [fol. 1763] prior to —— —, ——. If shipments are required from bins set aside for the storage of specially tested cement, an additional charge of three (3) cents per barrel will be made for storage service.

Acceptance: This quotation is for acceptance within five (5) days of formal award of contract for work described, but is void if not accepted within fifteen (15) days from date hereof. We send you this proposition in duplicate; upon our receiving one of the copies accepted by you in writing it shall constitute a contract between us, subject to the approval of Cement Company.

Yours respectfully, Penn-Allen Cement Company, —— ——,
General Sales Manager.

Accepted — day of ——, 19—, at ——. (Signature:) —— ——.

For other clauses which are part of this quotation see other side.

Terms: On approved credit, net thirty days, or ten cents per barrel discount for payment in full including sacks within ten days from date of invoice.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, purchaser remaining liable for all unpaid accounts.

[fol. 1763½] Orders are subject to approved credit, and if at any time the purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require

payment in advance, and pending the same may withhold shipment and if within a reasonable time in the judgment of this Company such cash or approved credit has not been furnished, we may declare the order or contract cancelled.

Loss or Damage: In making delivered prices we only guarantee cost at destination and will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars or at mill. Railroad Company's bill of lading shall be conclusive as to the quantity and good condition of both cement and packages when loaded in the cars.

Sacks: Price of cloth sacks is included in invoice, which must be paid without deduction. We will pay to the original purchaser 25 cents each for empty cloth sacks bearing our brand, on their receipt in serviceable condition at our mill, if returned within ninety days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or are otherwise useless. Rejected or foreign sacks will be held at owner's risk, subject to his order, for thirty days only. Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

[fols. 1764-1766] Routing: We reserve the right to prescribe routing by which the shipment shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for by the purchaser.

Delays: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. We will not be responsible for delays in transit. All orders and contracts are accepted subject to strikes including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond control of either buyer or seller. Therefore, in the event we shall at any time or for any cause be unable to deliver to our customers the entire quantity of cement required and called for by all our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively and the amount delivered on each contract may be reduced accordingly and there shall be no liability on our part for the reduction so made.

Specifications: Penn-Allen portland cement is guaranteed to meet the requirements of the Standard Specifications for cement of the American Society for Testing Materials, serial designation C-9-17. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

[fol. 1766½] GOVT. EX. No. 608

Security Cement & Lime Company

Hagerstown, Baltimore, Washington

Specific Job Quotation

One Million Barrels Security Portland Cement Annual Capacity

Contract No. —

—— —, 192—.

Price: Subject to all the terms, conditions and limitations stated on both sides hereof, we, as Sellers, quote you, as Buyer, $— for Security Portland Cement, per standard barrel, in 4 cloth sacks bearing "Security" copyrighted trademark; $— for Security Portland Cement, per standard barrel, in 4 paper bags bearing "Security" copyrighted trademark; $— for Security Portland Cement, per standard barrel of 376 lbs., in bulk without any package or trademark.

Place of Delivery: F. O. B. cars, via ——.

Terms of Payment: Net cash thirty (30) days; or ten (10) cents per barrel discount for payment of invoice in full within ten (10) days from date of shipment, provided there are no overdue accounts [fol. 1767] unpaid; payments to be made in cash funds at Seller's office, Hagerstown, Md., without any deductions for package or other allowances unless Buyer has Seller's credit memorandum for same.

Time of Delivery: Shipments to be made in carloads, according to the reqquirements of the work, between —— —, ——, and —— —, ——, but not in excess of — barrels in any one month.

Freight: This price includes freight and taxes thereon at present rates, and will vary, up or down with any change in freight rates, taxes, or other charges affecting cost of transportation or delivery at any time during the life of this contract.

Quantity: This quotation covers the entire and actual quantity (estimated by the Buyer to be — barrels) of Portland Cement which Buyer shall furnish or use exclusively for the following described work:

Descrip'n of Work:——.

Time Limit: This quotation is for acceptance within five (5) days after formal award of contract for work described, but is void if not accepted within fifteen (15) days from date hereof.

Remarks: ——.

Acceptance: This quotation is submitted in duplicate; upon Seller receiving at its main office Hagerstown, Md., within time limits aforesaid, one of the duplicates with Buyer's acceptance in writing on the first page thereof, it shall constitute a contract between you, as Buyer, and us, as Sellers obligating us to sell, and you to buy, receive and pay for, the full estimated Portland Cement

[fol. 1767½] requirements of the above described work, provided you then have actual need for, or bona fide order or contract binding you to furnish, the same; and your said acceptance shall constitute notice to us that you have such need, order or contract, and also your acquiescence in all the other provisions set forth on the reverse side of this sheet, which are a part of this quotation and contract just as though above written.

Very truly yours, Security Cement & Lime Company, by —— ——, General Sales Manager.

Accepted — day of ——. (Signature:) —— ——, by —— ——.

For other clauses, which are part of this quotation, see other side.

Other Terms, Conditions, and Limitations Covering This Quotation and Contract

Time Option: Seller may, at its option, extend the period for delivery beyond date specified on first page hereof if work is not then completed.

Quantity and Orders: Buyer shall give Seller shipping instructions, in writing, at a reasonable time before shipments are to be made, and Seller shall not be responsible for delays in transit.

In addition to orders and contracts accepted hereunder, Seller [fol. 1768] may have accepted, and may from time to time continue to accept, other orders and contracts so as to furnish it with a market for its entire estimated output.

This contract and orders hereunder are subject to contingencies of manufacturing and shipping, including strikes, lockouts, labor disputes (whether at Seller's mills or at the mills or mines of persons or corporations who are furnishing Seller with materials necessary in the manufacture of cement), delays or deficiency in transportation facilities, floods, fires, warfare, acts of public enemy, governmental restrictions, inability to secure sufficient labor, scarcity of coal, packages, or other materials, and any cause or causes beyond the control of either Buyer or Seller, and said cause or causes shall during their existence excuse either party from the performance of this contract and shall operate as a proportionate rescission thereof. Should production or shipments be curtailed or delayed at any time, due to such contingencies or causes, Sellers reserve the right to prorate shipments to all purchasers of record at such time on the basis of tonnage available, or which it may have on hand or produce, and the amount deliverable to each may be reduced accordingly, and there shall be no liability on Seller's part for the reduction so made. Seller may, at its option, supply said cement requirements from other sources, but shall not be obligated to do so.

The quotation on the reverse side hereof is limited to the quantity and deliveries stipulated for the work described and if it becomes a contract by acceptance by Buyer, Seller may cancel this contract [1768½] or any unfilled portion thereof by written notice to Buyer in case any cement shipped hereunder shall be used in any other

work or for any other purpose, or when said work is completed, or in case of any misstatement of fact relative thereto by Buyer to Seller influencing the execution of this contract. Such cancellation shall in no wise release Buyer from unpaid accounts or from liability to Seller at the contract price for cement delivered prior to such cancellation.

Routing: Seller reserves the right, at its option, to change and direct the route via which shipments hereunder shall be forwarded, and to make shipments prepaid or collect.

Loss or Damage: In making a delivered price at destination, Seller only guarantees cost to Buyer at destination and will not be responsible for shortage of, or damage to, either cement or packages occurring in transit.

Seller's invoiced quantities supported by railroad company's bill of lading shall be the basis for settlement by Buyer and conclusive as to the quantity and good condition of cement and package when loaded on cars at Seller's plant.

All railroad demurrage, car service and other terminal charges imposed at destination shall be borne and paid for by Buyer.

While assuming no responsibility for loss or damage after delivery of cement to carrier f. o. b. cars Seller's plant, Seller agrees to assist Buyer, so far as is reasonable, in securing payment from the transportation companies of all proper claims for such loss or damage.

[fol. 1769] Claims: All claims of either of the parties hereto against the other in any manner growing out of his contract shall be made in writing and filed by the party aggrieved with the other party hereto within ten (10) days after acquiring the knowledge upon which the claim is based, and, in any event, within thirty (30) days after the final date fixed for delivery of cement hereunder, and failure to so file said claim within said time limits shall be regarded as a complete waiver and release thereof.

Package: If the cement is shipped in cloth sacks, the cloth sacks are not sold to Buyer, but remain the property of Seller and must not be sold or used other than as containers of cement manufactured by Seller. Buyer agrees to return said sacks to Seller within ninety (90) days from date of shipment of the cement by Seller. An allowance to Buyer only of twenty-five (25) cents for each good sack will be made by Seller when returned in good condition, freight prepaid, to the mill of Seller, at Security, Md., subject to Seller's count and inspection. No allowance will be made for useless sacks or sacks which have been wet. Should any sacks bearing other than Security brand be received by Seller from Buyer, same will be held by Seller, at Buyer's risk and subject to his order, for thirty (30) days only after notice to Buyer from Seller of receipt of the same, after which time they may be destroyed or otherwise disposed of by Seller without liability.

The price herein named for cement in cloth sacks is based on a cloth sack basis of twenty-five (25) cents. Should Seller find it necessary in its general business to change its cloth sack basis, the

[fol. 1769½] right is reserved to adjust the delivered price of the cement accordingly, and the allowance for each of these sacks returned, as aforesaid, will be increased or decreased in accordance with said change in cloth sack basis.

The price herein named for cement in paper bags is based on a paper bag basis of thirty (30) cents per barrel. Should Seller during the life of this contract find it necessary in its general business to change the paper bag basis, the right is reserved to adjust the delivered price of the cement accordingly.

Paper bags are not returnable, and shipments therein are made at Buyer's risk of breakage and resultant loss of cement.

Specifications: The cement as shipped hereunder is to conform in all respects to the "Standard Specifications and Tests for Portland Cement" as adopted by the American Society for Testing Materials, September 1, 1916.

Seller is not responsible for the use of cement, nor workmanship therewith, and does not guarantee the resultant work.

Financial Credit: Terms of payment are of the essence of this contract.

If Buyer fails to comply with terms of payment, or with any of the other terms of sale, Seller reserves the right to cancel unfilled portion of this contract, Buyer remaining liable for all unpaid accounts.

If at any time Buyer's financial responsibility be, or become, in [fol. 1770] opinion of Seller, impaired or unsatisfactory, Seller reserves the right to require payment in advance, or satisfactory assurance that bills will be promptly paid when due. If such assurance is not forthcoming within a reasonable time, Seller reserves the right to cancel this contract.

Assignment of Contract: This quotation and contract shall be binding upon the heirs, executors, administrators, or assigns of the respective parties hereto, but shall not be assigned by Buyer except upon written prior consent of Seller.

[fol. 1770½] Govt. Ex. No. 609

Vulcanite Portland Cement Company

Main Office: Land Title Bldg., Philadelphia

Quo. No. —. Job No. —.

Albert Moyer, Manager of Sales

Specific Job Quotation

Messrs. —— ——:

We quote you on the full Portland Cement requirements of the following described work but not exceeding the estimated requirements of — barrels of Vulcanite Portland Cement. The cement

shall only be ordered and shipped, as nearly as practicable to meet the necessities of the work, it being understood, however, that under no circumstances shall the Cement Company be obligated to ship hereon more than — barrels during any 30 consecutive days nor subsequent to —— — ——.

Price: Vulcanite Portland Cement, in 4 cloth sacks, at $— per standard bbl., including the sacks; Vulcanite Portland Cement, in 4 paper bags, at $— per standard bbl., including the bags; Vulcanite [fol. 1771] Portland Cement in bulk, at $— for 376 lbs., equivalent to one (1) barrel net weight. f.o.b.

Description of work: ——.

Terms of Payment: Thirty days net or — per barrel discount for payment in full within ten days from date of invoice.

This quotation is void unless accepted within — days from date.

The acceptance of this quotation, verbally, or in writing, will not form a contract or obligate the Cement Company. Should the Purchaser wish to place orders under this quotation for the work herein specified, the acceptance of such orders by the Cement Company shall be at its option and subject to execution of formal contract covering the quantity and date of shipments required for the work specified, subject to all limitations as set forth in the contract.

Respectfully, Vulcanite Portland Cement Company. Albert Moyer, Manager of Sales.

Note change in price of cotton sacks from 25¢ to 10¢ each.

For other clauses which are part of this quotation see other side. [fol. 1771½] Cloth Sacks: Sacks bearing the Vulcanite brand or trade mark, properly bundled and so marked as to insure complete identification, received by us in serviceable condition at our Mill, Vulcanite, New Jersey, will be purchased from the original purchaser at ten (10) cents each, if purchased of us containing "Vulcanite" Portland Cement which Cement was used in the work described, provided these sacks are shipped within ten days after being emptied, freight prepaid, subject to our inspection and count. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of Cement. If, at any time, the cost of new cloth sacks increases or decreases to such an extent that the Cement Company deems it advisable to change the price at which empty sacks will be purchased, the price named in this contract will be advanced or reduced accordingly. If, at any time, the Cement Company shall experience such difficulty in securing cloth sacks, as in its opinion would make shipment in cloth sacks impracticable, then upon ten days' notice to the purchaser it may until such difficulty is removed, ship either in paper sacks at a price of twenty-five (25) cents per barrel more than the net price in cloth sacks, or in bulk when practicable at the net price in cloth sacks. The net price in cloth sacks is a price after deducting the repurchase price of empty sacks.

In making delivery prices, the Cement Company only guarantees cost at destination and will not be responsible for shortage or damage occurring in transit. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by the Purchaser. The Cement Company shall not be responsible for [fol. 1772] delays in manufacture or shipping cement caused by Strikes, Accidents, Fires, Break-downs, Failure of Machinery, Embargoes, Car Shortage, Labor Scarcity, Labor Agitation, Strikes in coal mines from which the Cement Company secures its coal supply, Acts of God or any other causes beyond its control, or for any delay in transportation whereby shipments are curtailed or entirely suspended.

"Vulcanite" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to the specifications of the United States Government as of this date or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials.

[fol. 1772½] Govt. Ex. No. 610

Alpha Portland Cement Co.

Easton, Pa.

We take pleasure in quoting you on Alpha Portland Cement delivered in carload lots F. O. B. cars station named above as follows:

In cloth sacks, $— per standard barrel (376 lbs. net); in paper bags, twenty-five (25) cents per barrel less than cloth price; in bulk, forty-five (45) cents per barrel less than cloth.

Price for immediate acceptance.

This price is on a quantity to be mutually agreed upon for shipment within fifteen days from date of your order.

Terms of Payment: On approved credit, 10 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

This quotation is subject to terms, conditions and limitations on both sides hereof.

Yours very truly, Alpha Portland Cement Company.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled [fol. 1773] portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are approvable as to credit, and if at any time the purchaser's financial responsibility shall be deemed unsatisfactory to the Cement Company, it may require approved security or demand cash payment, and pending same may withhold shipment, and if within a reasonable time, in the judgment of the Cement Company, such cash or approved security has not been furnished, the Cement Company may declare the order or contract cancelled.

In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit; our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and package when loaded in cars.

The prices herein quoted are the prices on cement. If shipped in cloth sacks, the cloth sacks containing the cement are not sold, but remain the property of the Cement Company and must not be sold or used other than as containers of cement manufactured by the Alpha Portland Cement Company. The purchaser agrees to return said sacks to the Cement Company within ninety (90) days of date of shipment of cement by the Cement Company. A rebate of ten cents (10¢) for each sack returned will be allowed by the Cement Company from the invoice price of cement when the sacks are returned to the Cement Company in good condition, freight prepaid, [fol. 1773½] subject to Cement Company's count and inspection. Cement Company will not accept for rebate sacks bearing brands other than its own or bags that have been wet or are otherwise worthless. Such sacks if received will be held at shipper's risk subject to his order for thirty days only.

Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

The Cement Company reserves the right to prescribe the routing by which the shipment shall be forwarded.

This quotation is subject to change without notice and is not binding until orders have been accepted by this Company in writing.

All orders and contracts are accepted subject to governmental restrictions, contingencies of manufacturing and shipping and other causes beyond the control of either Buyer or Seller. We will not be responsible for delays in transit.

The price of cement stated herein is based on the transportation charges in effect at the present time and is subject to advance or reduction as the transportation charges may be advanced or reduced.

Alpha Portland Cement to be furnished hereunder is to conform in every respect to Specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

[fol. 1774] GOVT. EX. NO. 611

"The Standard by which all other makes are measured"

The Atlas Portland Cement Co.

New York, Boston, Philadelphia, Birmingham, Dayton, St. Louis, Des Moines, Chicago

Trade Quotation No. —

We quote you on "Atlas" Portland Cement in carload lots for shipment within fifteen (15) days from date of order, subject to change without notice and to terms, conditions and limitations on reverse hereof:

$— per barrel (bags included) in 4 cloth bags (return value 10c. each) f. o. b. cars destination named above.

Price on "Atlas" in paper bags, Twenty-five (25) cents per barrel less.

We also quote on "Atlas White" Portland Cement (shipped in paperlined cloth sacks) in mixed carloads with "Atlas."

$— per barrel in 4 cloth bags f. o. b. cars same destination.

We shall be glad to quote you a price f. o. b. destination on carloads of "Atlas White."

[fol. 1774½] It is understood and agreed that in the event of any change in the rates of transportation or delivery charges made effective during the term of this contract or agreement, the price on all shipments thereafter shall be increased or decreased accordingly; provided, however, that the price shall at no time be reduced below that at which the Cement Company at the time of the respective shipments hereunder offers to make current sales at the point of delivery herein specified.

Unless otherwise specified in this quotation, orders tendered in excess of a carload are subject to our acceptance.

This quotation is our present price and will apply only to immediate orders.

Prices for specific work requiring delivery beyond the period covered by this quotation will be quoted you on application. When writing us for price please state the name of the job, location, quantity required and period over which deliveries are wanted.

We hope to be favored with your order.

Yours very truly, The Atlas Portland Cement Company.

Terms, Conditions, and Limitations

Payment: On approved credit 30 days net or 10 cents per barrel discount for payment in full within 10 days from date of invoice, provided there are no overdue accounts unpaid. Payments to be [fol. 1775] made to the office from which invoice is dated in funds payable in that city at par. Original paid freight bills to be sent us promptly for comparison. If purchaser fails to comply with terms

of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts. The credit to be extended under this contract shall be subject to the credit limit placed on the Purchaser's account from time to time by the Cement Company, and if at any time the Purchaser's responsibility shall be or become (in the Cement Company's opinion) impaired or unsatisfactory the Cement Company reserves the right to require payment in advance of shipment, or assurances satisfactory to the Cement Company that bills will be promptly paid when due. It is understood and agreed that payment for each shipment is due and payable separately, in accordance with the terms of sale named in this contract.

Cloth Sacks: The Cement Company will purchase at the price charged on its invoices, only from the Party to whom the sale was made, and not from any Assignee or Trustee, empty cloth sacks bearing its brand and proper identification marks, purchased of the Cement Company, upon their receipt in serviceable condition at the Cement Company's mill if returned within ninety (90) days after their purchase freight prepaid, subject to the Cement Company's inspection and count. Cement Company does not purchase sacks bearing brands other than its own, or sacks that have been wet or are otherwise useless.

[fol. 1775½] Freights: The Cement Company reserves the right to prescribe the route by which shipments shall be forwarded and to make shipments prepaid or collect at its option. In making delivered prices, the Cement Company only guarantees cost at destination, and will not be responsible for shortage or damage occurring in transit.

General: The Purchaser shall not have the right to transfer or sublet this Agreement in whole or in part.

The Purchaser shall give the Cement Company shipping instructions in writing a reasonable time before shipments are to be made, and the Cement Company shall not be responsible for delays in manufacture or shipping cement, caused by Strikes, Accidents, Fires, Breakdowns, Failure of Machinery, Embargoes, Car Shortage, Labor Scarcity, Labor Agitation, Failure to receive Coal from Mines from which the Cement Company secures its supplies of coal, Delays in Transportation, Acts of God, or other causes beyond its control. In any of such events the Cement Company may determine as nearly as practicable the pro rata share of cement of each of its customers after reserving the Cement Company's usual percentage of its shipments for its dealers' warehouse trade, and may limit and reduce shipments hereunder according to such pro rata share of the Purchaser. The Cement Company shall have the right to sell or agree to sell, from time to time, its cement under other agreements and orders, and in the event the Cement Company shall at any time for any cause what-[fol. 1776] soever be unable to make and ship cement in accordance with its agreements and orders, the Cement Company may determine as nearly as practicable the pro rata share of the cement of each of its customers under its agreements and orders after reserving the

Cement Company's usual percentage of its shipments for its dealers' warehouse trade, and may limit and reduce shipments hereunder according to such pro rata share of the Purchaser. The Cement Company shall not be obligated to make up any such limitation or reduction and its determination as to the necessity for prorating and the pro rata share of the purchaser shall be final.

The Purchaser shall, on or about the first day of each month, if requested by and on forms furnished by the Cement Company, correctly inform the Cement Company of the amount of Atlas Portland Cement delivered for or used on the work herein described during the preceding month or months since date hereof.

In case, while this contract is unfulfilled by either party, there shall be another contract between the same parties, for the sale and delivery of cement by the Cement Company, and under such other contract the Purchaser shall be in default, the Cement Company shall be under no obligation to make shipments under this contract while such default exists, and for such default the Cement Company shall have the right to demand cash payments hereunder or to cancel this contract without affecting the obligation of the Purchaser on any unpaid accounts. "Atlas" Portland Cement to be furnished hereunder is when shipped to conform in every respect to [fol. 1776½] specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but the Cement Company cannot be responsible for improper use of cement, therefore Cement Company will not guarantee finished work.

[fol. 1777] GOVT. EX. No. 612

Allentown Portland Cement Co.

Allentown, Pennsylvania

Allentown, Pa.

Trade Quotation Used Since Jan. 1, 1921

To —— ——:

Subject to the terms and conditions named below and on the reverse side of this sheet, all of which are hereby declared to have been read and assented to by the purchaser, and to be a part of any contract resulting from this Quotation, the same as if they had been fully expressed therein, we quote, f. o. b. cars, our work's siding, Evansville, Berks Co., Pa., with wreight allowed to ——, Allentown Portland Cement in 4 cloth sacks at $— per standard barrel; in 4 paper sacks at $— per standard barrel, including packages in which the cement is shipped.

This Quotation shall be null and void unless written acceptance is made by you immediately, and is subject to our prior withdrawal or

[fol. 1777½] change as to price, quantity, delivery or otherwise. It does not contemplate and is not intended to cover delivery for any specific work. Prices for specific work requiring deliveries beyond 15 days will be quoted on application. Unless otherwise agreed, this Quotation is limited to one carload of cement and applies only on shipments billed to and unloaded at destination specified, for shipment within 15 days from even date.

The price named is subject to change in the price of bags, as may become the custom of the trade. The change, however, affecting this Quotation will not affect the net price, as we will re-purchase bags at the same price as we charge for them.

We will credit or pay to original purchaser — cents each for empty cloth cement sacks purchased of us, bearing our brand or proper identification mark, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection, count and acceptance. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise damaged or useless; all such bags received by us will be returned to you, at your expense, or held only for a rasonable time, subject to your order.

Allentown Portland Cement Company. Sales Department.

1. Warranty.—Allentown Portland Cement to be furnished hereunder shall, when shipped, conform in every respect to the specifi- [fol. 1778] cations then prescribed or adopted by the United States Government, or to the Standard Specifications for Portland Cement of the American Society for Testing Materials, when tested by methods of testing recommended by the American Society of Civil Engineers. We are not responsible for the improper use of our cement or for the finished work or for any damages resulting from its use, in any respect or to any extent whatsoever, any and all such claims being waived by the purchaser by the acceptance of this Quotation.

II. Settlements.—Terms of payment and due date of invoices are 30 days net from date of invoice, in cash, at our office at Allentown, Pa. A discount of 10 cents a barrel will be allowed for payment in full within 10 days from date of invoice, accompanied by original paid freight bills, which shall be delivered and belong to us when payment is made. All orders are subject to our approval of purchaser's credit. If, at any time, the purchaser's credit or responsibility, in our opinion, shall be or become impaired or unsatisfactory, or if the purchaser fails to comply with any of the terms of payment or with any other terms of this contract, we shall have the right, at our option (on one day's written notice) to suspend or cancel deliveries or to require cash payments in advance, or to require security satisfactory to us for all payments due or to become [fol. 1778½] due from the purchaser hereunder.

III. Deliveries.—We reserve the right to direct the route by which all shipments shall be forwarded. All railroad demurrage, car serv-

ice and terminal charges at destination, shall be settled for and borne by purchaser.

In making delivered prices, we guarantee only cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to the Railroad Company on cars at our mill. Railroad Company's bills of lading or receipt shall be conclusive as to quantity and good condition of both cement and package when loaded on car.

We shall not be liable for any delays in manufacturing, shipping or delivery, caused by strikes, accidents, delays of carriers, embargoes and other causes unavoidable or beyond our control. In the event of any such contingency, we shall have the right to pro-rate or apportion shipments to and among our customers, according to unfilled orders then on our books, such cement as we may then be able to manufacture and ship.

IV. Miscellaneous.—Prices herein quoted are subject to any increase or decrease in freight rates from those now in effect, and also to any advances equal to any taxes assessed against the cost of transportation, the sale of the goods, or otherwise, all of which shall be assumed and paid by the purchaser as part of the purchase price.

Allentown Portland Cement Company.

[fol. 1779] GOVT. Ex. No. 613

Bath Portland Cement Co.

Works: Bath, Pa.; General Offices: Finance Building, Philadelphia

New York Office: 50 E. 42nd Street

We take pleasure in quoting you on Bath Portland Cement delivered in carload lots F. O. B. cars, in cloth sacks, $— per standard barrel, including four (4) sacks; in paper bags, — cents per barrel less than cloth price. Paper bags are not returnable.

We take pleasure in quoting you on Medusa White Portland Cement, delivered in mixed carload lots F. O. B. cars same destination as specified above, in cloth sacks, $— per standard barrel, including four (4) sacks.

Prices quoted are for immediate acceptance; shipment to be made within fifteen days from date of order.

Quantity not to exceed one car unless otherwise agreed to.

This quotation is subject to change without notice, and is not binding until orders have been accepted in writing by this Company.

[fol. 1779½] Prices for specific work, requiring delivery beyond fifteen days, will be quoted *on* upon request.

This quotation is subject to terms and conditions on both sides hereof.

Yours very truly, Bath Portland Cement Co.

(Reverse)

Terms of Payment.—Thirty days net from date of invoice, or — cents per barrel discount for cash in ten days in full from date of invoice. Orders accepted subject to approved credit. Payments to be made in cash or equivalent at our office, Philadelphia, Pa. If the financial responsibility of the buyer is or becomes impaired or unsatisfactory to us, security must be given by the buyer or cash payments with the above discount allowed must be made before shipment. If the buyer fails to comply with the terms of payment or with any of the other terms of sale, we reserve the right to cancel any unfilled portion of any contract or order without notice, the buyer remaining liable for all unpaid accounts.

Shortage or Damage.—In making delivered prices we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to the railroad company in cars at our mills. The railroad company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars. We will not be responsible for breakage and resultant loss when shipments are made in paper sacks.

[fol. 1780] Freight Charges: When cement is sold at a delivered price freight charges will be deducted from all invoices, and are to be paid by the buyer at destination, excepting on shipments to prepaid points. This quotation is based on present freight rates; the buyer to have the benefit of any reduction and be liable for any advance in freight rates. We reserve the right to prescribe the routing by which shiments shall be forwarded. We are not responsible for delays in transit, railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Sacks: We will pay the original purchaser — cents each for empty cloth sacks purchased from us bearing our brand on their receipt in serviceable condition at our mill if returned within ninety days after their purchase, freight charges prepaid, subject to our count and inspection. Rejected sacks may be destroyed or otherwise disposed of by this Company without liability, unless they are removed by original purchaser within ten days after notice of rejection. There is no return value for paper sacks.

Strikes: All orders and contracts are accepted subject to strikes, including coal strikes in either the anthracite or bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond the control of either ourselves or the buyer, and said causes shall, during their existence excuse either party from the performance of an order or a contract, and operate as a proportionate rescission thereof, provided prompt [fol. 1780½] notice shall be given by the party suffering from such disability to the other party in writing, specifying the cause, otherwise this agreement shall remain in full force and effect.

Specifications: Bath Portland Cement to be furnished hereunder is to conform in every respect to specifications of the United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Bath Portland Cement Co.

[fol. 1781] GOVT. EX. NO. 614

Periodical Quotation

Saylor's Portland Cement

Coplay Cement Manufacturing Co.

Mills: Coplay, Lehigh County, Pa.

General Sales Office: 200 Fifth Avenue, New York, New York

Widener Building, Philadelphia

We quote, for shipment within fifteen (15) days from date of order, subject to change without notice, and to terms, conditions and limitations on reverse side hereof, on "Saylor's" Portland Cement:

In carload lots, f. o. b. cars —; in cloth sacks, $— per standard barrel (376 lbs. net), including four (4) sacks; in paper sacks, — cents less than cloth price; in boat lots of —, —; in cloth sacks, $— per standard barrel (376 lbs. net), including four (4) sacks.

Price on White Portland Cement will be quoted upon application.

[fol. 1781½] This quotation is our present price and applies only to immediate orders for one carload of cement, unless otherwise agreed in the foregoing.

Prices for specific work requiring deliveries beyond the period covered by this quotation will be quoted you on application, which should state the operation, the location and the actual quantity required.

Yours respectfully, Coplay Cement Manufacturing Co.

First Portland Cement Manufactured in America.

Terms, Conditions, and Limitations

Payment: Thirty days net; 10 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Coplay, Pa. When delivered prices are made and shipments are forwarded freight collect, original paid freight bills are to be sent us promptly for credit.

Orders are subject to approved credit, and if at any time pur-

chaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Shipments, Demurrage, etc.: In making delivered prices, we only guarantee cost at destination and we will not be responsible for shortage, damage or delay occurring in transit. Our responsibility [fol. 1782] ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We reserve the right to prescribe routing by which shipments shall be forwarded. The purchaser to have the benefit of any reduction and be liable for any increase in freight rates or taxes.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. While we will endeavor to make shipment on date specified by customer, we do not guarantee to ship on such date. All demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Sacks: We will pay to original purchaser 10 cents each for empty cloth cement bags purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Strikes, etc.: All orders and contracts are accepted subject to con- [fol. 1782½] tingencies of manufacturing and shipping and to strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car shortage, embargoes or other contingencies beyond our control.

Specification: "Saylor's" Portland Cement to be furnished hereunder is to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing materials when tested by methods of testing recommended by the American Society for Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Coplay Cement Manufacturing Co.

[fol. 1783] Govt. Ex. No. 615

Trade Quotation

Dexter Portland Cement Company,

Nazareth, Pa.

103 Park Ave., New York City. Land Title Building, Philadelphia

We quote, for shipment within fifteen (15) days from date of order, in carload, f. o. b. —, subject to change without notice, and to terms, conditions and limitation on reverse side hereof:

Dexter Portland Cement, in 4 cloth bags, at — per standard bbl. of 376 lbs. net.

Price in paper bags 25¢ per bbl. less than in cloth bags.

Price in bulk 40¢ per bbl. less than in cloth bags.

White—Dexter Portland Cement in cloth bags at — per bbl., loaded in cars with Dexter so as to make full carload.

This quotation is our present price and applies only to immediate orders.

Prices for Specific work requiring deliveries beyond 15 days should [fol. 1783½] be applied for with description of the job, location and number of barrels required to complete the work.

Yours respectfully, Dexter Portland Cement Company.
—— ——, Manager of Sales.

[Over.]

Terms, Conditions and Limitations

Payment

1. Ten Cents (10¢) per barrel discount for full payment in cash or equivalent at our office, Nazareth, Pa., within ten days from date of invoice, provided the purchaser has satisfied all past due prior indebtedness to us.

2. In cash or equivalent at our office, Nazareth, Pa., within 30 days from date of invoice less credits issued.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bill will be promptly paid when due.

[fol. 1784] Bags

We will repurchase from the original purchaser at 10¢ each Dexter cloth cement bags on their receipt in serviceable condition at

our Mill, if returned within 60 days after their purchase, freight prepaid to Nazareth, Pa., subject to our inspection and count. We do not purchase bags bearing brands other than our own, or bags that have been wet or are otherwise useless.

Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Quantity

Unless otherwise agreed, the quotation on reverse side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Shipping Instructions

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made.

Contingencies

[fol. 1784½] All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit.

Specifications

"Dexter" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Guarantee

A test sheet signed by our chemist will be sent to each purchaser as evidence of our compliance with the above guarantee.

Dexter Portland Cement Company.

[fol. 1785] GOVT. EX. NO. 616

Edison Portland Cement Co.

Annual Capacity Over 2,000,000 Barrels

8 West 40th St., New York City

We quote you on Edison Portland Cement, delivered in carload lots f. o. b. cars station named above, as follows:

In cloth sacks $— per standard barrel (376 lbs. net), including four (4) sacks; in paper bags — cents per barrel less than cloth price.

Terms of Payment: On approved credit, net thirty days, or ten cents (10¢) per barrel discount for payment in full, including sack deposit, within ten days from date of invoice.

This quotation is subject to the terms and conditions appearing on both sides hereof.

This quotation is for immediate acceptance.

Shipments to be made within 15 days from date of order.

The quantity is limited to one carload, unless otherwise agreed to.

Should you desire prices for specific work requiring delivery beyond 15 days, we shall quote you on receipt of detailed information.

Yours very truly, Edison Portland Cement Co.

[fol. 1785½] (Reverse Side)

Credit: If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts. Orders are approvable as to credit at Home Office of the Cement Company, New York, N. Y., and if at any time the purchaser's financial responsibility shall be deemed unsatisfactory to the Cement Company, it may require approved security or demand cash payment, and pending same may withhold shipment, and if within a reasonable time, in the judgment of the Cement Company, such cash or approved security has not been furnished, the Cement Company may declare the order or contract cancelled.

Delivery: In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit; our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and package when loaded in cars. All railroad and lighterage demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Package: Cloth sacks bearing "Edison" brand, in which cement is packed, are the property of Cement Company, and are for a period of ninety (90) days from the delivery by Cement Company of the [fol. 1786] said cement, leased by it to Purchaser at a charge of ten (10) cents each, which charge is included in price for cement packed

in cloth sacks and which charge Purchaser agrees to pay at same time and on same terms as payment for cement is made.

Purchaser agrees within ninety (90) days of delivery of the cement, to deliver to Cement Company, the owner, at its plant at New Village, New Jersey, freight prepaid, properly bundled and so marked as to insure complete identification, the sacks bearing "Edison" brand in which the said cement is packed, and Cement Company agrees to refund to Purchaser ten (10) cents for each said sack so delivered in good condition subject to its count and inspection.

For useless sacks, or sacks which have been wet, no refund will be made. Foreign sacks will be held by Cement Company for thirty (30) days subject to Purchaser's order.

In the event that any of the said empty sacks bearing "Edison" brand are sold or otherwise disposed of to any person other than Cement Company, the owner, Purchaser agrees to pay Cement Company, as liquidated damages, five (5) cents for each sack so sold or disposed of.

Price on cement packed in paper bags includes the paper bags, which are not returnable.

Shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

Claims for loss or damage will not be considered unless supported by seal record and railroad agent's acknowledgment on freight bill. [fol. 1786½] Freight over-charge claims must be accompanied by original receipted freight bill.

Date of Shipment: Orders entered for shipment on a specific date will at our option be shipped on that date unless sooner ordered out by Puschaser. Purchaser shall give the Cement Company shipping instructions a reasonable time before shipments are to be made, and the Cement Company shall not be responsible for delays in manufacturing or shipping cement caused by strikes, differences with workmen, accidents at its works, inability to secure cars, coal or other material or other contingencies not under its control, nor for any delays in transportation.

Specifications: The cement is, when shipped, to conform in every respect to specification of the United States Government for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers. This Company cannot be responsible for improper use of cement and, therefore, will not guarantee finished work.

[fol. 1787] Govt. Ex. No. 617

Giant Portland Cement Company

Main Office: 603-610 Pennsylvania Building, Philadelphia, Pa.

New York Office: 30 Church Street

Trade Quotation

December 2, 1920.

E. M. Rodrock Co., Paterson, N. J.

Dear Sir: We quote, based upon present freight rate, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, in carloads F. O. B. Station named above:

Giant Portland Cement in 4 paper sacks $3.13; 4 cloth sacks, 3.83 per standard bbl.

Price in cloth sacks includes sacks at 25¢ *cents* each.

[fol. 1787½] Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of work.

Yours respectfully, Giant Portland Cement Company. S. N. Peters, General Sales Manager. B.

Terms, Conditions, and Limitations

Payment: 30 days net: 10 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia, Pa. Original paid freight bills to be sent us promptly for credit.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes impaired or unsatisfactory to us, we reserve the right to require payment in advance or satisfactory guarantee that bills will be promptly paid when due.

In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our Mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded on cars.

We will pay to original purchaser the amount per cloth sack [fol. 1788] included in price invoiced for sacks purchased of us under this quotation, bearing our brand, on their receipt in serviceable condition at our mill, Egypt, Lehigh County, Penna., Ironton Railroad delivery, freight prepaid, if returned within 90 days after their purchase, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Unless otherwise agreed, the quotation on reverse side is limited

to one carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless ordered out earlier by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

All deliveries are subject to unavoidable delays in manufacture or shipping, due to strikes, differences with employees, scarcity of labor, accidents, inability to secure cars, coal or material, fire, flood, warfare, acts of the public enemy, regulation or control of any State or of the United States, or of any public authority or agency thereof, or any cause beyond our control. Any such cause shall, during its continuance, excuse performance on our part, and shall operate as a proportionate rescission of this agreement, unless otherwise expressly agreed; provided that prompt notice be given to the buyer, of the fact and cause of delay.

[fol. 1788½] Giant Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Giant Portland Cement Company.

[fol. 1789] Govt. Ex. No. 618

Glens Falls Portland Cement Co.,

Manufacturers "Iron Clad" Portland Cement

Glens Falls, N. Y.

We quote for immediate acceptance, subject to change without notice, shipment within fifteen (15) days from date of order, acceptance of order in writing by this Company, and to terms, conditions and limitations on the reverse side hereof, in carloads, f. o. b. station named above, Iron Clad Portland cement in 4 cloth bags at — per standard bbl.; in paper bags twenty-five cents per barrel less than cloth price.

The prices on cement stated herein are based on the freight rates in effect at the present time and are subject to advance or reduction as the freight rates may be advanced or reduced. These prices will be advanced to the extent of any additional war taxes, on transportation charges on cement, imposed by the Government.

Unless otherwise agreed, this quotation is limited to one carload of cement and applies only on shipments billed to and unloaded at point of delivery specified.

[fol. 1789½] This quotation is based upon today's market and is applicable to immediate orders only

Prices for specific work requiring deliveries beyond 15 days will be quoted upon application accompanied by full information and description of the work.

Yours respectfully, Glens Falls Portland Cement Company, by —— ——.

Terms, Conditions, and Limitations

Terms of Payment: 30 days net; 10 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Glens Falls, N. Y. Original paid freight bills to be sent us promptly for comparison.

Bags must be paid for at same time as cement.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or become, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Claims: All claims for shortage or damage must be made within five (5) days after receipt of shipment. Claims must be accom- [fol. 1790] panied by the shipping card which is sent in each car, and must be verified by notation, on the paid Freight Voucher, by the Freight Agent at the receiving station.

Bags: Cement Company will purchase empty cloth bags bearing "Iron Clad" brand, from the original purchaser only, and not from any assignee or trustee, at 10 cents each upon their receipt at its Works, in good condition, subject to its count and inspection. Empty bags must be returned within 90 days to the Glens Falls Portland Cement Company, Glens Falls, N. Y., freight prepaid, and must be properly packed and so marked as to insure complete identification.

The Cement Company does not purchase useless bags, or bags that have been wet.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Shipments: Order entered for shipment on a specific date will at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will

not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed [fols. 1790½-1792] or delayed, we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted and shall from time to time accept, other orders and contracts so as to have a market for our estimated output of cement under normal conditions; therefore, in the event we shall at any time, because of any such contingency, be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly, and there shall be no liability on our part for the reduction so made.

Specifications: "Iron Clad" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of cement, therefore we will not guarantee finished work.

Glens Falls Portland Cement Company.

[fol. 1793] Govt. Ex. No. 619

Hercules Cement Corporation

New York

Dear Sir: We are pleased to quote you for shipment within fifteen (15) days from date of order, in carloads f. o. b. ——, subject to terms, conditions and limitations on the reverse side hereof, Hercules Portland Cement in cloth sacks at $— per standard bbl., including package, which price is subject to change without notice and for immediate acceptance only.

Price in paper sacks — cents per barrel less than in cloth.

Price for specific work requiring deliveries beyond the period covered by this quotation will be quoted you on application, which should state the name of the job, location and estimated quantity required to complete work.

Yours respectfully, Hercules Cement Corporation, by ——
——, Sales Manager.

[fol. 1793½] Terms, Conditions, and Limitations

Terms of Payment: On approved credit, net cash in 30 days, or 10 cents per barrel discount for payment in full within 10 days from

date of invoice, provided all then prior existing indebtedness shall have been satisfied. Sacks must be paid for at the same time as Cement.

Sacks: We will re-purchase at — cents each the empty cloth sacks bearing Hercules brand which are received by us in good condition, freight prepaid, at our Works at Hercules, Pa., within 90 days from date of shipment of Cement.

Quantity: Unless otherwise agreed the quotation on reverse side is limited to one carload of Cement—applying only on shipments billed to and unloaded at point of delivery specified.

Routing and Terminals: We shall have the right to direct the route by which shipments under this quotation shall be forwarded. The demurrage, car service and terminal charges imposed at destination shall be settled for and borne by consignee.

Contingencies: We shall not be liable for delays in manufacture or shipping caused by strikes, scarcity of labor, accident to plant or machinery, inability to secure cars, coal or material, fire, flood, warfare, acts of God, or other causes not under our control; neither [fol. 1794] shall we be liable for delays in transportation.

Specifications: The Hercules Cement to be furnished under this quotation is guaranteed to conform in every respect to standard specifications for Portland Cement, C 9-17 of the American Society for Testing Material.

Hercules Cement Corporation.

[fol. 1794½] Govt. Ex. No. 620

Knickerbocker Portland Cement Company, Inc.

New York City

August 12, 1919.

Windsor Cement Company, Hartford, Conn.

Gentlemen: Replying to your favor of August 7th we quote you $2.94 per barrel on Knickerbocker Portland Cement in cloth sacks, carload lots, delivered f. o. b. cars Hartford, Conn.

The price quoted is subject to terms and other conditions noted on the reverse of this sheet, with the exception that empty cloth sacks will be redeemed at 15¢ each instead of 10¢ as mentioned, and covers the Cement requirements of the new store for the Albert Teiger Co.

We sincerely trust you will be able to furnish Knickerbocker for this work, and await your further pleasure in the matter.

Very truly yours, Knickerbocker Portland Cement Company Inc. W. M. Floring, Sales Department. WMF:CMB.

[fol. 1795] Terms of Payment: Net cash in 30 days, or five cents (5c.) per barrel discount for cash in ten days from date of invoice, not from date of delivery, on approved credit. Freight charges are

to be paid by purchaser and when delivered price is made, original paid expense bill mailed to Cement Company promptly for credit. All bills payable in New York or Boston exchange, at 30 East 42nd Street, N. Y. City.

If at any time the financial responsibility of the purchaser becomes impaired or unsatisfactory, Cement Company reserves the right to require payments in advance or satisfactory security or guarantee that invoices will be promptly paid when due.

If Purchaser fails to comply with terms of payment or with any of the other terms of sale, Cement Company reserves the right to cancel unfilled portion of any contract or order, Purchaser remaining liable for all unpaid accounts.

Packages: A barrel of Knickerbocker Portland Cement when packed in wood weighs 400 pounds gross. When packed in cloth or paper sacks, there are four to barrel, each weighing 94 pounds net.

Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Cement Company will purchase empty cloth sacks bearing Knickerbocker Portland Cement Company's brand, from original Purchaser only, at ten cents (10c.) each, on receipt at its works in good condition subject to its count and inspection. Empty sacks must be returned within ninety (90) days to the Knickerbocker [fol. 1795½] Portland Cement Company, Hudson Upper, N. Y., freight prepaid, properly packed and so marked as to insure complete identification.

Transportation: Cement Company reserves the right to control the routing of all shipments. Purchaser agrees to give the Cement Company shipping instructions a reasonable time before shipments are to be made. Cement Company or Purchaser shall not be responsible for delays due to the existence of war, strikes, lockouts, scarcity of labor, accidents, inability to secure cars, coal or material, transportation delays, fire, flood, acts of God, or other causes beyond the control of either the Cement Company or the Purchaser, preventing or interfering with the production, shipment or use of all or any part of the cement herein referred to.

Cement Company shall not be held responsible for shortage or damage to cement or packages occurring in transit. Transportation Company's Bill of Lading shall be conclusive as to quantity, also as to cement and packages being in good condition when loaded at Cement Company's factory.

Freight Rates: In case freight rates affecting transportation of any part of the cement covered hereby shall be increased or decreased, the price named shall be advanced or decreased accordingly.

Specifications: Knickerbocker Portland Cement is guaranteed to meet the requirements of the Standard Specifications for Portland Cement adopted by the American Society for Testing Materials. Cement Company will not be responsible for the improper use of cement, therefore will not guarantee finished work.

[fol. 1796] Govt. Ex. No. 621

The Lawrence Cement Company

Dragon Portland Cement

No. 1 Broadway, New York

March 27, 1917.

James P. Hall, Inc., Jersey City, N. J.

Dear Sirs: The fulfillment of any agreement herein expressed must be contingent upon Strikes, Accidents, Delays of Carriers, and other delays beyond our control; and quotations not limited by date of option may be revised by us without notice.

For immediate acceptance and shipment within fifteen days we quote you on carload of "Dragon" Portland Cement $2.06 per barrel in cotton sacks f. o. b. Jersey City, N. J.

[fol. 1796½] Shipment in paper bags twenty-five cents per barrel less than the price in cotton.

This quotation is subject to 5c per barrel discount for cash in 10 days or net 30 days. Usual allowance of 10c each for good cotton sacks returned to our mill, freight prepaid.

Soliciting the favor of your acceptance, we are

Very truly yours, F. H. Smith, Sales Manager.

[fol. 1797] Govt. Ex. No. 622

Lehigh Portland Cement Co.

Allentown, Pa.

Annual Capacity Over 15,000,000 Barrels

We take pleasure in quoting you on Lehigh Portland Cement, delivered in carload lots F. O. B. cars your station, in cloth sacks, $— per standard barrel, including four (4) sacks; in paper bags, — cents per barrel less than cloth.

Prices for immediate acceptance.

These shipments to be made within fifteen (15) days from date of order.

Quantity not to exceed one car unless otherwise agreed to.

This quotation is subject to change without notice and is not binding until orders have been accepted in writing by this Company.

Prices for specific work, requiring delivery beyond fifteen days, will be quoted upon application accompanied by full information and detailed description of work.

Terms: On approved credit, net thirty days, or ten cents (10c) per barrel discount for payment in full including sacks within ten days from date of invoice.

[fol. 1797½] This quotation is subject to terms, conditions and limitations on both sides hereof.

Yours very truly, Lehigh Portland Cement Co. B. L. Swett, Eastern Sales Manager.

Terms: If purchaser fails to comply with terms of payment or with any of the other terms of sale we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Credit: Orders are approvable as to credit and if at any time the purchaser's financial responsibility shall be deemed unsatisfactory to the Cement Company, it may require approved security or demand cash payment, and pending same may withhold shipment, and if within a reasonable time, in the judgment of the Cement Company, such cash or approved security has not been furnished, the Cement Company may declare the order or contract cancelled.

Delivery: In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occuring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and package when loaded in cars.

[fol. 1798] Sacks: Price of cloth sacks is included in invoice, which must be paid without deduction. We will pay to original purchaser 10 cents each for empty cloth cement sacks bearing our brand, on their receipt in serviceable condition at our mills at West Coplay or New Castle, Penna., or Fordwick, Va., if returned within ninety days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless. Rejected or foreign sacks will be held at owner's risk, subject to his order, for thirty days only.

Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

Date of Shipment: Orders entered for shipment on a specific date will at our option be shipped on that date unless sooner ordered out by purchaser.

Routing: We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Delays: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise whereby production or shipments are curtailed or delayed, [fol. 1798½] we reserve the right to prorate our shipments of cement to all purchasers of record at such time. In addition to orders or contracts accepted hereunder, we may have accepted and shall from

time arise whereby production or shipments are curtailed or delayed, for our entire estimated output of cement under normal conditions. Therefore, in the event we shall at any time or for any cause be unable to deliver to all our customers the entire quantity of cement required and called for by all of our contracts then in force, the total of our production then available shall be applied prorata on all of said contracts, according to their requirements respectively, and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on our part for the reduction so made.

Specifications: Lehigh Portland Cement is guaranteed to meet the requirements of the standard specifications adopted by the American Society for Testing Materials. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

[fol. 1799] Govt. Ex. No. 623

Periodical Quotation

Nazareth Cement Company

1270 Broadway, New York, N. Y.

Messrs. —— ——:

We quote, for shipment within fifteen (15) days from date of order, in carloads, f. o. b., subject to change without notice, and to terms, conditions and limitations on reverse side hereof, Nazareth Portland Cement in 4 cloth sacks at $— per standard bbl. (376 lbs. net); Nazareth Portland Cement in 4 paper bags, $— per standard bbl., including the bags; Nazareth Portland Cement in bulk, $.45 per barrel less than cloth price.

This quotation is our present price and applies only to immediate orders.

[fol. 1799½] The prices on cement stated herein are based on the freight rates and transportation charges to destination named in effect at the present time, and are subject to advance or reduction as said charges may be advanced or reduced. These prices will be advanced to the extent of any additional war taxes imposed by the Government on transportation charges or otherwise.

Prices for specific work requiring deliveries beyond the period covered by this quotation will be quoted you on application, which should state the name of the job, location and actual quantity (more or less within 10 per cent) required to complete such specified job.

Payment.

Respectfully yours, Nazareth Cement Co.

Terms, Agreements and Limitations

Thirty days net; 5 cents per barrel discount for payment in full within 10 days from date of invoice. Payment to be made in cash or equivalent at our office, Nazareth, Pa.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for [fol. 1800] all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

Sacks: When shipped in cloth sacks, the sacks are not sold but remain the property of the Nazareth Cement Company as the prices quoted herein are on cement only. These sacks must not be sold or used other than as containers of Nazareth Portland Cement. The purchaser agrees to return said sacks to us, freight charges prepaid, within ninety (90) days from date of shipment of the cement by us. Upon their receipt at our mill and after our inspection and count a rebate of 10c for each serviceable sack will be allowed by us from the invoice price of the cement. We will not accept for rebate sacks bearing brand other than our own or sacks that have [fol. 1800½] been wet or are otherwise useless. Such sacks may be destroyed or otherwise disposed of by this company without liability unless they are removed by the shipper within thirty (30) days after notice of rejection. Paper bags are not returnable for rebate. Shipments in paper bags are made at Purchaser's risk of breakage and resultant loss of cement.

Quantity: Unless otherwise agreed the quotations on reverse side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Strikes, etc.: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

[fol. 1801] Specifications: "Nazareth" Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for

Testing Materials when tested by methods of testing recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Nazareth Cement Company.

[fol. 1801½] Govt. Ex. No. 624

Penn-Allen Cement Company

Allentown, Pa.

We take pleasure in quoting you on Penn-Allen Portland Cement, delivered in carload lots, f. o. b. cars ——, shipments to be made within fifteen (15) days from date of order, in cloth sacks, $— per standard barrel, including four (4) sacks; in paper sacks, $— per standard barrel, including four (4) sacks.

Prices for immediate acceptance.

Quantity not to exceed one car unless otherwise agreed to.

This quotation is subject to change without notice and to terms, conditions and limitations on both sides hereof.

Terms: On approved credit, net thirty days, or ten (10) cents per barrel discount for payment in full including sacks within ten days from date of invoice.

Prices for specific work requiring delivery beyond fifteen days will be quoted upon application accompanied by full information and detailed description of work.

Very truly yours, Penn-Allen Cement Company. T. O. Bretherton, General Sales Manager.

[fol. 1802] Terms: If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Credit: Orders are subject to approved credit, and if at any time the purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance, and pending the same may withhold shipment and if within a reasonable time in the judgment of this Company such cash or approved credit has not been furnished, we may declare the order or contract cancelled.

Loss or Damage: In making delivered prices we only guarantee cost at destination and will not be responsible for shortage or damage occurring in transit. Our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bill of lading shall be conclusive as to quantity and good condition of both cement and packages when loaded in the cars.

Sacks: Price of cloth sacks is included in invoice, which must be paid without deduction. We will pay to the original purchaser 10

cents each for empty cloth sacks bearing our brand, on their receipt [fol. 1802½] in serviceable condition at our mill, if returned within ninety days after their purchase, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or are otherwise useless. Rejected or foreign sacks will be held at owner's risk, subject to his order for thirty days only. Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

Routing: We reserve the right to prescribe routing by which the shipment shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled and borne by the purchaser.

Delays: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. We will not be responsible for delays in transit. All orders and contracts are accepted subject to strikes, including coal strikes in either the Anthracite or Bituminous coal regions, differences with employees, accidents to machinery, fire, flood, car famine or other contingencies beyond control of etiher buyer or seller. Therefore, in the event we shall at any time or for any cause be unable to deliver to our customers the entire quantity of cement required and called for by all our contracts then in force, the total of our production then available shall be applied pro rata on all of said contracts according to their require- [fol. 1803] ments respectively and the amount deliverable on each contract may be reduced accordingly and there shall be no liability on our part for the reduction so made.

Specification: Penn-Allen Portland cement is guaranteed to meet the requirements of the Standard Specifications for cement of the American Society for Testing Materials, serial designation C-9-17. We cannot be responsible for improper use of cement and therefore will not guarantee finished work.

[fol. 1803½] Govt. Ex. No. 625

Periodical Quotation

Phœnix Portland Cement Company

Philadelphia, Pa.

Charles H. Cox, General Sales Manager

We quote for shipment within fifteen (15) days from date of order, in carloads, F. O. B., subject to terms, conditions, and limitations on reverse side hereof; Phœnix Portland Cement, in 4 cloth sacks, at — per standard bbl., including sacks; Phœnix Portland Cement, in 4 paper bags, at — per standard bbl., including bags.

This quotation is our present price and applies only to immediate orders.

Prices for specific work requiring deliveries beyond the period cov-

ered by this quotation will be quoted you on application, which should state the name of the job, location and actual quantity (more or less within 10 per cent) required to complete such specified job.

Yours respectfully, Phœnix Portland Cement Company, by —— ——, General Sales Manager.

[fol. 1804] Terms, Conditions, and Limitations

Payment: Thirty days net; 10 cents per barrel discount for payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia. Original paid freight bills to be sent us promptly for comparison.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portions of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

Sacks: We will pay to original purchaser 10 cents each for empty cloth cement sacks purchased of us, bearing our brand, on their receipt in serviceable condition at our Mill, if returned within 90 [fol. 1804½] days after their purchase, freight prepaid, subject to our inspection and count, and Cement Company's Credit Memorandum mailed to the buyer to be conclusive as to the number and quality of sacks repurchased. We do not purchase sacks bearing brands other than our own, or sacks that have been wet or are otherwise useless.

Rejected sacks may be destroyed or otherwise disposed of by this Company without liability unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at purchaser's risk of breakage and resultant loss of cement.

Quantity: Unless otherwise agreed, the quotations on reverve side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

Strikes, etc: The purchaser shall give us shipping instructions in

writing a reasonable time before shipments are to be made. All [fol. 1805] orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

Specifications: Phœnix Portland Cement to be furnished hereunder is, when shipped, to conform in every respect to specifications of the United States Government or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials when tested by methods recommended by the American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Price includes freight at present rates and will be increased to cover any advance in freight rates at any time during the life of this contract, or any tax charge upon them.

Phœnix Portland Cement Company.

[fol. 1805½] Govt. Ex. No. 626

Security Cement & Lime Company

Hagerstown, Md.

Periodical Quotation

Canceling prior quotations, for immediate acceptance and shipment within fifteen (15) days from this date f.o.b. car your station, subject to change without notice, and to terms, conditions and limitations on both sides hereof, we quote you on one (1) car-load of—

Price

$—for Security Portland Cement, per standard barrel, in 4 cloth sacks bearing "Security" copyrighted trademark.

$— for Security Portland Cement, per standard barrel, in 4 paper bags bearing "Security" copyrighted trademark.

$— for Security Portland Cement, per standard barrel of 376lbs., in bulk without any package or trademark.

Terms of Payment: Net cash in thirty (30) days; or ten (10) cents per barrel discount for payment of invoice in full within ten [fol. 1806] (10) days from date of shipment, provided there are no overdue accounts unpaid; payments to be made in cash funds at Seller's office, Hagerstown, Md., without any deductions for package or other allowances unless Buyer has Seller's credit memorandum for same.

Freight: This price includes freight and taxes thereon at present rates, and will vary, up or down with any change in freight rates,

taxes, or other charges affecting cost of transportation or delivery at any time during the life of this contract.

Prices for specific work requiring deliveries beyond fifteen (15) days from this date will be quoted you upon application, accompanied by detailed information regarding quantity and time of delivery.

Very truly, Security Cement & Lime Company.

For other clauses, which are part of this quotation, see other side.

Other Terms, Conditions, and Limitations Covering This Quotation

Quantity and Orders: In addition to order accepted hereunder, Seller may have accepted, and may from time to time continue to [fol. 1806½] accept, other orders and contracts so as to have a market for Seller's entire estimated output of cement under normal conditions.

This quotation is subject to contingencies of manufacturing and shipping, including strikes, lockouts, labor disputes (whether at Seller's mills or at the mills or mines of persons or corporations who are furnishing Seller with materials necessary in the manufacture of cement), delays or deficiency in transportation facilities, floods, fires, warfare, acts of public enemy, governmental restrictions, inability to secure sufficient labor, scarcity of coal, packages, or other materials, and any cause or causes beyond the control of either Buyer or Seller, and said cause or causes shall during their existence excuse either party from the performance of this contract and shall operate as a proportionate rescission thereof. Should production or shipments be curtailed or delayed at any time, due to such contingencies or causes, Seller reserves the right to prorate shipments to all purchasers of record at such time on the basis of tonnage available, or which it may have on hand or produce, and the amount deliverable to each may be reduced accordingly, and there shall be no liability on Seller's part for the reduction so made. Seller may, at its option, supply said cement requirements from other sources, but shall not be obligated to do so.

Routing: Seller reserves the right, at its option, to change and [fol. 1807] direct the route via which shipments hereunder shall be forwarded, and to make shipments prepaid or collect.

Loss or Damage: In making a delivered price at destination, Seller only guarantees cost to Buyer at destination and will not be responsible for shortage of, or damage to, either cement or packages occurring in transit.

Seller's invoiced quantities supported by railroad company's bill of lading shall be the basis for settlement by Buyer and conclusive as to the quantity and good condition of cement and package when loaded on cars at Seller's plant.

All railroad demurrage, car service and other terminal charges imposed at destination shall be borne and paid for by Buyers.

While assuming no responsibility for loss or damage after delivery of cement to carrier f. o. b. cars Seller's plant, Seller agrees to assist Buyer, so far as is reasonable, in securing payment from the

transportation companies of all proper claims for such loss or damage.

Claims: All claims of either of the parties hereto against the other in any manner growing out of his contract shall be made in writing and filed by the party aggrieved with the other party hereto within ten (10) days after acquiring the knowledge upon which the claim is based, and, in any event, within thirty (30) days after [fol. 1807½] the final date fixed for delivery of cement hereunder, and failure to so file said claim within said time limits shall be regarded as a complete waiver and release thereof.

Package: If the cement is shipped in cloth sacks, the cloth sacks are not sold to Buyer, but remain the property of Seller and must not be sold or used other than as containers of cement manufactured by Seller. Buyer agrees to return said sacks to Seller within ninety (90) days from date of shipment of the cement by Seller. An allowance to Buyer only of twenty-five (25) cents for each good sack will be made by Seller when returned in good condition, freight prepaid, to the mill of Seller, at Security, Md., subject to Seller's count and inspection. No allowance will be made for useless sacks or sacks which have been wet. Should any sacks bearing other than Security brand be received by Seller from Buyer, same will be held by Seller, at Buyer's risk and subject to his order, for thirty (30) days only after notice to Buyer from Seller of receipt of the same, after which time they may be destroyed or otherwise disposed of by Seller without liability.

The price herein named for cement in cloth sacks is based on a cloth sack basis of twenty-five (25) cents. Should Sellers find it necessary in its general business to change its cloth sack basis, the right is reserved to adjust the delivered price of the cement accord- [fol. 1808] ingly, and the allowance for each of these sacks returned, as aforesaid, will be increased or decreased in accordance with said change in cloth sack basis.

The price herein named for cement in paper bags is based on a paper bag basis of thirty (30) cents per barrel. Should Seller during the life of this contract find it necessary in its general business to change the paper bag basis, the right is reserved to adjust the delivered price of the cement accordingly.

Paper bags are not returnable, and shipments therein are made at Buyer's risk of breakage and resultant loss of cement.

Specifications: The cement as shipped hereunder is to conform in all respects to the "Standard Specifications and Tests for Portland Cement" as adopted by the American Society for Testing Materials, September 1, 1916.

Seller is not responsible for the use of cement, nor workmanship therewith, and does not guarantee the resultant work.

Financial Credit: If at any time Buyer's financial responsibility be, or become, in opinion of Seller, impaired or unsatisfactory, Seller reserves the right to require payment in advance, or satisfactory assurance that bills will be promptly paid when due. If such assurance is not forthcoming within a reasonable time, Seller reserves the right to cancel this contract.

[fol. 1808½] GOVT. Ex. No. 627

Vulcanite Portland Cement Company

Philadelphia

Periodical Quotation

Nov. 5, 1920.

Messrs. E. M. Rodrock Co., Paterson, N. J.:

We quote, for shipment within fifteen (15) days from date of order, in carloads, f. o. b. station named, subject to change without notice, and to terms, conditions and limitations on reverse side hereof; Vulcanite Portland Cement in 4 cloth sacks at $4.03 per standard bbl.; Vulcanite Portland Cement in 4 paper bags at $3.33 per standard bbl.; White Portland Cement in 4 cloth sacks at $— per standard bbl., loaded in cars with Vulcanite so as to make full carload.

This quotation is our present price and applies to immediate orders only.

Prices for specific work requiring deliveries beyond the period [fol. 1809] covered by this quotation will be quoted you on application, which should state the name of the job, owner, location and maximun quantity required to complete work.

Yours respectfully, Vulcanite Portland Cement Company.
Albert Moyer, Manager of Sales.

Terms, Conditions, and Limitations

Payment: Thirty days net; 10 cents per barrel discount for Payment in full within 10 days from date of invoice. Payments to be made in cash or equivalent at our office, Philadelphia, U. S. A. Original paid freight bills to be sent us promptly for comparison.

If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order, purchaser remaining liable for all unpaid accounts.

Orders are subject to approved credit, and if at any time purchaser's financial responsibility be or becomes, in our opinion, impaired or unsatisfactory, we reserve the right to require payment in advance or satisfactory assurance that bills will be promptly paid when due.

[fol. 1809½] Loss or Damage: In making delivered prices we only guarantee cost at destination, and we will not be responsible for shortage or damage occurring in transit. Railroad company's bill of lading shall be conclusive as to quantity and good condition of both Cement and packages when loaded on cars.

Sacks: Sacks bearing our brand, or trade-mark, properly bundled, and so marked as to insure complete identification, received by us in serviceable condition at our Mill will be purchased from the original purchaser at 25 cents each, if purchased of us containing

"Vulcanite" Portland Cement, shipped under price, terms and conditions of this quotation, provided these sacks are shipped within ten days after being emptied, freight prepaid, subject to our inspection and count. We do not purchase sacks bearing brands other than our own or sacks that have been wet or are otherwise useless. Rejected sacks, or sacks bearing other brands, may be destroyed or otherwise disposed of by this company without liability, unless they are removed by original purchaser within ten days after notice of rejection. Paper bags and wooden barrels are not returnable. Shipments in paper bags are made at purchaser's risk or breakage and a resultant loss of Cement.

[fol. 1810] Quantity: Unless otherwise agreed, the quotation on reverse side is limited to One Carload of Cement and applies only on shipments billed to and unloaded at point of delivery specified.

Shipments: Orders entered for shipment on a specific date will, at our option, be shipped on that date unless sooner ordered out by purchaser.

We reserve the right to prescribe the route by which shipments shall be forwarded. All railroad demurrage, car service and terminal charges at destination shall be settled for and borne by purchaser.

In the event of prepayment of freight or other railroad or terminal charges, the buyer shall settle these in cash, on presentation of invoice by seller.

Strikes, etc: The purchaser shall give us shipping instructions in writing a reasonable time before shipments are to be made. All orders and contracts are accepted subject to contingencies of manufacturing and shipping, and other causes beyond our control, and we will not be responsible for delays in transit. Should any contingency at any time arise, whereby production or shipments are curtailed or delayed, we reserve the right to prorate our shipments of Cement to all purchasers of record at such time.

Specifications: "Vulcanite" Portland Cement to be furnished [fol. 1810½] hereunder is, when shipped, to conform in every respect to specifications of the United States Government, or Standard Specifications for Portland Cement as adopted by the American Society for Testing Materials, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

Water Deliveries: Purchaser is responsibly for demurrage at prevailing rates.

Vulcanite Portland Cement Company. Albert Moyer, Manager of Sales.

(Here follows Government's Exhibit No. 628, marked side folio pages 1811 and 1812.)

[fol. 1812½] GOVT. EX. No. 629

Alpha Portland Cement Co.

Easton, Pa.

We take pleasure in quoting you on Alpha Portland Cement delivered in carload lots F. O. B. cars station named above as follows:

In cloth sacks, $— per standard barrel (376 lbs. net); in paper bags, seventy (70) cents per barrel less than cloth price; in bulk—$1.05 per barrel less than cloth.

*Price for immediate acceptance.

This price is on a quantity to be ordered by you for shipment within fifteen days from date of your order.

Terms of Payment: On approved credit, 10 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

This quotation is subject to terms, conditions and limitations on both sides hereof.

Yours very truly, Alpha Portland Cement Company.

[fol. 1813] If purchaser fails to comply with terms of payment or with any of the other terms of sale, we reserve the right to cancel unfilled portion of any contract or order purchaser remaining liable for all unpaid accounts.

Orders are approvable as to credit, and if at any time the purchaser's financial responsibility shall be deemed unsatisfactory to the Cement Company, it may require approved security or demand cash payment, and pending same may withhold shipment, and if within a reasonable time, in the judgment of the Cement Company, such cash or approved security has not been furnished, the Cement Company may declare the order or contract cancelled.

In making delivered prices we only guarantee cost at destination and we will not be responsible for shortage or damage occurring in transit; our responsibility ceases when shipments are delivered to Railroad Company on cars at our mill. Railroad Company's bills of lading shall be conclusive as to quantity and good condition of both cement and package when loaded in cars.

The prices herein quoted are the prices on cement. If shipped in cloth sacks, the cloth sacks containing the cement are not sold, but remain the property of the Cement Company and must not be sold or used other than as containers of cement manufactured by the Alpha Portland Cement Company. The purchaser agrees to return said sacks to the Cement Company within ninety (90) days of date of shipment of cement by the Cement Company. A rebate of twenty-five cents (25c) for each sack returned will be allowed by the [fol. 1813½] Cement Company from the invoice price of the cement when the sacks are returned to the Cement Company in good

* Price named is good only for one carload and is subject to change without notice.

1811
&
1812

Govt. Ex. No. 628

QUOTATIONS TO DEALERS

Trade Practice No. 13, Form No. 1 (1916 Edition).

	Quotation limited to one car load	for immediate acceptance.	shipment within and not beyond 15 days.	Discount: 10 days from date of invoice.	Route to be prescribed by seller	Bill of lading conclusive as to quantity and good condition when loaded.	Buyer responsible for demurrage, car service and terminal charges at destination.	Buyer responsible for shortage or damage.	Shipment in bags at buyer's risk.	
Recommended form.										The x mark indicates absence of provision. It may be that the Pennsylvania sold only to dealers and therefore had no use for this form of quotation.
1 Atlas							X		X	
2 Allentown									X	
3 Alpha							X			
4 Bath										
5 Coplay					X					
6 Dexter						X				
7 Edison										
8 Giant					X				X	
9 Glens Falls						X		X		
10 Hercules					X	X		X	X	
11 Knickerbocker							X			
12 Lawrence							X			
13 Lehigh										
14 Nazareth										
15 Penn Allen										
16 Pennsylvania	✓	✓	✓	✓	✓	✓	✓	✓	✓	No form furnished
17 Phoenix										
18 Security										
19 Vulcanite										

Govt. Ex. No. 631

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION
Lehigh Valley, New York State, Maryland and Virginia Mills

STATISTICS Month of FEBRUARY 1916.

	TOTAL PRODUCTION CLINKER						SHIPMENTS					
	Jan.& Feb. 1915	Jan.& Feb. 1916	Ch'g %	Feb. 1915	Feb. 1916	Ch'g %	Jan.& Feb. 1915	Jan.& Feb. 1916	Ch'g %	Feb. 1915	Feb. 1916	Ch'g %
ALLENTOWN	141	137	-3	70	68	-3	64	67	45	29	25	-14
ALPHA	540	351	-35	189	161	-15	321	292	-9	201	142	-29
ALSEN	None	69	-	None	29	-	50	40	-20	17	17	-
ATLAS	634	1082	+71	256	535	+109	553	642	+16	284	326	+15
BATH	56	89	+53	27	28	+ 4	36	40	+11	18	19	+ 6
CAYUGA	None	10	-	None	7	-	None	3	-	None	3	-
COPLAY	169	213	+27	92	98	+ 7	117	156	+35	61	67	+10
DEXTER	81	133	+64	46	68	+ 48	64	70	+ 9	38	36	- 5
EDISON	None	None	-	None	None	-	116	None	-	50	None	-
GIANT	71	91	+28	35	50	+ 43	72	84	+17	40	41	+ 3
GLENS FALLS	114	102	-10	54	49	- 9	16	33	+106	9	9	-
HELDENBERG												
HICKENBOCKER	81	214	+164	None	110	-	25	46	+ 84	13	20	+54
LAWRENCE	226	204	- 10	106	97	- 9	70	118	+ 80	42	54	+30
LEHIGH	54	159	+194	54	85	+ 57	315	254	- 19	200	140	-30
MILLER	8	41	+412	None	25	-	8	18	+125	4	7	+75
NAZARETH												
PEN-ALLEN	50	90	+ 80	50	58	+ 16	36	44	+ 13	21	18	-14
PENNSYLVANIA	121	191	+ 57	55	93	+ 69	84	120	+ 43	36	46	+28
PHOENIX	41	79	+ 93	41	40	- 2	43	47	+ 9	23	22	- 4
SECURITY	0	31	-	0	31	-	45	37	- 18	30	20	-33
TIDEWATER												
VULCANITE	18	186	+933	18	91	+406	122	131	+ 7	62	62	-
WHITEHALL												
	2407	3472		1093	1719		2161	2284		1188	1074	

	STOCK ON HAND								
	CLINKER				CEMENT				
	Jan.31 1916	Feb.28 1915	Feb.29 1916	Ch'g %	Jan.31 1916	Feb.28 1915	Feb.29 1916	Ch'g %
ALLENTOWN	3	57	7	-90	43	76	81	+ 7
ALPHA	130	172	203	+20	562	744	907	-38
ALSEN	7	9	6	-33	43	100	57	-43
ATLAS	-	-	-	-	1684	752	1893	+639
BATH	47	40	94	+135	75	68	76	+12
CAYUGA	None	None	None	-	3	-	5	-
COPLAY	25	3	29	+866	112	105	140	+33
DEXTER	27	48	47	- 2	76	79	88	+11
EDISON	None	None	None	-	None	93	None	-
GIANT	0	1	1	-	54	76	63	-17
GLENS FALLS	17	10	16	+60	196	201	236	+18
HELDENBERG								
HICKENBOCKER	89	53	29	-79	131	284	221	-29
LAWRENCE	5	806	3	-96	95	147	141	- 4
LEHIGH	2	1	2	+100	829	471	777	+65
MILLER	None	None	8	-	11	11	17	+55
NAZARETH								
PEN-ALLEN	2	2	2	-	106	98	145	+48
PENNSYLVANIA	15	None	15	-	97	115	145	+26
PHOENIX	35	36	36	-	55	52	73	+40
SECURITY	2	12	14	+16	46	43	48	12
TIDEWATER								
VULCANITE	2	4	4	-	96	55	186	+130
WHITEHALL								
	388	654	516		4316	3610	4439	

ALL AMOUNTS SHOWN ARE IN THOUSANDS.

GPV

1198-1213

1815

Govt. Ex. No. 632

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF MARCH, 1916

MANUFACTURERS	TOTAL PRODUCTION LEHIGH: First 3 Mos. 1916	First 3 Mos. 1915	% Change	March 1916	March 1915	% Change	CEMENT GRINDING: First 3 Mos. 1916	First 3 Mos. 1915	% Change	March 1916	March 1915	% Change	SHIPMENTS: First 3 Mos. 1916	First 3 Mos. 1915	% Change	March 1916	March 1915	% Change	STOCK ON HAND: CLINKER: Feb. 1916	CLINKER: March 1916	CLINKER: % Chg.	CEMENT: Feb. 1916	CEMENT: March 1916	CEMENT: % Change
Allentown	210	210	−16	77	40	+6	156	191	+28	70	66	−6	137	113	−16	78	45	−26	7	84	22	−66	62	72	100	+40
Alpha	650	650	−16	315	265	+16	646	655	−29	276	250	+12	710	616	−32	370	196	−24	760	207	236	+15	540	645	650	−2
Allen																										
Atlas	1,025	1,300	+47	251	425	+6	1,025	1,565	+47	391	423	+6	950	1,044	+8	417	670	−4					1,000	700	1,564	+156
Bath	154	139	+14	46	30	−35	76	72	−5	15	19	+27	66	73	+11	30	25	+10	76	71	145	+68	76	62	60	+10
Cayuga		30			21			30			21			7		4	4						10	17	22	−41
Copley	270	377	+37	107	150	+41	274	335	+21	110	127	+15	232	220	+1	116	77	−25	20	None	61		140	124	189	+48
Dexter	181	180	+12	81	60	−41	144	150	+4	60	57	−45	137	117	−15	73	42	−35	67	60	58	−3	88	78	78	+4
Edison	None	None		None	None		None	None		None	None		156	None		56	None		None	None	None		50	50	None	
Giant	305	146	+45	30	55	+50	100	146	+45	30	56	+30	130	142	+10	57	66	+1	1	1	1		60	40	60	+50
Glen Falls	383	157	−74	67	58	−16	126	156	+15	35	56	+57	90	90	+30	50	17	−15	16	45	16	−40	200	212	276	+30
Heidelberg																										
Knickerbocker	91	335	+230	70	101	+895	91	296	+250	None	72	−	71	67	−6	45	30	−55	39	53	50	+6	221	257	272	+11
Lawrence	370	301	−7	70	97	+25	140	275	+97	75	65	−9	162	187	+15	80	60	−25	3	214	34	−84	145	130	140	+8
Lehigh	140	354	−16	276	190	−40	434	362	−15	169	130	−70	348	432	−30	300	109	−40	1	30	8	−73	770	447	777	+74
Millen	14	47	+236	6	7	+16	14	47	+236	6	15	+150	21	26	+24	15	6	−30	6	None	None		17	6	24	+300
Nazareth																										
Penn Adm	115	143	+24	65	30	−14	115	143	+24	65	64	−19	79	97	+10	43	43	+2	2	2	2		140	131	155	+18
Pennsylvania	301	286	+64	90	117	+34	291	271	+35	90	57	+9	180	165	+3	70	56	−26	15		55		145	118	175	+48
Phoenix	175	114	+9	64	34	−47	99	118	+24	61	30	−38	72	73	+1	20	20	−10	36	30	22	−18	78	84	84	
Security	60	81	+52	40	40		54	74	+37	54	54		102	71	−32	50	32	−48	14	30	21	+5	48	30	70	+80
Tidewater																										
Valvanite	112	336	+180	94	105	+12	111	350	+185	94	107	+13	180	205	+4	77	75	−3	4	4	9	−80	120	74	180	+134
Whitehall																										

ALL AMOUNTS SHOWN ARE IN THOUSANDS

18164

Govt. Ex. No. 633

CEMENT MANUFACTURERS' PROTECTIVE ASSOCIATION

LEHIGH VALLEY, NEW YORK STATE, MARYLAND AND VIRGINIA MILLS

STATISTICS MONTH OF APRIL, 1916

MANUFACTURERS	TOTAL PRODUCTION CLINKER						CEMENT GROUND						SHIPMENTS						STOCK ON HAND					
																			CLINKER				CEMENT	

Govt. Ex. No. 666

ALL COMPANIES

YEAR 1913.

As furnished by defendants.

PRODUCTIONS (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	59134	59135	59135	66617	66617	66618	66552	66552	66552	64968	64968	64968	771816
Alpha	476726	252030	348980	444369	472123	390484	439758	584090	507112	497024	496764	519458	5348914
Atlas	575065	578472	602365	792121	755050	538785	219543	477323	607675	536291	529813	555318	6957921
Bath	64752	51210	17640	61146	63261	65168	66000	64000	75000	64000	80000	50000	762177
Copley	96854	95728	105296	105129	103641	104179	114474	110518	122246	117700	119025	109649	1304639
Dexter	60800	57223	73900	70393	70880	73210	66101	78480	75300	82167	58800	39008	826129
Edison	156462	132701	89180	144960	165800	110010	142860	82667	154962	168050	149990	152337	1649979
Giant	BEGAN	OPERATION	MAY	1, 1913	90838	96800	52290	54062	107923	116342	56992	54348	631197½
Glens Falls	37138	51521	41143	42995	56278	58769	51091	58312	47545	51064	47429	44962	572251
Hercules					BEGAN	OPERATION	AUGUST	1913					
Knickerbocker	76454	61480	76115	82245	58826	75402	73569	94400	102003	105048	101034	97727	1004306
Lawrence	92602	72226	100038	116551	125900	113674	126025	119395	123040	139811	119266	131356	1379884
Lehigh	265118	341381	364753	368156	389936	375990	387734	391168	413661	471597	466845	310951	4506290
Nazareth	66695	78010	60020	63275	75510	93630	80175	97985	85340	86100	95415	42895	915050
Penn-Allen	NO PRODUCTION	44000	62000	60000	62000	60000	60000	63000	61000	65000	64000	49000	650000
Pennsylvania	68000	46000	65000	73000	80600	79700	75000	75000	80000	100000	83000	82000	907300
Phoenix	NO PRODUCTION	NO PRODUCTION	11000	28639	48588	52795	52789	43244	34738	41874	46539	46048	406254
Security	25709	43813	44035	46676	57761	48942	58420	58575	43456	71206	43920	25860	568373
Vulcanite	78055	77815	116620	124015	123061	125374	116240	132960	129800	119270	76660	103318	1323188
Total	2199564	2042753	2437120	2690244	2876725⅔	2521530⅔	2318628⅔	2583731	2737553	2917512⅔	2698460⅔	2500747⅓	30524570½

◆ OVERRUN

1817

Govt. Ex. No. 667

ALL COMPANIES

YEAR 1914

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	61 767	68222	76 026	72 651	74 579	72 894	73 838	79 407	76 735	83 198	79 477	36 536	855324
Alpha	443 778	419 780	256 772	313 191	397 318	520 692	483 049	569 154	553 039	581 073	555 782	340 287	5453915
Atlas	545 303	469 220	535 663	557 052	543 851	576 333	588 214	504 006	328 885	341 757	303 131	329 080	5662495
Bath	25 500	41 585	NO PRODUCTION	60 000	51 486	47 751	70 907	93 000	84 694	31 000	40 940	NO PRODUCTION	544863
Copley	103 889	37 821	46 115	114 353	97 169	87 040	106 364	110 138	136 635	99 651	95 233	68 740	1103168
Dexter	64 000	30 793	40 200	70 064	78 145	85 200	89 400	89 800	55 400	63 300	41 600	34 900	742802
Edison	SHUT DOWN		80 303	118 890	126 602	174 168	117 930	161 199	159784	166814	162339	28645	1296676
Giant	22958½	16899½	96 12½	26 674½	63055	63143½	78 277	107348	106213½	110227½	78 027	74550½	756987
Glens Falls	42572	36914	43 840	26 089	47741	54 840	47151	63 111	61 000	60 677	41 486	62 750	548241
Hercules				BEGAN OPERATION AUGUST 1917									
Knickerbocker	80136	41258	53143	88779	119 471	116 374	112 518	120059	115 763	116006	86 797	89366	1139670
Lawrence	69945	57533	71 263	110 658	145 454	141 337	155215	143 658	157091	141975	94 999	44 322	1333450
Lehigh	308 143	314 127	173 746	252 621	488 552	464 324	481 849	587 368	610 316	665 789	534 944	437 970	5389749
Nazareth	70 810	65 055	63 470	76 205	74 230	93 000	89 740	97225	101 050	114 465	102 790	NO PRODUCTION	948040
Penn-Allen	6000	56000	36 000	40600	62 000	65000	66 000	66000	62000	64000	62000	49000	634600
Pennsylvania	71000	50500	38 000	64400	78000	84000	87000	119300	115400	113200	66500	83600	970900
Phoenix	23376	41940	41 227	46 210	49 153	54 058	47962	44271	54961	58557	58877	37966	558560
Security	9035	36406	34870	47126	54563	56743	57618	61482	54693	66538	55782	57388	592244
Vulcanite	84210	72410	37060	101 285	139750	133380	133510	147362	150008	142933	96635	75121	1313664
Total	2032424½	1926533½	1637310½	2186848½	2791113	2890277½	2886542	3163901	2913667½	3021160½	2557339	1870221½	29877346

Govt. Ex. No. 668

ALL COMPANIES

YEAR 1915

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	63241	64381	75504	79925	80941	79730	72197	81671	82630	53808	62873	67058	863966
Alpha	298654	239965	344067	465453	600336	583961	510345	506704	465767	478041	456125	229421	5178839
Atlas	378917	254929	390958	601063	634328	609927	504350	636455	615337	647230	570711	615410	6459617
Bath	31499	28911	15093	53855	48656	56281	51975	65368	61000	76315	96975	58050	603978
Copley	78288	89376	109801	134495	169936	151396	160927	169326	158398	157914	179070	163650	1722571
Dexter	34000	41900	68500	78600	88200	93300	97900	94302	71200	75500	69773	61000	874175
Edison					SHUT DOWN								
Giant	36202	34843	29857½	70670½	74616	79826½	93681½	93623	80364	75372	73038	76064½	828158
Glens Falls	58783	44405	34674	67099	70396	65420	65586	65167	62597	68890	66674	50921	720612
Hercules					BEGAN OPERATION AUGUST 1917							111340	655949
Knickerbocker	81133	NO PRODUCTION	NO PRODUCTION	108421	117003	111998	125554	NO PRODUCTION	NO PRODUCTION	NO PRODUCTION	NO PRODUCTION	111289	1352499
Lawrence	29342	35249	74879	119210	138298	158907	144533	122772	126901	159300	131812	111289	1352499
Lehigh	134881	183531	529022	608415	666069	642747	552561	658894	591593	529396	459384	367296	5923789
Nazareth	NO PRODUCTION	NO PRODUCTION	76665	120430	129300	125720	76155	123980	126305	124195	114895	NO PRODUCTION	1017645
Penn-Allen	NO PRODUCTION	50000	65000	62000	65000	61000	63000	62000	60000	63000	62000	30000	643000
Pennsylvania	65600	55200	80000	95000	96000	106000	120000	112000	113000	98000	105000	83000	1128800
Phoenix	NO PRODUCTION	35270	60501	49638	54491	54912	56295	60325	53564	59375	65423	48139	597939
Security	NO PRODUCTION	NO PRODUCTION	53843	60448	67657	54608	71609	66112	65515	64193	53028	34379	591392
Vulcanite	NO PRODUCTION	16795	94200	98035	104095	99765	92835	140325	146937	99870	96490	100337½	1019614½
Total	1290520	1174755	2102564½	2873259½	3205335	3146498½	2859503½	3059024	2881115	2830399	2663271	2207354½	30292999½

Govt. Ex. No. 669

ALL COMPANIES

YEAR 1916

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	69471	66444	76519	84364	78254	72941	34435	67325	79851	74050	67321	48888	820639
Alpha	97161	106030	386787	363330	336618	320438	319692	421391	387776	416113	400533	300511	4216866
Atlas	346403	335207	423335	471421	461935	433341	465218	486779	489370	575951	593300	637793	6120719
Bath	33000	20600	18600	70000	59000	46000	65350	51100	61000	61215	24600	48380	588245
Coplay	109673	100103	126536	117299	114498	106604	90469	91059	108807	124284	124804	109078	1323423
Dexter	70432	48100	36900	71900	70100	70200	66200	69000	73800	77500	76300	54600	794032
Edison	SHUT DOWN			74555	119730	118691	79772	119800	73500	103605	64500	76492	870545
Giant	40300	44600	55414½	81173½	91693½	91921	97346	104394	95108½	115334½	104573	85269 50	1012881½
Glens Falls	50741	50128	34638	34487	37950	59087	54204	61005	56187	67073	62415	32476 16047	677440
Hercules					BEGAN OPERATION		AUGUST 1917						
Knickerbocker	104676	109561	71934	76587	85343	86107	73395	97275	99689	103559	62282	63606	1006014
Lawrence	136963	100427	67590	104707	118778	128600	97755	122933	136447	118524	138300	109327	1350151
Lehigh	232617	245180	345438	435383	512106	546396	343709	543416	560414	562405	583490	444531	5291085
Nazareth	NO PRODUCTION	90875	127830	116545	124218	127531	81110	112753	117498	113260	104710	98665	1214997
Penn-Allen	31500	34000	53000	60000	62000	60000	54000	62000	60000	62000	63000	53500	671000
Pennsylvania	91000	33000	17000	84300	96000	98000	114000	114000	97000	106005	83200	95000	1158500
Phoenix	40962	39375	38240	49192	48073	57401	41760	49363	30800	41740	51721	52663	541290
Security	NO PRODUCTION	19649	54121	57970	59052	48072	53490	57576	71917	70294	74075	59317	625533
Vulcanite	97525	88910	106775	120070	149165	140010	107190	118240	112135	155253	138305	110060	1443710
Total	1722432	1821834	2130566⅔	2474183⅔	2564773⅓	2721347	2239235	2749411	2754199⅔	2949795½	2807704	2504255	29778116

* OVERRUN

Govt. Ex. No. 670

ALL COMPANIES

YEAR 1917

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	65595	54380	73635	56421	66743	59370	76059	67764	63716	60384	58471	36819	739857
Alpha	352763	276764	239769	408752	430924	409047	364631	384948	393784	435324	367949	277862	4342517
Atlas	612876	554790	568649	675520	694665	615048	587895	505141	452358	470009	427595	335357	6499903
Bath	NO PRODUCTION	51800	31200	63000	76300	76600	57000	48100	63700	63300	22750	16700	570450
Coplay	76274	40878	97920	90334	127636	127558	134417	122345	99146	123543	75660	45875	1161586
Dexter	53100	47700	55700	66400	72600	75200	63500	66600	72000	62300	70600	41700	747400
Edison	83031	78034	110102	18737	170946	142698	126019	165076	135071	159382	155385	39000	1383481
Giant	59543	54129	44331	98018½	125286½	118866	103772⅔	102387½	85840	92692	68888½	5933 67382½	1021839½
Glens Falls	34509	26335	17403	34452	64953	47611	60372	55611	53249	51797	50834	37588 16000	552714
Hercules		BEGAN OPERATION		AUGUST 1917			18777	19226	29709	37784	33930	20968	160394
Knickerbocker	76799	38508	34612	92824	96863	108542	115476	91524	89049	89639	64238	60764	958838
Lawrence	92955	50180	77166	114223	162520	153210	132533	134862	125831	154667	122281	78357	1398785
Lehigh	369151	470320	485055	527115	584423	533788	500100	458457	326593	286057	273191	266023	5080280
Nazareth	34475	72315	87835	89125	79285	102120	90825	100420	107390	108180	84520	59040	984530
Penn-Allen	45000	56000	62000	64000	67000	62000	62000	62000	56000	60000	58000	36500	690500
Pennsylvania	71000	80000	86000	91500	113000	110000	95000	105000	95000	113000	128000	71000	1158500
Phoenix	39250	34377	39633	42700	50440	47458	38360	48522	46624	62776	54977	49358	554475
Security	55080	35821	43133	57379	77028	67237	60841	61446	55006	63483	69376	69218	715048
Vulcanite	68895	114785	99240	126515	132335	86745	84255	94835	90470	67915	53860	56545	1066395
Total	2159346	2137116	2253383	2717575½	3192947½	2943223	2771909½	2694244½	2440536	2542232	2240512½	1684650	29797695

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1819

Govt. Ex. No. 671

ALL COMPANIES

YEAR 1918

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	NO PRODUCTION	NO PRODUCTION	6823	19930	62630	60299	55565	54382	44029	46656	26921	33996	411231
Alpha	109016	71493	106443	286989	364539	395457	373587	367458	358437	229784	267464	155922	3086589
Atlas	227776	361380	474579	455289	567854	576322	610982	604435	521049	434545	413952	401978	5650141
Bath	6325	NO PRODUCTION	39290	51650	65000	52500	53400	60200	51000	27000	35400	54500	496265
Coplay	67036	56464	91830	89367	84356	96762	112648	109213	92405	77284	46502	74464	999031
Dexter	41300	27000	41200	49900	83700	81500	73300	81600	78000	69700	64600	55700	747500
Edison	SHUT DOWN		31620	127643	153659	146383	138884	131396	127022	55700	105318	141420	1159045
Giant	23800	37800	57114½	51519	89039	106376½	111710½	89597½	72294½	80068	58577	* 43192 2bbl	821725½
Glens Falls	10475	16162	34176	38109	56566	55995	45300	66254	46663	39618	46015	54514	509847
Hercules	NO PRODUCTION	NO PRODUCTION	19768	22653	39649	53670	56149	49892	42356	40431	48206	29349	402123
Knickerbocker	30429	47218	37612	58786	73253	84245	93366	90055	88215	79330	68835	83457	834801
Lawrence	8089	61138	45598	112586	121419	145814	147663	125179	83501	64777	82341	91540	1089695
Lehigh	216679	272327	252581	352991	539915	536194	548507	567598	540571	384512	311184	266658	4789717
Nazareth	NO PRODUCTION	9930	106140	56670	81490	77050	90780	88245	87220	76290	80135	51845	805795
Penn-Allen	NO PRODUCTION	NO PRODUCTION	10000	38500	59500	55000	54500	60500	47500	47000	42000	33500	448000
Pennsylvania	51000	61500	71300	95000	108000	107000	113000	95000	66000	70000	62500	68000	968300
Phoenix	3863			SHUT DOWN BOUGHT CEMENT FROM DEXTER									3863
Security	13918	31485	52404	58065	64616	59953	55553	53872	53521	46206	64220	37318	591131
Vulcanite	47760	63770	73220	80670	95135	113835	107215	125610	75265	32710	48550	48452	912192
Total	857466	1118167	1551698½	2046317	2710320	2804355½	2862109½	2820486½	2475048½	1901611	1872720	1726694	24726992½

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Govt. Ex. No. 672

ALL COMPANIES

YEAR 1919

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	23754	31481	39534	35231	52687	71586	73004	71083	73006	66003	53698	16029	607096
Alpha	33009	74444	2832	145778	251685	316015	351943	380613	419949	400739	346649	205421	2929077
Atlas	324670	340770	485146	464545	477118	462536	546240	671726	679085	708992	664276	440930	6226034
Bath	NO PRODUCTION	13570	52600	56006	93000	98000	97000	90000	80000	100000	95000	31000	806170
Coplay	48341	42351	73416	67730	85941	91187	119864	103558	100331	103078	92540	61633	989970
Dexter	60800	52600	41100	76100	77500	88200	84200	92100	78100	83500	62100	41400	837700
Edison	97430	110982	115188	113500	125119	148972	136063	157132	163519	151902	45000	43949	1408758
Giant	NO PRODUCTION	39223	48154½	78911	84000	81000	84900	83700	87022	100800	95096	64903½	847709½
Glens Falls	36629	48904	39877	48278	42525	47551	54450	48965	41056	56761	43450	35863	544309
Hercules	30160	34838	35593	37131	47822	56272	58384	59547	62098	67071	57714	51182	597812
Knickerbocker	92515	74047	NO PRODUCTION	NO PRODUCTION	77239	87259	90137	64437	63777	86840	85952	67824	790727
Lawrence	84105	18113	48311	81792	90295	96608	146729	110585	129303	167761	153652	122246	1249500
Lehigh	253850	243426	268225	326385	350850	379386	484780	523138	585471	550028	539271	417473	4922213
Nazareth	64000	112700	75030	59745	88475	79070	76300	79640	80870	92300	65090	49290	922510
Penn-Allen	NO PRODUCTION	48500	60000	60000	44000	54000	56000	64000	62000	62000	58000	25500	594000
Pennsylvania	59700	20800	45100	83500	117500	120000	117000	133500	94000	120000	106000	105000	1122100
Phoenix		SHUT DOWN BOUGHT CEMENT FROM DEXTER							23296	57012	41789	5779	127876
Security	4866	23802	64574	69491	67970	64883	67805	78272	77382	85200	68554	24487	697286
Vulcanite	NO PRODUCTION	29835	48410	75980	86210	94585	91430	93295	117129	138795	124434	76324	976427
Total	1273829	1360386	1543090½	1880897	2259936	2437110	2734931	2905291	3017394	3198782	2798265	1886233½	27837344½

18199

Govt. Ex. No. 673

ALL COMPANIES

YEAR 1920.

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	22626	36595	39613	44749	60306	56875	31012	57077	64619	65620	58159	36740	573991
Alpha	225922	281395	264976	403988	387858	393471	365069	396592	387443	469532	452802	302468	4331516
Atlas	633557	502523	634621	677344	716962	505793	497522	525177	569765	707733	679853	661510	7312360
Bath	53200	4800	26700	55500	69200	78400	61100	95000	110000	108000	91900	74000	827800
Coplay	60392	60649	59221	67040	68002	94966	129614	111399	109614	140146	133360	68465	1102868
Dexter	56300	29400	21100	47600	56700	57900	86700	76900	71300	80100	77100	54300	715400
Edison	140773	89417	68888	96787	151569	147133	143842	142531	135348	130286	150850	102576	1500000
Giant	62500	49800	53806⅔	82400	96400	100050	112021⅔	101198	112977½	123930	125300	62001⅔	1082315½
Glens Falls	6931	STRIKE	STRIKE	59391	53715	50947	STRIKE	STRIKE	4681	4750	13850	39625	233890
Hercules	44185	16327	23099	37583	41619	48117	56413	56696	64632	55508	50862	39724	534765
Knickerbocker	59936	21819	61113	83363	79735	91373	67643	41103	104926	115079	113149	109712	948951
Lawrence	89807	39553	76029	105652	91743	145226	133684	141255	165443	177309	157053	142176	1464930
Lehigh	471706	390902	444205	534679	565718	506088	275743	605997	573785	630937	570488	278396	5854644
Nazareth	23310	48940	77330	58930	87560	73660	74900	102630	104540	121250	118010	57410	948470
Penn-Allen	50000	24000	53500	55500	62000	60000	37000	62000	62000	65000	60000	29000	620000
Pennsylvania	105000	40000	87000	85000	90000	96000	112000	113000	92000	132000	112000	95000	1159000
Phoenix	42804	31317	41343	35912	62660	58977	64922	61756	75130	69799	69134	34219	647973
Security	14521	31162	62512	81274	82308	74183	77390	77995	68596	81427	73057	49596	774021
Vulcanite	77560	84160	42115	72115	129175	120765	61260	126710	115485	148565	136090	93229	1207169
Total	2247030	1782759	2137171⅓	2684807	2953230	2759924	2387835⅓	2595016	2992294½	3426971	3243017	2330147⅔	31840193½

18196

Govt. Ex. No. 674

ALL COMPANIES

YEAR 1921

PRODUCTION (BARRELS)

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	NO PRODUCTION	26902	70050	69125	4945	77756	79060	84614	75050	76845	71347	27237	664931
Alpha	64921	92681	193514	338352	414411	292162	328710	326714	357925	312592	179750	157152	3038944
Atlas	222863	105944	279570	472887	532460	512664	500089	515617	615434	715307	523375	472052	5461262
Bath	32400	25000	19500	88000	81000	84000	91000	94000	96000	105000	74500	85400	875800
Coplay	84274	99554	120794	75958	3302	57292	60697	141964	146313	131595	34897	74033	1035673
Dexter	32100	29200	71600	77700	73500	84900	74800	81500	85300	80300	58700	53300	802900
Edison	SHUT DOWN		78001	155732	160171	156353	163018	172365	187526	178761	184588	134764	1571479
Giant	NO PRODUCTION	43399½	57891½	87800	90500	94900	127300	121200	100800	60754	66021	55700	906255½
Glens Falls	43901	45291	50558	53545	58949	72068	56754	76015	57802	59674	69458	53569	697590
Hercules	NO PRODUCTION	NO PRODUCTION	40169	50663	64559	56545	53481	49940	59695	84453	44455	16441	520401
Knickerbocker	126021	NO PRODUCTION	62921	121736	127152	114851	64736	NO PRODUCTION	62780	131713	123160	90403	1025473
Lawrence	59942	113843	74257	72872	149244	167004	155977	162082	158248	150518	135201	124912	1524100
Lehigh	10761	211460	520278	631039	643282	618918	686937	691020	595273	546112	539262	228949	5923241
Nazareth	59660	126210	107810	104270	99080	100830	71750	85920	85670	83350	82240	61240	1068030
Penn-Allen	40000	54000	62000	60000	62000	60000	58000	62000	60000	62000	40000	40000	660000
Pennsylvania	100000	95000	106000	122000	123000	123000	124000	130000	114000	134000	123000	100000	1394000
Phoenix	31385	NO PRODUCTION	12980	51440	55103	83188	89108	108838	97823	97767	62683	47931	738246
Security	NO PRODUCTION	NO PRODUCTION	68112	66172	78187	69205	84284	92893	78442	82359	83907	65680	769241
Vulcanite	NO PRODUCTION	NO PRODUCTION	87790	138755	150325	146305	134375	150290	138735	106210	96410	112471	1261866
Total	908234	1068484½	2033845½	2838046	2971170	2913941	3004076	3147172	3172816	3199310	2591954	2001234	29961422½

1820

Govt. Ex. No. 675 A

DATES WHEN CHANGES WERE MADE EFFECTIVE MAY 3 1922
BY EACH COMPANY IN THE BASE PRICE USED
BY IT IN FIGURING MOST OF ITS QUOTATIONS.

LEHIGH VALLEY (1)

Date	Allentown	Alpha	Atlas	Bath	Coplay	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Jan. 1.13	a	b	.40[B]	c	.90[B]	d	e	.f	g	h	i	j	.90	.90[C]	k	l	.90[D]	m	n
Feb 17.13			E																
Mch 6.13																			.95
May 1.13								.90											
Jan. 1.14																			.90
Mch. 1.14	.90																		
Dec. 1.14								.85										F	
Dec. 11.14													.85				.85		
Dec. 12.14	.85	.85																	
Dec. 13.14															.85				
Dec. 14.14			.85		.85							.85		.85					.85
Dec. 15.14																		G	
Dec. 30.14													.80		.80		.80		
Dec. 31.14	.80		.80		.80							.80							
Jan. 1.15		.80												.80		.85			
Jan. 4.15								.80										H	.80
Jan. 19.15																	.75		
Jan. 27.15													.75		.75				
Jan. 28.15	.75		.75		.75			.75				.75		.75		.80		.75	
Feb. 1.15		.75																	
Feb. 3.15																			.75
Feb. 17.15	.70												.70		.70		.70		
Feb. 18.15		.70	.70		.70	.70[I]		.70				.70		.70		.70[J]		.70	
Feb. 19.15																			.70
Feb. 23.15	.60					.60					.60		.60		.60		.60		
Feb. 24.15		.60			.60							.60		.60				.60	
Feb. 25.15								.60								.60[K]			
Feb. 26.15			.65																
Apr. 7.15									.60										
May 1.15				.60															
May 28.15													.70						
May 29.15				.70				.70			.70								

For Notes See Sheet (V)

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED
BY IT IN FIGURING MOST OF ITS QUOTATIONS.

LEHIGH VALLEY (2)

Date	Allentown	Alpha	Atlas	Bath	Coplay	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
May 31.15						.70	e			h									
Jun. 1.15	.70	.70	70		.70				.70			70		.70	.70	.70		70	
Jun. 2.15																	.70		
Jun 24.15				.80							.80		80		80				80
Jun 25.15	.80	.80	.80		.80	.80		.80	.80					.80		.80	.80	.80	
Jun 26.15												.80							
Jul. 14.15				.90							.90		.90			.90			.90
Jul. 15.15		.90	.90		.90	.90		.90				.90		.90	90		.90		
Jul. 16.15									.90									.90	
Jul. 17.15	.90																		
Oct. 29.15			.100																
Oct. 30.15		1.00		1.00				1.00			1.00	1.00	1.00	1.00	1.00				1.00
Nov. 1.15	1.00				1.00	1.00			1.00							1.00	1.00		
Nov. 2.15																		1.00	
Nov. 13.15											1.05		1.06		1.05	1.05			
Nov. 14.15														1.05					
Nov. 15.15	1.06	1.05	1.05	1.05	1.05	1.05		1.05									1.05		1.05
Nov. 16.15									1.05										
Nov 18.15																		1.05	
Nov 20.15												1.05							
Feb. 9.16							1.05												
Oct. 16.16														1.15					
Oct. 19.16											1.15		1.15						
Oct 20.16	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15						1.15	1.15			1.15
Oct 21.16																	1.15		
Oct 24.16												1.15							
Oct 25.16																		1.15	
Nov. 11.16											1.26		1.25						
Nov. 13.16	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25			1.25		1.25	1.25		1.25		1.25
Nov. 14.16																		1.25	
Jan. 12.17											1.35		1.35						
Jan. 13.17		1.35														1.35			1.35

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED
BY IT IN FIGURING MOST OF ITS QUOTATIONS.

L E H I G H V A L L E Y (3)

Date	Allentown	Alpha	Atlas	Bath	Coplay	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Jan 15.17			1.35	1.35	1.35	1.35	1.35	1.35	1.35	H		1.35		1.35	1.35				
Jan 16.17	1.35																1.35	1.35	
Feb 15.17										1.35									
Mch 26.17											1.50		1.50						
Mch 27.17	1.50	1.50		1.50	1.60	1.50	1.50	1.50	1.50			1.50		1.50	1.50	1.50	1.50		1.50
Mch 28.17			1.50															1.50	
May 1.17										1.50									
Mch 26.18				1.90	1.90			1.90*							1.90		1.90		
Mch 21.18	1.90	1.90*				1.90	1.90*							1.90					1.90*
Mch 22.18			1.90*								1.90*		1.90*			1.90*		1.90	
Mch 23.18												1.90							
Mch 27.18									1.90*										
Apr. 4.18										1.90*									
Apr. 1.19	1.75			1.75	1.75	1.75	1.75	1.75	1.75	1.75		1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Apr 2.19		1.75	1.75*								1.75								
Dec 15.19				2.00			2.00												
Dec 29.19				1.75															
Mch 1.20							1.75												
Mch 8.20	K																		
Mch 31.20						1.75L													
Apr 6.20		1.95															1.95		
Apr 7.20						1.95M		1.95	1.95				1.95	1.95	1.95	2.00			1.95
Apr 8.20	1.95		1.95	1.95			1.95											1.95	
Apr 9.20					1.85														
Apr 10.20												1.95							
Apr 13.20											1.95								
Apr 26.20					1.95														
May 3.20										1.95									
Jun 15.20		2.25																	
Jun 16.20	2.15													2.15			2.25		
Jun 18.20				2.25	2.25							2.15	2.25		2.25	2.25			2.25
Jun 19.20																		N 2.26	

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED
BY IT IN FIGURING MOST OF ITS QUOTATIONS.

LEHIGH VALLEY (4)

Date	Allentown	Alpha	Atlas	Bath	Coplay	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Valentine
Jun 21 20							2.25												
Jun 22 20								1.25											
Jun 23 20			2.25							2.25									
Jun 26 20						2.25													
Jun 30 20											2.25								
Jul 1 20							2.50												
Jul 13 20	2.50												2.50						
Jul 14 20					2.50										2.50				2.50
Jul 15 20				2.50										2.50			2.50	2.50	
Jul 16 20		2.45										2.50							
Jul 17 20								2.50											
Jul 18 20										2.50									
Jul 19 20		2.50	2.50																
Jul 20 20						2.50					1.50								
Jul 26 20							1.50												
Aug 12 20				3.50															
Aug 26 20																			
Sept 30 20				3.00															
Oct 1 20							3.00												
Oct 7 20				2.50															
Oct 15 20																2.50			
Oct 18 20							2.50												
Nov 1 20		2.25																	
Dec 1 20													1.30						
Dec 2 20	2.30	2.30	2.30		2.30	2.30	2.30	1.30		1.30	2.30	2.30		2.30			2.30		2.30
Dec 3 20															1.30				
Dec 4 20				2.30															
Dec 7 20																2.30			
Jan 25 21													2.00						
Jan 26 21	2.00	2.00		2.00	2.00		2.00	2.00	2.00		2.00			2.00	2.00	2.00	2.00	2.00	
Jan 27 21			2.00			2.00				2.00		2.00							2.00
Sept 15 21	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75		1.75	1.75	1.75	1.75	1.75		1.75

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED BY
IT IN FIGURING MOST OF ITS QUOTATIONS.

LEHIGH VALLEY (5)

Date	Allentown	Alpha	Atlas	Bath	Copley	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Sept 16 21												1.75						1.25	
Nov 22 21	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60		1.60	1.60	1.60	1.60		1.60	1.60	1.60		1.60
Nov 23 21									1.60										
Nov 29 21														1.60					
							NOTES												
a	No	date	ascertainable	prior	to	Mch	1.10		to	Began	Operations					Mch	1.00		
b	"	"	"	"	"	Nov	1.40		1.60	No	date	ascertainable	prior	to	Feb	22.25			
c	"	"	"	"	"	May	1.25		1.60	"	"	"	"	"	Nov	1.40			
d	"	"	"	"	"	Feb	1.15		to	"	"	"	"	"	Nov	1.30			
e	"	"	"	"	"	Mch	1.10		1.60	"	"	"	"	"	Jan	1.25			
f	Began Operations					May	1.10		to	"	"	"	"	"	Dec	1.10			
g	No	date	ascertainable	prior	to	Apr	1.15		1.60	"	"	"	"	"	Mch	1.00			
A	Since	Sept	16 -	1922															
B	1.60	Nov	4-12	70°	4-6	W.N.J.	W.N.Y.	W.Pa.	Ohio	& W.Va.	Chief	Mfg.	Dist.	80%	for	P.C.	and	Keystone	Mfg.
C	Since	Nov	12 -	1922															
D	Since	Nov	18 -	1922															
E	85%	for	P.C.	Va.	Md.	W.Va.	W.N.Y.	and	Ohio										
F	Plus	Freight	Rate	prior	70%	Pa													
G	"	"	"	"	85%	consumers													
H	"	"	"	"	80%	"	"												
I	75%	prior	to	Feb	15	-													
J	For	Govt	delivery																
K	All	shipments	f.o.b.	mill	plus	Lehigh	Valley	Freight	Rate										
L	Takes	effect	all	points	except	points	named	on	Easton	line	All	shipments	f.o.b.	mill	plus	freight	to	destination	
M	Mfg	points	from	&	after	1.25	&	prior	named	by	Contract	&	Dealer's	Customers					
N	All	prices	based	on	Lehigh	Valley	prior	Lehigh	Valley	Freight									
O	Or	on	Dealer's	acceptance	of	other	prices												
P	Other	mfg																	
Q	Price	Fixed	by	the	Interstate	Board													

Govt. Ex. No. 676

DATES WHEN CHANGES WERE MADE EFFECTIVE BY EACH COMPANY IN THE BASE PRICE USED BY IT IN FIGURING MOST OF ITS QUOTATIONS.

HUDSON RIVER (1)

Date	Allentown	Alpha	Atlas	Bath	Copley	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Dec. 2 '14	a	b	100	c	d	e	f	g	h	i	j	k	l	m	m	n	o	p	100
Dec. 3 14													100						
Dec. 11 14													.95						
Dec. 12 14		.95																	
Dec. 13 14															.95				
Dec. 18 14			.95		.95														.95
Dec. 20 14															.90				
Dec. 21 14			.90		.90														
Jan. 1 15		.90																	
Jan. 4 15																			.90
Jan. 6 15													.90						
Jan. 28 15															.85				
Jan. 29 15			.85		.85														
Feb. 1 15		.85																	
Feb. 8 15													.95						
Feb. 17 15															.80				
Feb. 18 15		.80	.80		.80														
Feb. 19 15																			.80
Feb. 20 15													.80						
Feb. 23 15											.70				.70				
Feb. 24 15		.70			.70														.70
Feb. 26 15			.75																
Mch. 1 15													.70						
Apr. 1 15									.70										
May 28 15													.80						
May 29 15											.90								
June 1 15		.80	.80		.80				.80						.80				.80
June 24 15											.90		.90		.90				.90
June 25 15		.90	.90		.90				.90										
July 14 15											1.00		1.00						1.00
July 15 15		1.00	1.00		1.00				1.00						1.00				
Oct. 29 15			1.10																

For Rules See Sheet (15)

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED BY
IT IN FIGURING MOST OF ITS QUOTATIONS.

HUDSON RIVER (2)

Date	Allentown	Alpha	Atlas	Bath	Coplay	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Jul 30 15	a	110		c		e	f	g		i	110	k	110	c	110	n	o	q	110
Nov 1.15					110				110										
Nov 13.15											115		115		115				
Nov 15.15	115	115	115		115														115
Nov. 16 15									115										
Nov. 19.15						8													
Nov. 22.15								115											
Mch 9.16							115												
Jun 9.16						115													
Oct 19.16											125		125						
Oct 20 16	125	125	125		125	125	125	125	125						125	125			125
Oct 21.16																	125		
Nov. 11.16											135		135						
Nov. 13.16	135	135	135		135	135	135		135						135		135		135
Nov. 14.16								135											
Jan 12.17											145		145						
Jan 13.17		145																	145
Jan 15 17			145		145	145	145		145						145				
Jan 16.17	145							145									145		
Mch. 15.17										145									
Mch 26 17											160		160						
Mch 27.17	160	160			160	160	160	160	160			160			160	160	160		160
Mch 29.17			160																
May 1.17										160									
Mch 20 18					200										200		200		
Mch. 21.18	200	200				200	200				200								200
Mch 22.18			200										200			200			
Mch. 23.18												200							
Mch 25.18								200											
Mch 27.18									200										
Apr. 4.18										200									
Apr. 1.19	185				185	185	185	185	185	185			185		185	185	185		185

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED BY
IT IN FIGURING MOST OF ITS QUOTATIONS.

HUDSON RIVER (3)

Date	Allentown	Alpha	Atlas	Bath	Coplay	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Apr. 7 19		1.95	1.85	C			1.85				1.95	1.85		C				A	
Mch. 1 20						D													
Mch 31 20																			
Apr 6 20		2.05															2.05		
Apr. 7 20								2.05	2.05				2.05		2.05	2.10			2.05
Apr. 8 20	2.05		2.05				2.05												
Apl. 9 20					1.95														
Apr. 10. 20												2.05							
Apr. 18 20											2.05								
Apr 26 20					2.05														
May 3 20										2.05									
May 14 20		E																	
June 15 20		2.35																	
June 16, 20	2.25																2.35		
Jun. 19 20					2.35							2.35	2.35		2.35	2.35			2.35
Jun. 21 20							2.35												
Jun 22. 20								2.35											
Jun. 23 20			2.35							2.35									
June 24 20											2.35								
Jul. 1 20							2.40												
Jul. 13 20	2.50												2.40						
Jul. 14 20					2.60										2.60				2.60
Jul. 15 20																	2.60		
Jul. 16 20		2.65										2.60							
Jul. 17. 20								2.60											
Jul. 18 20										2.60									
Jul. 19. 20		2.60	2.60																
Jul 20. 20											2.60								
Dec. 1. 20													2.40						
Dec. 2. 20	2.40	2.40	2.40		2.40	2.40	2.40	2.40		2.40	2.40	2.40					2.40		
Dec. 3 20															2.40				2.40
Dec. 7 20																2.40			

DATES WHEN CHANGES WERE MADE EFFECTIVE
BY EACH COMPANY IN THE BASE PRICE USED BY
IT IN FIGURING MOST OF ITS QUOTATIONS.

HUDSON RIVER (4)

Date	Allentown	Alpha	Atlas	Bath	Copley	Dexter	Edison	Giant	Glens Falls	Hercules	Knickerbocker	Lawrence	Lehigh	Nazareth	Penn Allen	Pennsylvania	Phoenix	Security	Vulcanite
Jan. 4.21				C.					2.40					C.				1.87	
Jan. 25.21													2.10						
Jan. 26.21	2.00	2.10			2.10		2.10	2.10	2.10		2.10				2.10	2.10	2.10		
Jan. 27.21			2.10			2.50				2.10		2.10							2.10
Sept. 15.21		1.85	1.85		1.85	1.85	1.85	1.80		1.85	1.85		1.85		1.85		1.80		1.85
Sept. 16.21									1.85							1.85			
Nov. 28.21		1.80	1.80		1.80	1.90	1.80	1.80		1.80	1.80	1.80	1.80		1.80	1.80	1.80		1.80
Nov. 23.22									1.80										

— Notes —

a. No date available prior to Nov. 15. 1915. ½ Began Operating March 1917.
b. " " " " " Dec. 17. 1916. ½ No date available prior to Feb 23.17
c. No date available prior to Mch. 22.17
d. No date available prior to Dec. 14. 1916. ½ " " " " Dec. 2.16
e. No " " " " Nov. 19. 1916. ½ " " " " Nov. 18.16
f. " " " " Oct. 9. 1916. ½ " " " " Oct. 20.16
g. " " " " Nov. 22. 1915. ½ " " " " Oct. 1.16
h. " " " " Apr. 1. 1915.

A. Does not quote this Point.
B. Special Prices to be made where sale is for more than 1 M.
C. Not to be used if it exceeds net less than 95% of list.
D. Quotations made by Mill along Hudson River were used as general guide.
E. Mill delivery.
F. Regular Customers on security reports.
G. All prices f.o.b. Mill plus freight to destination.
H. Various net prices to be taken where it figures lower than the rates.
I. Not to be used if it brings price more than 20¢ below L.V.

condition, freight prepaid, subject to Cement Company's count and inspection. Cement Company will not accept for rebate sacks bearing brands other than its own or bags that have been wet or are otherwise worthless. Such sacks if received will be held at shipper's risk subject to his order for thirty days only.

Shipments in paper bags will be made at purchaser's risk of breakage and resultant loss.

The Cement Company reserves the right to prescribe the routing by which the shipment shall be forwarded.

This quotation is subject to change without notice and is not binding until orders have been accepted by this Company in writing.

All orders and contracts are accepted subject to governmental restrictions, contingencies of manufacturing and shipping and other causes beyond the control of either Buyer or Seller. We will not be responsible for delays in transit.

Alpha Portland Cement to be furnished hereunder is to conform in every respect to Specifications of United States Government, or standard Specifications for Portland Cement as adopted by the American Society for Testing Matrials when tested by methods of testing recommended by American Society of Civil Engineers, but we cannot be responsible for improper use of Cement, therefore we will not guarantee finished work.

[fol. 1814] (Here follow Government's Exhibits Nos. 631, 632, 633, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675a, 676, marked side folio pages 1815-1824½, inclusive.)

[fols. 1825 & 1826] Govt. Ex. No. 677

Cement Manufacturers' Protective Association
932 Commercial Trust Building, Philadelphia, Penna.

Annual Productive Capacity of the Following Mills
Issued January 1, 1917

Allentown	950,000
Alpha	6,723,000
Alsen	1,000,000
Atlas	12,000,000
Bath	1,000,000
Cayuga	500,000
Clinchfield	1,200,000
Coplay	2,000,000
Dexter	960,000
Edison	2,000,000
Giant	3,400,000
Glens Falls	720,000
Helderberg	600,000
Knickerbocker	1,600,000
Lawrence	1,643,000
Lehigh	5,400,000

Millen	250,000
Nazareth	1,347,000
Penn-Allen	750,000
Pennsylvania	1,500,000
Phœnix	750,000
Security	1,000,000
Virginia	1,000,000
Vulcanite	2,000,000
Total	50,293,000

[fol. 1826½] GOVT. EX. No. 678

Bags, Average Costs 1916-1921, Inclusive

Statement Showing Average Costs of Bags Sold by Defendant Companies, 1916-1921, Inclusive, Compiled by the Government from Exhibits Submitted by the Companies

Company	1916, cents per bag	1917, cents per bag	1918, cents per bag	1919, cents per bag	1920, cents per bag	1921, cents per bag
Allentown	.099	.102	.126	.158	.193	.158
Alpha	.098	.102	.126	.161	.219	.157
Atlas	.094	.111	.120	.167	.203	.159
Bath (a)	(a)	(a)	(a)	(a)	(a)	(a)
Coplay	.072	.099	.102	.151	.211	.162
Dexter	.107	.112	.128	.172	.214	.159
Edison	.10	.11	.12	.18	.23	.16
Giant	.078	.114	.135	.159	.217	.217
Glens Falls	.098	.102	.117	.159	.207	.120
Hercules (b)	....	.125	.135	.174	.174	.183
Knickerbocker	.088	.095	.119	.151	.190	.157
Lawrence	.097	.105	.117	.156	.219	.151
Lehigh	.10	.104	.13	.169	.241	.142
Nazareth	.103	.108	.125	.151	.191	.181
Penn Allen	.095	.104	.119	.167	.209	.163
Pennsylvania	.094	.103	.123	.155	.213	.167
Phœnix	.098	.099	.118	.129	.211	.157
Security	.099	.099	.141	.139	.192	.131
Vulcanite	.10	.10	.111	.151	.204	.121

(a) No records.
(b) Hercules began operations August, 1917.

Govt. Ex. No. 679

Bags, Sale Price, 1919-1921

Statement showing amounts charged for each bag by defendant cement companies on January 1st, 1919, and changes in the amounts charged for bags from that date to April 1, 1921, showing dates and amounts charged by each company, as compiled by the Government from records and exhibits submitted by defendant companies.

Companies	Prices charged for bags		Changes in bag prices		Changes in bag prices		Changes in bag prices	
	Date	Amt. chagd.	Date	Amt. chgd.	Date	Amt. chgd.	Date	Amt. chgd.
	1 1919	2	3 1919	4	5 1920	6	7 1921	8
Allentown	January 1	.25	Apl. 1	.15	May 1	.25	Mch. 30	.10
Alpha	do.	.25	Apl. 2	.15	Apl. 30	.25	Mch. 28	.10
Atlas	do.	.25	Apl. 1	.15	May 15	.25	Mch. 28	.10
Bath	do.	.25	Apl. 1	.15	May 1	.25	Mch. 29	.10
Coplay	do.	.25	do.	.15	Apl. 1	.25	Mch. 28	.10
Dexter	do.	.25	Apl. 3	.15	May 6	.25	Mch. 29	.10
Edison	do.	.25	Apl. 1	.15	Mch. 1	.25	Mch. 29	.10
Giant	do.	.25	do.	.15	May 1	.25	Apl. 28	.10
Glens Falls	do.	.25	do.	.15	May 1	.25	Apl. 1	.10
Hercules	do.	.25	do.	.15	May 5	.25	Mch. 29	.10
Knickerbocker	do.	.25	do.	.15	June 21	.25	Apl. 1	.10
Lawrence	do.	.25	Apl. 2	.15	May 3	.25	Mch. 30	.10
Lehigh	do.	.25	Apl. 3	.15	May 3	.25	Apl. 1	.10
Nazareth	do.	.25	Apl. 1	.15	May 1	.25	Mch. 28	.10
Penn Allen	do.	.25	Apl. 1	.15	May 1	.25	Mch. 29	.10
Pennsylvania	do.	.25	do.	.15	June 1	.25	Apl. 1	.10
Phœnix	do.	.25	do.	.15	May 1	.25	Mch. 28	.10
Security	do.	.25	Apl. 15	.15	Apl. 8	.25	Mch. 30	.10
Vulcanite	do.	.25	Apl. 15	.15	May 10	.25	Mch. 28	.10

[fol. 1829] Govt. Ex. No. 680

April 21, 1919.

J. J. Collister, T. M. Atlas Portland Cement Co., 30 Broad St., New York, N. Y.

Dear Sir:

We have your letter of April 18th, file X-60-14, regarding correction on our Maine Correction Notice of April 12th.

You have shown Fisher's, Penobscot County, on the Maine Central Railroad with a rate of $5.00 from Lehigh Valley. As a matter of fact the correct rate is $4.00, this point being intermediate to Bangor and Ellsworth. Further than this, you show a higher rate from Alsen and Hudson to this point than is in effect to points on either side. This, of course, is correct under the present tariffs issued by the New York Central Railroad but we are asking them to check in rates to this point the same as are now in effect to points on either side. When this is done, it will necessitate another correction notice.

What I want to particularly call your attention to is the fact that no changes should be made by you in these Correction Notices with-
[fol. 1829½] out first taking the matter up with the Lehigh People and ourselves. Had you done so in this case, we could have arranged for checking in the proper rates from Lehigh Valley or it might have been decided that it would be better at this time not to add the point. Won't you kindly in the future handle this matter in accordance with agreement entered into sometime ago, instead of making correction on notices and sending them direct to Mr. Gaines and then notifying us afterwards? The agreement entered into in Mr. Gaines' office sometime ago was that all parties should agree and if matters of this kind are taken up before notices are finally sent to Mr. Gaines, it will, undoubtedly, cut down the number of correction notices which it will be necessary to issue.

Yours truly, C. N. Apgar, Traffic Manager. CA/R.

CC Mr. H. S. Gaines, V. P. Cement Mfgrs. Protective Assn., 19 West 44th St., N. Y.

[fol. 1830] Govt. Ex. No. 681

April Twenty-fifth, Nineteen Nineteen.

Mr. W. E. St. Clair, Sales Manager Castalia Portland Cement Company, Castalia, Ohio.

Dear Sir: In answering your letter of April 23d, we desire first to advise you that the rates published in our rate books are prepared by three of the cement companies who must concur absolutely before the rates are given out for publication.

The rate, therefore, of 33¢ for Lorain, Ohio from Universal, Pa., as shown in our book, is correct, and for your information we quote tariff for this, which is found in Pa. R. R., J. J., I. C. C. 680, for

L.A. and Southern delivery, giving a rate of 8.5¢ per 100 lbs. or $1.70 per ton, which is equivalent to 33¢ per barrel.

This office acts only as a medium in the matter of this information, and if there is still any doubt we shall be glad to have you write us, giving tariff which you have reference to for basing the rate of 37¢ and we will promptly take it up with the three companies.

Yours very truly, —— ——, Secretary. MBP-G.

[fol. 1830½] Govt. Ex. No. 682

September Fourth, Nineteen Eighteen.

Mr. F. M. Coogan, 2nd Vice President Alpha Portland Cement Company, Easton, Pa.

Dear Sir: Beg to herewith hand you a copy of a letter to Mr. Swett, relative to the Atlas Company sending a representative of their Traffic Department to Allentown to check freight rates.

The difficulty of securing a concurrence of the Traffic Departments of the three companies by mail has caused a big delay in getting out the New York book, and I am convinced that it is not practicable to handle the issuing of new freight rate books by mail, and that the best results can only be secured through getting the representatives of the different Traffic Departments together so that they can prove up their differences without any great delay.

I am under the impression that Mr. Apgar has reconciled his rates with the Lehigh Company rates on the books which are now ready, but if it would be convenient, suggest that he attend this meeting at Allentown so that we can all be sure that the rates we print will be concurred in by the Traffic Departments of all three Companies.

Assuring you that your cooperation is highly appreciated, I am,

Yours very truly, —— ——, Vice President. HSG-G.

[fol. 1831] Govt. Ex. No. 683

Alpha Portland Cement Company

Easton, Pa.

September 5, 1918.

H. S. Gaines, Vice President Cement Manufacturers Protective Association, 19 West 44th Street, New York City.

My Dear Mr. Gaines: I have your letter of the 4th also note copy of your letter to Mr. Swett. Mr. Apgar has been co-operating with the Lehigh Co. and will be very glad to continue this co-operation. He is in close touch with the Lehigh Traffic Department and if they will notify him when the Atlas representative gets there

he will go to Allentown and endeavor to finish up the checking of these rates.

If there is anything Mr. Apgar or myself can do in this matter, do not hesitate to call upon us.

Yours very truly, F. M. Coogan, 2nd Vice President.

[fol. 1831½] Govt. Ex. No. 684

Lehigh Portland Cement Co.

Allentown, Pa.

B-48-C.M.P.A.

Sept. 5, 1918.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Protective Association, 19 West 44th St., New York City.

Dear Sir: Your letter of the 4th to Mr. Swett has been referred to me for attention and in this connection would advise that we will prepare ourselves to entertain representatives of the Atlas and Alpha Companies in our offices, Monday, September 9, for the purpose of checking New York, Pennsylvania, New Jersey and various other rate books. I have communicated with Mr. Apgar in line with your suggestion to Mr. Swett and he is agreeable.

Personally, I feel that this is the best way to go about this matter, as the way we have been endeavoring to iron out these discrepancies has caused us a lot of work without getting any place.

Unless we hear to the contrary we shall expect these gentlemen to be present here commencing on Monday, and I would be very glad to have you inform the Atlas representatives to come prepared to stay all week if necessary to get this matter out of the way.

Yours very truly, W. F. Clark, Traffic Manager.

[fol. 1832] Govt. Ex. No. 685

June 1, 1915.

The Lehigh Portland Cement Co., Allentown, Penna.

Attn. Mr. W. F. Clark, T. M.

Gentlemen: We notice that your West Virginia traffic sheet number six shows up Charleston, W. Va. for B. & O. and N. & W. delivery as $2.10 per net ton from the Lehigh Valley Mills, whereas it should read—Charles Town, W. Va. with a $2.74 rate for N. & W. delivery and $1.90 for B. & O. delivery.

Trust you will not object to our mentioning these variations as we come to them from time to time as it is simply done in line with co-operation.

Very truly, Security Cement & Lime Co. —— ——,
Traffic Manager.

[fol. 1832½] Govt. Ex. No. 686

Lehigh Portland Cement Co.

Traffic Department

In reply please refer to file B-48-W. Va.

Allentown, Pa., June 2, 1915.

Mr. P. C. Somervell, T. M. Security Cement & Lime Co., Hagerstown, Md.

Dear Sir: I have your letter of June 1st in regard to rate to Charles Town, W. Va.

We have issued correction sheet covering this point and you will find copy of same attached.

We certainly do not object to your calling these discrepancies to our attention, but rather appreciate any co-operation which you may give us in this respect.

Yours very truly, Lehigh Portland Cement Company. W. F. Clark, Traffic Manager.

[fol. 1833] Govt. Ex. No. 687

March 1, 1916.

W. E. Miner:

On Friday, February 25th we received freight rate books for all of the Eastern territory, including Ohio. These books, as I understand, are to be used in making prices, whether the rates are correct or not. The books are corrected up to a recent date, but there have been a number of corrections issued since the first of the year, i. e., Notices 53 to 66 inclusive. Just how many of these correction notices have been applied cannot be developed without checking.

I am returning herewith four (4) sets of the books, together with all correction notices from January 3rd to February 28th inclusive.

The number of these rate books needed by this office, branch offices and salesmen are as follows:

New England	*15
New York State	*13
Pennsylvania	*12
New Jersey	*12
Maryland, Delaware and District of Columbia	†10
Virginia	6
West Virginia	9
Ohio	7

*Letter to Sec. 3/27/16, asks for additional books.
†See memo., 3/21/16, to Mr. McFarland.

[fol. 1833½] I understand from Mr. Coogan that additional sets can be secured from the Association. If you will secure the number of sets above enumerated and have them corrected to date, we will undertake to make the additional corrections — notices are issued. We would like to have these books ready for distribution by the end of this week, so that all of our quotations beginning with Monday next, can be made to conform with the rates shown in the Association books.

Yours very truly, —— ——

NOTE.—In answer to this memo. we received additional books from the assn. but in sending them to us they sent 8 Ohio books short. As the books are to be used in Ohio we did not (rest mutilated.)

[fol. 1834] GOVT. EX. No. 688

The Atlas Portland Cement Co.

New York

March 16, 1916.

Kimball:

Kindly refer to your memorandum of March 1st, addressed to Mr. Miner reading as follows:

"On Friday Feb. 25th we received Freight Rate Books for all of the Eastern territory including Ohio. These books, as I understand it, are to be used in making prices whether the rates are correct or not. The books are corrected up to a recent date, but there have been a number of corrections issued since the first of the year, i. e., 53 to 66 inclusive. Just how many of these correction notices have been applied cannot be developed without checking.

I am returning herewith four sets of the books together with correction notices from Jan. 3rd to Feb. 28th, inclusive.

The number of these Rate Books needed by this office, branch offices and salesmen are as follows:

[fol. 1834½] New England..... 12
New York State..... 12
Pennsylvania 12
New Jersey..... 12
Maryland, Delaware, Dist. of Columbia..... 7
Virginia 6
West Virginia..... 9
Ohio 10

I understand from Mr. Coogan that additional sets can be secured from the Association. If you will secure the number of sets above enumerated and have them corrected to date we will undertake to make the additional corrections as correction notices are issued.

We would like to have these books ready for distribution by the end of this week so that all of our quotations beginning with Monday next can be made to conform with the rates shown in the Association books."

For your information, would advise that we have checked over the book covering Freight Rates to points in West Virginia, and find 618 errors divided as follows:

From Universal	205	errors.
" Fordwick	213	"
" Union Bridge	104	"
" Lehigh District	96	"
Total	618	

(Signed) W. Young.

[fol. 1835] GOVT. EX. NO. 689

Alpha Portland Cement Co.

Easton, Pa.

May 18, 1917.

Mr. C. W. Bacon, Secretary Cement Manufacturers Protective Association, Commercial Trust Building, Philadelphia, Pa.

DEAR SIR: We have your favor of May 17.

We are working up a table which will be in the nature of a supplement to the present freight rate schedules, increasing the rates by 15%. While, as stated in Mr. Moyer's letter, this would not be quite perfect, but at the same time there would certainly be no loss to any of the cement manufacturers and there would in no way be any hardships put on our customers. I will explain in detail at the Meeting on Monday how this supplement will be worked out.

It was my intention to use this supplement and then to start in working on the new freight rate schedules, getting them prepared and printed as soon as possible, at which time they could be distributed and replace the old freight rate schedules. It would be a [fol. 1835½] physical impossibility to get up the new rates and have them tabulated and printed in time for distribution by July 1. This is a job that will take at least two or three months.

The method as suggested above has been talked over with two or three people and I believe you will find it entirely satisfactory.

Yours very truly, F. M. Coogan, 2nd Vice President.

[fol. 1836] Govt. Ex. No. 690

Cement Manufacturing Protective Association

Philadelphia, Penna.

Charles W. Bacon, Secretary

The Interstate Commerce Commission have authorized an advance in all freight rates, including portland cement. These advances become effective just as soon as the tariffs can be printed. Some of the tariffs have been printed and went into effect on April 1st. The others will be effective just as soon as they are printed. Pending reprinting of freight schedules, you may arrive at the freight rates now effective under this advance (including war tax on freight) by making the following changes in your freight rate schedules:

All rates up to 19¢ per barrel, incl., advance						4¢	per barrel.
" "	from 20 to 52¢, inclusive,			"	5¢	"	"
" "	" 53 " 86¢		"	"	6¢	"	"
" "	" 87 " $1.19		"	"	7¢	"	"
" "	" $1.20 " 1.52		"	"	8¢	"	"
" "	" 1.53 " 1.86		"	"	9¢	"	"
" "	" 1.87 " 2.19		"	"	10¢	"	"
" "	" 2.20 " 2.52		"	"	11¢	"	"

[fol. 1836½] This schedule will not be entirely correct in all cases, as where the rates are made up on a combination of locals, there would be an advance equal to approximately double the above figures. But the above figures will serve generally until such time as we are able to have new books printed and distributed.

April 5, 1918.

[fol. 1837] Govt. Ex. No. 691

Alpha Portland Cement Company

Easton, Pa.

Aug. 23, 1920.

J. J. Collister, Traffic Mgr. Atlas Portland Cement Co., 30 Broad St., New York, N. Y.

Deir Sir: Last week at a meeting of the Committee of the Cement Mfrs. Protective Association it was suggested that we work out a key to be put out by the Association for use until such time as we could get out the new Freight Rate Books. I understand the matter has been submitted to Mr. Cox and he has approved of the plan to do this even though it might not, in all cases, represent the exact freight rate.

I am attaching a schedule which was prepared by the Lehigh

Company which we have checked over and which has our approval. This is slightly different in some cases from the schedule put out by the Mid-West but, under present circumstances, it could be used all right. For the convenience of Mr. Hulsart, I would suggest this schedule be placed in the Association Office and be sent out with a [fol. 1837½] note somewhat in the form of the Mid-West which reads as follows:

"To Subscribers:

Advance freight rates become effective August 26, 1920; attached is a table which may be found convenient in figuring the advance freight rates recently authorized by the Interstate Commerce Commission."

If you approve, will you please pass this on to the Association?
Yours truly, F. M. Coogan, Second Vice-President. FMC/R.

Approved: J. J. Collister.

[fol. 1838] Govt. Ex. No. 692

Cement Manufacturers' Protective Association

New York

August 25th, 1920.

To Member Companies:

Enclosed herewith are copies of a table which may be found convenient in computing the advance freight rates recently authorized by the Interstate Commerce Commission to become effective August 26th, 1920.

The use of this table and its form has been approved by the Association Attorney.

Very truly yours, Cement Manufacturers Protective Association. C. Raymond Hulsart, Vice-President.

Cement Manufacturers Protective Association

19 West 44th Street, New York City

Freight Rate Correction Notice #138

Effective August 26th, 1920, an increase of 40% in freight rates will become effective.

[fol. 1838½]

Where old rate, in cents per bbl., inc. war tax, is	The new rate in cents per bbl., inc. war tax, is	Where old rate, in cents per bbl., inc. war tax, is	The new rate in cents per bbl., inc. war tax, is
12	16	70	98
14	20	72	102
16	22	74	104
18	25	76	108
20	27	78	110
22	29	80	112
23	33	82	115
25	35	84	117
27	39	86	121
29	41	88	123
31	43	90	125
33	47	92	129
35	49	94	131
37	53	96	135
39	55	98	137
41	57	100	139
43	61	102	143
45	63	104	145
47	67	106	149
49	68	108	151
51	70	110	153
53	74	112	157
55	76	114	159
57	80	115	162
59	82	117	164
61	84	119	166
63	88	121	170
65	90	123	172
67	94	125	176
68	96		

[fol. 1839] GOVT. EX. No. 693

August 27, 1920.

Mr. Stinson,
" O'Brien,
" Feeks,
" Abbott,
" Swallow,
" White.

GENTLEMEN: Enclosed herewith is a correction notice #138 from the Cement Manufacturers Protective Association to be used in conjunction with the freight rate books now in your possession.

Do not change the figures in the rate books for the present, as figures shown on the enclosed list will not absolutely conform to

the new rates as they will appear in Railroad Tariffs when issued. They are as close as can be figured for the time being, but inasmuch as they are not absolutely correct, there will be another correction sheet sent you later.

However, these figures are to be used when quoting for new market business.

Kindly acknowledge receipt of same and oblige,

Very truly yours, Sales Department. WMF/SP.

[fol. 1839½] Govt. Ex. No. 694

August 27, 1920.

Dear Mr. Stinson: Referring to yours of the 26th instant on freight rates. I enclose you herewith three copies of a key furnished by the Cement Protective Association on the freight rate books.

Do not correct your books according to this sheet, as I was informed yesterday, while at Easton, that the figures shown on this sheet do not correspond to the exact freight rate, having only been made up for temporary use.

The Traffic Managers of the Lehigh Valley District are now working on the corrections, which will be issued in accordance with the tariff.

On our contract shipments the price will be increased in exact accordance with the present effective railroad rate. On business shipped at the prevailing market prices, we will use the figures shown on the Association's sheet, so as to still bear in mind the Lehigh Valley competition. In other words, our prices will be made up based on a mill price of $2.50 Lehigh Valley and $2.60 Hudson plus $1.00 for bags, plus the freight as shown on the Association's sheet, using the price that figures the lower. We will pay no attention to other basing prices.

Very truly yours, Sales Department.

[fol. 1840] Govt. Ex. No. 695

Knickerbocker Portland Cement Company

New York City

August 26, 1920.

Mr. W. M. Floring, Sales Department, Knickerbocker Portland Cement Company Inc., New York City, N. Y.

Dear Sir: This will acknowledge your instructions of the 24th inst., pertaining to advance in freight rates, copy of which we have forwarded to Messrs. Steer and Lovejoy.

As soon as the method of figuring this advance is definitely settled we will appreciate this information.

Very truly yours, Knickerbocker Portland Cement Company, Inc. J. W. Stinson, Local Manager.

[fol. 1840½] Govt. Ex. No. 696

March 18, 1921.

E. C. Shaffer, P. O. Box 1014, Schenectady, N. Y.

Dear Sir: We are sending you under separate cover a freight rate book giving rates to different points in New York state; also a key to be used in working out the present rates. The rates as shown in the freight rate book are the old rates in effect prior to the advance on August 26th last, at which time a 40% increase become effective. Therefore, in checking up the present rates look up the freight rate in the book and refer to the key to get the new rate. Our freight rates are all worked out on the barrel basis and include the war tax; therefore, the customer when settling invoices is allowed to deduct the freight rate and war tax from the price at which the cement is invoiced at destination.

At the present time base your prices at $2.00 Lehigh Valley, which is our district, and when figuring prices in competition with other districts use a mill basis of $2.10 Hudson or Alsen and $1.80 Universal. Our charge for cloth sacks in still 25¢ each, or $1.00 per barrel; the price in paper sacks being 75¢ per barrel less than [fol. 1841] the price in cloth, or in other words, when figuring the price in paper add 25¢ to the net price of the cement.

When quoting the cost of package and freight are to be added to the net mill prices given above in all cases, and quote only delivered prices.

The net prices given you herewith are prices which we use when quoting dealers. At the present time our differential when quoting consumers is 10¢ per barrel, although when in any locality the dealers are getting a larger differential it is our policy to co-operate with them, and when we do quote a consumer in such locality to quote retail prices on the same basis as being used by the dealers.

We are attaching herewith a copy of one of our contract forms, also one of our acknowledgments, and you will note on the back of this letter the terms and conditions under which our sales are made. We would suggest that you read these over carefully.

If there is anything that is not absolutely clear to you, kindly advise us.

Very truly yours, Bath Portland Cement Co. —— ——, Second Vice President.

[fol. 1841½] Govt. Ex. No. 697

Alpha Portland Cement Co.

General Offices: Easton, Pa.

February 25, 1916.

Security Cement & Lime Co., Hagerstown, Md.

Attention of Mr. P. C. Somervill, T. M.

GENTLEMEN: Replying to your favor of February 24th, would advise that it is the general understanding that the Cement Companies will use the books published by us. This is the book which we are using and which we will continue to use.

For your information, I might state that the Lehigh Company and ourselves watch the changes and exchange correction notices.

With kindest personal regards, I remain,

Yours very truly, C. N. Apgar, Traffic Manager.

[fol. 1842] Govt. Ex. No. 698

Alpha Portland Cement Company

Easton, Pa.

Dec. 20, 1920.

Cement Manufacturers Protective Assn., 19 West 44th St., New York, N. Y.

GENTLEMEN: Yours of Dec. 17th. We know that there will be some difference between 40% of the actual rate per ton reduced to barrels as against 40% of barrel rate in our Freight Rate Book, but it was decided that regardless of the fact that the per ton rate increased 40% and reduced to barrels would be different than 40% of the book rate; the book rate increased 40% was to be used in all cases until such time as new freight rate books were compiled at the actual tariff rate per ton reduced to the equivalent in cents per bbl. Therefore, the book rate should be increased in accordance with the supplement issued and such rates used for figuring purposes.

We figure that on freight rates of 75¢ per bbl., the increase of 40% would be 30¢ per bbl., which would make the rate to be used at present $1.05 per bbl.

Yours truly, C. N. Apgar, Traffic Manager.

[fol. 1842½] Govt. Ex. No. 699

Knickerbocker Portland Cement Company, Inc.

New York City

December 10, 19t0.

Knickerbocker Portland Cement Company, Inc., New York City, N. Y.

Gentlemen: Having reference to the present Universal basing price, I have been asked to quote this morning to Willimantic, Connecticut, and I note that the old Universal rate to this point is 75 cents. The Freight Correction Notice No. 138, which covers a 40 per cent increase, does not show a rate of 75 cents, therefore am I to understand that we will take the difference between the old rates of 74 and 76 cents, which are now respectively $1.04 and $1.08? Computing on this basis the price at Willimantic should be $4.21 per barrel to the consumer. Kindly advise if this is correct.

I also wanted to arrive at a price to Houlton, Maine this morning and find that the Freight Correction Notice does not show the present [fol. 1843] rate of freight above $1.25. We are, therefore, somewhat in the dark as to how to compute the freight rates to points in Northern Maine which took a higher rate of freight than $1.25 per barrel including war tax.

Very truly yours, Knickerbocker Portland Cement Company, Inc. J. W. Stinson, Local Manager.

[fol. 1843½] Govt. Ex. No. 700

December 13, 1920.

Dear Mr. Stinson: Referring to yours of the 10th beg to advise that the old Universal rate of 75¢ is increased under the new 40 per cent increase to $1.06 per barrel, which includes the War Tax.

Regarding the other rates above $1.25 per barrel, multiply the old rate by 40 per cent, then take 3 per cent of this 40 per cent for the additional War Tax, adding to the old rate the 40 per cent increase and the additional 3 per cent War Tax. This gives you the new rate as close as we can figure it at this time without the published tariffs.

As a matter of fact, I have learned since returning from Boston that there are about four kinds of prices out. This difficulty will be overcome shortly, I hope, by the issuance of new freight rate books.

Very truly yours, Sales Department.

[fol. 1844] Govt. Ex. No. 701

Alpha Portland Cement Co.

Easton, Pa.

June 16, 1917.

Mr. C. W. Bacon, Secretary Cement M. Protective Association, Commercial Trust Building, Philadelphia, Pa.

Dear Sir: We have your favor of the 12th inst. relative to the matter of loading cars. Inasmuch as we will not have a representative from this Company present at the meeting on the 18th, we will, of course, not have our figures at this time.

My opinion is that so far as the Cement Protective Association is concerned, it would be a duplication of effort if you were to take any steps looking toward gathering statistics on this question. The General Association have asked for these statistics and they will, no doubt, publish and send them to all the members. Therefore, I do [fol. 1844½] not think it necessary for your Association to take any action and to open up discussion on this question.

Yours very truly, F. M. Coogan, 2nd Vice President.

[fol. 1845] Govt. Ex. No. 702

August 25, 1917.

Mr. J. P. Beck, Secretary Portland Cement Association, Chicago, Ill.

Dear Sir: We would thank you very much if you would let us have 12 copies of booklet on Trade Practice.

This Association is about to extend its service and your booklet on the subject of Trade Practice will be of great assistance in organizing our new department.

Thanking you, we beg to remain

Yours truly, Cement Mfrs. Protective Assn, —— ——, Secretary.

[fol. 1845½] Govt. Ex. No. 703

Portland Cement Association

Chicago

August 27, 1917.

Mr. Charles W. Bacon, Secretary Cement Manufacturers Protective Association, 932 Commercial Trust Building, Philadelphia, Pa.

Dear Sir: Replying to yours of 8-25-17. We are forwarding to you under separate cover a dozen copies of our booklet "Trade Practices in the Cement Industry." There have been some minor changes in this booklet since it was printed. We hope to issue a new booklet after the September meeting of the Association.

If the booklets do not reach you promptly and in good condition please let us know.

Very truly yours, J. P. Beck, General Manager.

[fol. 1846] Govt. Ex. No. 704

The Atlas Portland Cement Company

30 Broad Street, New York

November 6, 1916.

Subject: ——

Dear Mr. Gowen: I have your letter of the 1st inst. regarding the luncheon on Monday, Nov. 13th at the Blackstone to take up matters of the Mid-West Cement Credit and Statistical Bureau, which have been the subject of correspondence between Mr. Morron and yourself. It will give me great deal of pleasure to attend the luncheon.

Yours very truly, D. H. MacFarland.

Mr. A. Y. Gowen, 220 South State St., Chicago, Ill.

[fol. 1846½] Govt. Ex. No. 705

Cement Manufacturers Protective Association

Philadelphia, Penna.

Charles W. Bacon, Secretary

Dec. 5, 1916.

Dear Sir: In the near future, we will exchange all information with the Mid-West Bureau. This will include contract and credit reports as of Dec. 1st; also their daily report of contracts.

For the purpose of cutting down the work and expense of mailing as much as possible, we would like to know which companies desire the daily contract report of the Mid-West Bureau.

Will you kindly advise if you wish this information mailed to you.

Yours truly, Cement Mfrs. Protective Ass'n., by Charles W. Bacon, Secretary. CWB/W.

Endorsed: If you please, one copy Allentown Port. C. Co.

[fol. 1847] Govt. Ex. No. 706

Philadelphia, January 22, 1916.

Dear Sir: You are no doubt aware of the formation of the Protective Association by the eastern cement mills for the purpose of handling information as to contracts, credits, etc.

This new Association will take over the credit interchange, which has been handled by the writer personally for the past two months, on February 1st, and all future reports of unpaid accounts, notes receivable and accounts placed in attorneys' hands will be asked for by, and sent to, the Secretary of the Association at his office, #220 Commercial Trust Building, Philadelphia

The President of the Association, Mr. R. E. Griffith, of the Giant, has directed the Secretary to call a special meeting for Monday, January 31st at eleven o'clock A. M., of which meeting you will receive notice from the Secretary.

This meeting is to enable the Secretary to become acquainted with the credit men and to discuss with them matters pertaining to exchange of credit information, &c.

The writer trusts that you will be able to attend the meeting, which will be held in the Association's office at the above address. You should receive notice from the Secretary at about the same time this letter reached you.

Yours very truly, W. D. Lober.

[fol. 1847½] Govt. Ex. No. 707

Knickerbocker Portland Cement Company, Inc.

General Offices: 30 East 42nd Street, New York City

January 27, 1919.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Prot. Assn., 19 West 44th Street, New York City.

My Dear Mr. Gaines: In the monthly report of "Unpaid Accounts and Bills Receivable." I notice that no Government accounts are ever listed. Will you please explain the reason.

Very truly yours, A. D. Naylor, Treasurer.

[fol. 1848] Govt. Ex. No. 708

January Twenty-eighth, Nineteen Nineteen.

Mr. A. D. Naylor, Treasurer Knickerbocker Portland Cement Co., 30 East 42nd Street, New York.

Dear Mr. Naylor: Responding to your letter of January 27th, in regard to our monthly report of Unpaid Accounts and Bills Receivable—not listing any Government accounts:

We do not list these accounts because, as I understand it, there is no question of the credit of the Government, and it was not considered that because the Government owed any one concern any large sum of money, that fact would have any influence upon other companies accepting orders from the Government.

At the time this action was taken we were actively engaged in the war and patriotism may have had something to do with the question, but I think the whole thing was based upon the fact that no matter how much the Government owed the different cement companies, the fact of their account being delinquent would not have any effect upon others accepting orders.

Yours very truly, —— ——, Vice President.

[fol. 1848½] Govt. Ex. No. 709

Knickerbocker Portland Cement Company, Inc.

New York City

January 31, 1919.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Prot. Assn.,
19 West 44th Street, New York City.

Dear Mr. Gaines: Referring to your letter of January 28th with regard to the monthly report of Unpaid Accounts and Bills Receivable. I do not know that there should be any question about the responsibility of the Government, and that was not the point I had in mind in asking the question.

While the question of the responsibility of the Government is not to be considered, nevertheless, it would be quite interesting to me, as the credit representative of this company, to know how promptly the Government settles their account with the various cement companies, or if there is anything of ancient date outstanding.

[fol. 1849] It may be possible that I do not quite get the idea of the purpose of the Association and the different reports, and you may eventually place me in the class of "foolish questions." I, however, have some ideas as to the full advantages to be derived from Association work and I am going to impose upon you before long by asking you to take lunch with me in order that we can discuss some of these questions.

With kindest regards, I remain,

Very truly yours, A. D. Naylor, Treasurer.

[fol. 1849½] Govt. Ex. No. 710

Knickerbocker Portland Cement Company, Inc.

New York City

January 31, 1919.

Mr. H. S. Gaines, Vice-President Cement Manufacturers Prot. Assn., 19 West 44th Street, New York City.

Dear Mr. Gaines: Referring to your letter of January 28th with regard to the monthly summary of Past Due Accounts. This is what you get for insisting upon members analyzing these reports. I do not want you to feel that I wrote you about this proposition for the purpose of criticising but I could not make the figures as shown in your report agree with our figures, and therefore, found it necessary to write you.

I appreciate your taking the time to check this report and can assure you that I understand quite well how such matters can happen.

Very truly yours, A. D. Naylor, Treasurer.

[fol. 1850] Govt. Ex. No. 711

Dexter Portland Cement Company

Nazareth, Pa.

3-17-19.

Cement Mfrs. Prot. Assn., 19 West 44th Street, New York, N. Y.

Gentlemen: This is to advise that the account of Theodore Kramer, Williamstown, Pa., which has appeared on our books for some time, in the amount of 2.97, has been charged off by us.

Very truly yours, R. W. Hilles, Manager of Sales & Credits.

[fol. 1850½] Govt. Ex. No. 712

Cement Manufacturers Protective Association

Philadelphia, Penna.

March 30, 1916.

Mr. Loring A. Cover, President Security Cement & Lime Co., Equitable Building, Baltimore, Md.

Dear Sir: At the meeting of the Cement Manufacturers Protective Association, held March 20th, in Philadelphia, it was decided that when a bin testing charge is made it should be designated by some form. Therefore, in the future when contract has a bin testing charge we would suggest that after the price you put the word "plus" and add the number of cents to be charged for the aforesaid test.

In other words, if a contract price is 1.75 and there is a bin test of 3¢ to be charged, put the price down $1.75 plus 3¢ and that will be understood to be a bin test charge.

Very truly yours, Cement Mfgrs. Protective Assn., by Chas. W. Bacon, Secretary.

[fol. 1851] Govt. Ex. No. 713

April 20, 1916.

Mr. W. L. Sperry, President Cumberland Hydraulic Cement & Mfg. Company, Cumberland, Md.

Dear Mr. Sperry: Have you any objection to telling me whether or not you are at this time adding three cents (3¢) per barrel to the price of cement to cover bin storage should the material be specified as having to be bin tested and stored, subject to the contractor's shipping instructions?

I will very much appreciate your advice.

Very truly yours, —— ——, General Sales Manager.

[fol. 1851½] Govt. Ex. No. 714

Cumberland Hydraulic Cement and Mnfg. Co.

Cumberland, Md.

April 21, 1916.

J. K. Barbour, Gen'l Sales Mgr. Security Cement & Lime Co., Hagerstown, Md.

Dear Sir: Your favor of the 20th received and in reply would state it is our understanding now that all bin test cement requires the adding of 3¢ per barrel to cover storage, should the material be [fol. 1852] specified as having to have bin test and stored subject to the contractor's shipping instructions. We expect to adhere to the above unless we find that the other fellow is not adding it to his price and in that event, we will be very much inclined to put it up to the other fellow as why the 3¢ is not added.

Yours truly, W. L. Sperry, President.

[fol. 1852½] Govt. Ex. No. 715

April 22nd, 1916.

Mr. W. L. Sperry, President Cumberland Hydraulic Cement & Mnfg. Co., Cumberland, Md.

Dear Sir: Thank you very much for yours of the 21st on bin test charge. Our attitude in the matter coincides with yours.

Very truly yours, Security Cement & Lime Company. ——
——, General Sales Manager.

[fol. 1853] Govt. Ex. No. 716

July 19, 1917.

Mr. A. V. Lemasters, Auditor Knickerbocker Portland Cement Co., New York, N. Y.

Re Bag Returns

Dear Sir: We have your favor of the 16th inst., enclosing bag report for the first six months of 1917, and also note your paragraph referring to percentage of rejected bags of other companies.

We herewith attach report of all the companies' bag returns for the first six months of 1917, from which you can see how the various companies reject damage bags.

Yours very truly, Cement Mfrs. Protective Ass'n, by ——
——, Secretary.

[fol. 1853½] Govt. Ex. No. 717

Security Cement and Lime Co.

Hagerstown, Md.

Aug. 20, 1918.

Cement Manufacturers Protective Association, 19 W. 44th St., New York City.

Gentlemen: I wish to call your attention to an error in your statement of Bag Returns for the first 6 months ending June 30th, 1918. In this statement you give our total number of bags returned 706,901, total bags rejected 14,162, per cent rejected .20. Obviously this percentage should be 2.00% and an error has been made in the placing of the decimal point.

[fol. 1854] I hope that you will call attention to this error as it is calculated to lead other companies to the belief that we are unduly lenient in our sorting of bags.

Very truly yours, Security Cement & Lime Company. John J. Porter, 1st V. Pres. & Gen. Mgr.

[fol.1854#] GOVT. EX. No. 718

April 1st, 1915.

Mr. B. T. Scott, President, Tidewater Portland Cement Co., Baltimore, Md.

DEAR MR. SCOTT: Referring to errors made by your Sales Department in quoting cement to Messrs. J. R. Cover & Sons, Elkton, Virginia, and the Modern Concrete Construction Company, Cumberland, Md., about which I have spoken to you, I would appreciate your seeing that letters be sent to these parties correcting the errors, with copies of same sent to us. We will be glad in future to reciprocate under like circumstances. We all make mistakes, and after the mistake is made, the next best thing to do is to correct it.

Very truly yours, —— ——, President. LAC:MS.

[fol. 1855] GOVT. EX. No. 719

Tidewater Portland Cement Company,

Baltimore, Maryland

April 7, 1915.

Mr. L. A. Cover, President Security Cement & Lime Co., Hagerstown, Md.

MR. COVER: Your letter April 1st, with reference to quotations to Elkton, Virginia and Cumberland, Maryland.

We have today written both of these parties, withdrawing our previous price, which we trust is to your entire satisfaction. This, however, was unnecessary, as our quotations had expired by limitation.

Yours very truly, Tidewater Portland Cement Co., by E. R. Stapleton, Assistant to President.

[fol. 1855½] GOVT. EX. No. 720

Cement Manufacturers Protective Association

Philadelphia, Pa.

April 14th, 1916.

Mr. Chas. W. Bacon, Secretary Cement Manufacturers Protective Association, 220 Commercial Trust Bldg., Philadelphia.

DEAR SIR: Confirming conversation in my office to-day, kindly take up at the Sales Managers' Meeting on Monday the question of average price for each month on shipments made by the various Companies.

Yours truly, R. E. Griffith, President. S.

[fol. 1856] GOVT. EX. No. 721

Giant Portland Cement Company

603-610 Pennsylvania Building, 15th and Chestnut Streets, Philadelphia, Pennsylvania

April 21st, 1916.

Mr. Chas. W. Bacon, Secretary Cement Manufacturers Protective Association, 220 Commercial Trust Bldg., Philadelphia, Pa.

DEAR SIR: Will you kindly take up with the Lehigh Portland Cement Company the question of —, Contract 268, with Samuel Larrivee, Williamsport, Pa., for West Branch National Bank 3,000 bbls. at $1.64, and ascertain how this price of $1.64 is arrived at?

Yours very truly, R. E. Griffith, Vice President.

[fol. 1856½] GOVT. EX. No. 722

April 24, 1916.

Mr. B. L. Swett, Eastern Sales Manager Lehigh Portland Cement Company, Allentown, Pa.

DEAR SIR: We are asked to take up with you Contract #268 with Samuel Larrivee, Williamsport, Pa., for West Branch National Bank —3,000 barrels at $1.64—and ascertain how this price of $1.64 is arrived at.

Thanking you for any information, we beg to remain

Yours very truly, Cement Mfrs. Protective Assn., by ——, Secretary. CWB/W.

[fol. 1857] GOVT. EX. No. 723

Lehigh Portland Cement Co.

Allentown, Pa.

In reply please address and refer to 40634-C.

April 25, 1916.

Mr. C. W. Bacon, Sec. Cement Mfgrs. Protective Asso., Phila, Pa.

DEAR SIR: Replying to your letter of the 24th concerning contract #228 with Samuel Larrivee for the West Branch National Bank, Williamsport, Pa., would say that the correct price on this contract is $1.81 cloth f. o. b. Williamsport, and our records indicate this is the price reported to you. Contract was closed February 3rd, 1916.

Please advise.

Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

[fol. 1857½] Govt. Ex. No. 724

April 26, 1916.

Mr. B. L. Swett, Eastern Sales Manager Lehigh Portland Cement Company, Young Building, Allentown, Pa.

Re Contracts

Dear Sir: Replying to your letter of the 25th inst., we are enclosing card received from the Lehigh Company from which we made our entry on the Monthly Report. You will see that the price is $1.64, as stated in our letter of the 24th instant.

Will you kindly return the card to us with any corrections you desire made.

Yours very truly, Cement Mfrs. Protective Assn., by ——, Secretary. CWB/W.

[fol. 1858] Govt. Ex. No. 725

Lehigh Portland Cement Co.

Allentown, Pa.

April 27, 1916.

Mr. Chas. W. Bacon, Sec. Cement Mfgrs. Protective Asso., Philadelphia, Pa.

Dear Sir: Replying to your letter of the 26th, we hand you herewith corrected card on contract #268, Williamsport, Penna.

Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

[fol. 1858½] Govt. Ex. No. 726

Giant Portland Cement Company

Philadelphia, Pennsylvania

May 9th, 1916.

Mr. Chas. W. Bacon, Secretary Cement Manufacturers Protective Association, 220 Commercial Trust Bldg., Philadelphia.

Dear Sir: Not long ago, we addressed an inquiry to you, asking how Lehigh arrived at the price reported on the contract they closed with Samuel Larrivee for a bank building at Williamsport, Pa. Have you yet had any advice from Lehigh on this?

Yours very truly, J. L. States, for R. E. Griffith, Vice-President.

[fol. 1859] Govt. Ex. No. 727

May 10, 1916.

Mr. R. E. Griffith, Vice-President Giant Portland Cement Company, Penna. Bldg., Philadelphia, Pa.

Dear Sir: We have your favor of the 9th inst., asking us if we have received a reply from Lehigh as to how they arrived at the price reported on contract they closed with Samuel Larrivee, Williamsport, Pa.

In reply would say, we wrote Lehigh on April 24th and on the 27th we received their reply stating that they had reported to us a price of $1.81. We returned to them their card showing the price reported to us, which was not $1.81 but $1.64. We have just received another reply, in which they enclose a new card covering this contract, with the corrected price, which is $1.81.

Yours very truly, Cement Mfrs. Protective Ass'n, by —— ——,
Secretary. CWB/W.

[fol. 1859½] Govt. Ex. No. 728

Lehigh Portland Cement Co.

Allentown, Pa.

May 24, 1916.

Mr. E. P. Alker, Secy. Pennsylvania Cement Company, 42d Street Building, New York, N. Y.

Dear Sir: Mr. S. G. Taylor, now with your company, formerly with the Lehigh Company, has been making intimations to the Trade in New York State that we have been cutting prices in some sections of the country, mentioning towns in New York State where there has been a recent reduction in freight rates.

You know, and Taylor should know, that the policy of the Lehigh Company is not to cut the price, and it is not fair to make a statement of this kind when there is no truth to it. The fact of the matter is I would not allow any Lehigh salesman to slander a competitor in any way, even if the competitor's trade ethics were not clean.

Taylor received fair treatment from this company when he was [fol. 1860] in our employ, and you will remember I gave him a very good send off when you asked me regarding his ability, etc. Taylor is energetic but I am inclined to believe he is a bit over-zealous.

The deal that he made in Syracuse does not sit right with the rest of us, and I believe, Ted, after further investigation you will agree with us that further sales to the party in question should be made on the consumer's basis.

Yours truly, B. L. Swett, Eastern Sales Manager.

[fol. 1860½] GOVT. EX. No. 729

May 26, 1916.

Mr. Bert L. Swett, Eastern Sales Mgr. Lehigh Portland Cement Company, Allentown, Pa.

DEAR SIR: I have your favor of May 24th, and note that you have had reports on Mr. S. G. Taylor. I do not believe that Taylor has circulated reports that the Lehigh Company has been cutting prices. I will however, take the matter up with him at once. Regarding the deal in Syracuse, I do not see why, if the Wilson & Greene Lumber Company stock cement and retail it to the trade, they should not be entitled to the dealer's price. They have already stocked Pennsylvania, are advertising it in street-cars, and newspapers at their own expense, which I do not think they would do if they were not after the retail trade.

Furthermore, they are negotiating with the D. L. & W. R. R. for additional property on which to erect warehouses. When these are completed they intend stocking a full line of building materials in connection with their lumber trade. Under these circumstances, I would very much like to have someone point out to me a reason why they should not be entitled to the dealer's price.

Yours truly, Pennsylvania Cement Company. —— ——,
Sales Mgr. EPA:Y.

[fol. 1861] GOVT. EX. No. 730

Nazareth Cement Company

Nazareth, Pa.

July 12, 1916.

Charles W. Bacon, Sec'y Cement Mfgrs. Protective Asso., Philadelphia, Pa.

DEAR SIR: We have learned that the Lawrence Cement Company are shipping cement to Edward Atkins, Wayne Jct., Penn'a., on Crease Mill Operation, William Steel & Son, Gen'l. Contractors, Edward Adkins, Sub. Contractor, at less than market price. Can you advise us the amount of the contract and the price covering this operation.

Thanking you for your kind attention, we remain,
Very truly yours, Nazareth Cement Company, by S. J. Fehnel.

[fol. 1861½] GOVT. EX. No. 731

July 19, 1916.

Mr. S. J. Fehnel, Nazareth Cement Company, Nazareth, Penna.

DEAR SIR: In answer to your favor of the 12th inst., with regard to the Lawrence Cement Co's., contract with Edward Atkins, Wayne

Junction, Pa., for the Crease Mill operation, beg to advise that we have received communication from Lawrence stating that this job should be included in their Contract #121—Edward Atkins, Phila., —in other words, the contract should read:

Contract # 121.
Edward Atkins, Philadelphia, Pa.
Armory, 32d St. & Lancaster Ave.
Felin Bldg., Germantown & Hunting Park Ave.
City Club, Broad & Spruce Sts.
Crease Mill Operation.
Factory Bldgs., 19th & Glenwood Ave.
Barn House, Westermoreland Park and Girard College.
Total Quantity, 10,000 bbls.; balance due, 4,919 bbls.
Price 1.54. Expn. Completion of job.

[fol. 1862] This is all the information we have. As you see, the total quantity is to cover five different jobs. We are unable to tell the amount of cement apportioned to each job.

Yours very truly, Cement Mfrs. Protective Assn., by ——
——, Secretary. CWB/W.

[fol. 1862½] GOVT. EX. No. 732

Vulcanite Portland Cement Co.

Philadelphia, May 7th, 1917.

Mr. D. H. McFarland, Assistant to President Atlas Portland Cement Co., #30 Broad Street, New York, N. Y.

DEAR MAC: It has been reported to us by an engineer in charge of the work that the American Metal Works, who we understand are taking bids on a new factory building at Stenton Avenue & Rockland Street, Germantown, Philadelphia, have an option on all of the "Atlas" Portland Cement required for the above work at $2.09 per barrel in cotton f. o. b. Philadelphia, the contractors having been advised by this engineer that they can use this price in figuring, and that the option can be assigned over to the successful bidder.

[fol. 1863] I am rather at a loss to understand this as this is based on the old $1.35 mill basis to dealers which expired some time ago, and there does not appear to be any contract of this kind filed by your company as of April 1st, and I have not been able to locate it since. Possibly I have missed a filing which occurred during the early part of April, and you have a contract with these people as an industrial for their requirements.

Your advice in regard to this matter would be appreciated, and we would naturally drop the matter entirely had you closed an industrial contract on this job.

Yours very truly, W. D. Lober, Vice President.

[fol. 1863½] Govt. Ex. No. 733

Memorandum

D. H. McF.:

Bids are now being asked for and are due May 11th, by the American Metal Works through Kern Dodge, engineer, Morris Building, Philadelphia, for construction of main factory building.

In this connection, attached find copy of letter which Engineer Kern Dodge is sending out to the various bidders.

We are unable to find any record pertaining to this matter, but please note the transaction on sheet 278, contract 329.

J. F. T.

[fol. 1864] Govt. Ex. No. 734

Kern Dodge, Engineer, Morris Building

May 3, 1917.

Gentlemen: Please Note: Owners have option on all the Atlas Cement required in the construction of the above-named building at $2.09 per barrel in cloth bags. This price can be used in figuring and the option can be assigned to the successful bidder.

P. & R. R.R. siding on the ground alongside proposed building can be used for delivery of material. It is suggested that bidders examine the site of the proposed building at Stenton Avenue and Brookland St., Germantown.

Engineer will be pleased at any time to answer any questions relative to this work. Telephone numbers, Spruce 3161 and 3162.

Yours very truly, Kern Dodge.

[fol. 1864½] Govt. Ex. No. 735

May 10, 1917.

Mr. J. F. Twamley, Vice-President Bath Portland Cement Co., New York, N. Y.

Dear Sir: Your memorandum to Mr. D. H. MacFarland, with copy of letter from Kern Dodge, engineer, in regard to factory building for the American Metal Works, Philadelphia, has been forwarded to us by the Atlas Co., asking that the matter be handled through the Association.

In reference to this matter would say that on April 4th the Atlas Co., filed with this office their contract P-10329 with the American Metal Works for factory, Louden and Stenton Ave., Phila.—American Metal Works owners and builders. This appeared on daily sheet #278. On April 19th the Atlas Co., transferred this sale from the American Metal Works to W. C. Shipley of St. Martin's Coal Co. This transfer appeared on sheet #307.

Referring to the last paragraph of your memorandum in regard to transaction on sheet #278, contract #329. This contract—[fol. 1865] #329—was with the Pennsylvania Co., for the same work, but was canceled on May 8th.

Hoping the above will answer your request satisfactorily, we remain

Yours truly, Cement Mfrs. Protective Assn., by —— ——,
Secretary. CWB/W.

[fol. 1865½] GOVT. EX. No. 736

May 10, 1917.

Mr. D. H. MacFarland, Asst. to President Atlas Portland Cement Co., New York, N. Y.

DEAR SIR: We have your favor of May 9th, enclosing communications from Mr. Lober, Vice-President of the Vulcanite Portland Cement Co., and Mr. Twamley, Vice-President of the Bath Portland Cement Co.

In reply would say we have notified both Mr. Lober and Mr. Twamley that you filed with us on April 4th contract P-10329 with the American Metal Works for factory building and that on April 19th sale was transferred to the St. Martin's Coal Co. We have advised them on what sheets these transactions appear.

The contract Mr. Twamley refers to on sheet #278—contract #329—with the Pennsylvania Co., has been canceled and we have advised him of this fact.

Yours truly, Cement Mfrs. Protective Assn., by —— ——,
Secretary. CWB/W.

[fol. 1866] GOVT. EX. No. 737

Lehigh Portland Cement Co.

Allentown, Pa.

November 16th, 1917.

Mr. H. S. Gaines, V.-Pres. Cement Mfgrs. Protective Asso., Philadelphia, Pa.

DEAR SIR: For your information, one of the dealers whose contracts have been apparently largely fictitious or over-estimated, is the Massachusetts Lime & Cement Company, East Cambridge, Mass. This concern is constantly retailing cement at a price lower than the prevailing Boston team-load price, drawing the cement from contracts which specify operations very different from those on which the cement is being delivered.

You will find in the neighborhood of twelve or fifteen of their contracts listed under East Cambridge, Mass., and if they can be checked up the information will, no doubt, prove useful.

Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

[fols. 1866½-1869] Govt. Ex. No. 738

Tidewater Portland Cement Company

Baltimore, Maryland

February 4, 1919.

Mr Robert Griffith, Vice-President Giant Portland Cement Company, Philadelphia, Pa.

My Dear Bob: Today I ran across your proposition, not given to me by word of mouth, but by facts, that your Company quoted a certain contractor the present market price on cement, and agreed that should the general market price decline during the life of the contract, you would make a corresponding reduction in his price.

Is this to be the policy of your Company? I, of course, recognize the fact that you have the right to do this or anything else; but just want to get a line on what you are doing.

With kind personal regards, I am,

Yours very truly, E. R. Stapleton, General Sales Agent.

[fol. 1870] Govt. Ex. No. 739

February 5, 1919.

Mr. E. R. Stapleton, General Sales Agent Tidewater Portland Cement Company, Baltimore, Maryland.

My Dear Stap: I am just down to the office for a few hours today—the first time for some little time and find your little note of the 4th inst., frankly I never was so surprised to hear a statement of this kind in my life, as that this Company quoted a price and agreed to meet any decline on the market. I can say to you first that this is absolutely not true as the writer or anyone connected with this Company would not make such a proposition or has a proposition of this kind been made since I have been in charge of the Sales—and as a sporting proposition I am willing to put up any part of one hundred dollars for there is no truth whatsoever in it, and as I expect to be in Baltimore on Monday next, can you drop me a line to the Albion Hotel and I would be very glad indeed to meet the person that made this statement and collect my hundred dollars at the same time—. Frankly we have never

considered for one moment such a proposition, as it would not be a contract if worded that way. I am coming down to Baltimore to [fol. 1870½] go to the Hospital again, but would like very much indeed to straighten this out before I go therefore, if I can meet you at your office with the party who makes this statement, I will be very glad indeed to do so, before going, if you will drop me a line before I leave Philadelphia, and I will at that time close this matter out.

Yours very truly, —— ——, Vice-President. REG:D.

[fol. 1871] Govt. Ex. No. 740

Dexter Portland Cement Company

Nazareth, Pa.

5-20-19.

Mr. R. E. Griffith, Vice-President Giant Portland Cement Co., Phila., Pa.

Dear Bob: Referring to your question about Dexter quotation at $2.80 f. o. b. South Fork for Croyle Township road job, would advise sale was made at this figure by the Conemaugh Lumber Co. I happen to know that the error was not intentional. Our salesman wrote the correct price of $2.84 on a card. The dealer mislaid the card but did not think anything of it, as it never occurred to him that the price at South Fork could be higher than the Johnstown price, so he quoted the Johnstown price.

We have the contract, but if we had bid the correct price it would have gone to the Penn-Allen dealer, who bid $2.81. Needless to state our contract with the Conemaugh Lumber Co., is at $2.76 per bbl., f. o. b. South Fork.

Very truly yours, Raymond. RWH/M.

[fol. 1871½] Govt. Ex. No. 741

June 11th, 1919.

Mr. F. M. Coogan, Alpha Portland Cement Co., Easton, Penna.

My Dear Mert: I understand that you are making a price of $2.47 in paper and $2.84 in cloth on Alpha at Buckhannon, W. Va. Kindly let me know how you make up these figures.

With kind regards, I remain,

Yours very truly, —— ——, Vice-President. REG/F.

[fol. 1872] GOVT. EX. NO. 742

Vulcanite Portland Cement Co.

Philadelphia

January 19, 1921.

Mr. G. S. Brown, Alpha Portland Cement Company, Easton, Pa.

MY DEAR MR. BROWN: I received your letter of January 17 answering mine of the 11th, and desire to thank you for your full and frank reply to my inquiry.

I have read your letter with much interest and find that our views in regard to the business for the year are very similar.

Recently we have noted an increase in inquiries for quotations and it looks as if prospective buyers were beginning to realize that it would be wise to get any work they may have in sight provided for.

What I think is required is stability of prices rather than lower prices. What I most fear is a congestion of business in the last [fol. 1872½] six or eight months of the year, which will place our industry in a somewhat similar position to that experienced in 1920, especially in respect to deliveries.

With best wishes, I am,

Yours sincerely, Jno. B. Lober, President.

[fol. 1873] GOVT. EX. NO. 743

Lehigh Portland Cement Co., Traffic Department

Allentown, Pa.

In replying please refer to file N-Rate Books, General.

April 20, 1915.

Security Cement & Lime Co., Hagerstown, Md.

GENTLEMEN: I have your letter of the 19th inst., acknowledging receipt of Delaware Correction Sheet No. 1, and Maryland Correction Sheet No. 3, and note that you state that you have not received Delaware and Virginia Price Books.

I am sending you by mail under separate cover, today, Delaware Price Book, and as soon as Virginia is issued, will be pleased to send you a copy.

Yours very truly, Lehigh Portland Cement Co. F. E. Paulson, General Traffic Manager.

Apr. 21, 1915. Security C. & L. Co. Attention of —— ——. File —.

[fol. 1873½] Govt. Ex. No. 744

May 21st, 1915.

Mr. F. M. Coogan, Secretary Alpha Portland Cement Co., Easton, Penna.

My Dear Mr. Coogan: Mr. Rayner has forwarded your letter of the 17th referring to rate books which you are getting out in different territories. While I, of course, have not seen this particular book, I am willing to say right now that I would like to have one and would sincerely appreciate your sending me such book, or books, as would cover the States of Maryland, Delaware, Virginia, West Virginia, Pennsylvania and New York, and the District of Columbia.

Such expense as is entailed will be cheerfully borne if you will let me know the amount.

With appreciation for your kindness in forwarding one of these books to Mr. Raynor, and, also, your willingness to let us have additional copies, I am,

Very truly yours, —— ——, General Sales Manager. JKB: MS.

[fol. 1874] Govt. Ex. No. 745

June 16, 1915.

Mr. F. M. Coogan, c/o Alpha Portland Cement Co., Easton, Penna.

Personal

My Dear Mr. Coogan: Would it be possible for us to secure two additional copies of your freight rate books covering State of Pennsylvania, and would it be agreeable to you to furnish us these books for the use of the two representatives of our concern, who sell in this particular State? Believe it would be helpful to put these two men in possession of this information as an additional safeguard against error.

Will be glad to have your thought on this, and if you feel disposed to furnish us with the extra copies, your bill for same will be cheerfully paid.

Very truly yours, —— ——, General Sales Manager. JKB: MS.

[fol. 1874½] GOVT. EX No. 746

Lehigh Portland Cement Co.

Young Building, Allentown, Pa.

July 1st, 1918.

Mr. H. S. Gaines, V.-Pres. Cement Mfgrs. Protective Asso., 19 W. 44th St., New York, N. Y.

DEAR SIR: Have you an extra West Virginia price book? If so, I will greatly appreciate if you can let me have it.

Yours truly, B. L. Swett, Eastern Sales Manager.

[fol. 1875] GOVT. EX. No. 747

July 2, 1918.

Mr. B. L. Swett, Eastern Sales Manager Lehigh Portland Cement Company, Young Building, Allentown, Pa.

DEAR SIR: Responding to your letter of July 1st, File 65414-C, we are sending you under separate cover a copy of West Virginia Rate Book, which I take it is what you want.

In your letter you request a price book, which is no doubt a typographical error, inasmuch as you are aware of the fact that this Association does not issue any books in any way connected with price matters.

Yours very truly, —— ——, Vice-President. HSG-G.

[fol. 1875½] GOVT. EX. No. 748

July 12, 1915.

DEAR MR. GOWEN: On my return this morning I find your telegram of the 9th, and have just wired you that if convenient to you I should prefer Thursday, July 22nd, to see the gentlemen whom you mention, as I expected to spend the week end with my family in New Hampshire.

I would like very much to have all of you lunch with me at one o'clock, if you will, on the day that you are here.

I have no doubt at all that the topic which you want to discuss is one that we have a perfect right to discuss, and I know you feel as I do, that if five or six important cement companies get together for a meeting, that it is very often misconstrued. I know this to be so because of the fact that when the United States was looking into the cement situation as applied to previous years, that one of the questions asked me over and over again was, had I been in conference with my competitors. I told them I had if there had been any conference, and then always told them exactly what was dis-

cussed, so that we must be sure with such a meeting as you suggest, that we only discuss the things that can be reported. Please pardon my making this suggestion, as I feel that it already echoes your [fol. 1876] own ideas, but there are so many people eager to misrepresent conditions that I wanted to go on record as to just how we felt.

I hope you will be able to accept my luncheon invitation, which will be a pleasure for me, and if so will you also extend the invitation to the other gentlemen.

Yours very truly, John R. Morron.

Mr. A. Y. Gowen, Lehigh Portland Cement Co., 220 So. State St., Chicago, Ill.

[fol. 1876½] Govt. Ex. No. 749

Alpha Portland Cement Co.

Easton, Pa.

October 30, 1915.

Mr. W. N. Beach, Pennsylvania Cement Company, 42d St. Building, New York, N. Y.

Personal

Dear Sir: As you are aware, the undersigned, in connection with Mr. W. S. Mallory, has been appointed to gather, tabulate and disseminate certain statistical information with regard to the production, shipments and stocks of cement and clinker, and also information regarding contract obligations extending beyond January 1, 1916.

We are anxious to have just as early as possible a statement of your contract obligations extending beyond January 1st. In order to enable us to have this information properly tabulated, we would appreciate it very much if you would kindly make up a list of your contracts, giving the information with regard to same as shown on the attached form. These contracts will then be tabulated and lists of same distributed sometime during the early part of November. [fol. 1877] I trust you will let us have this information promptly so that we will be in a position to have this work completely finished up by November 6th.

Please note we would like the information with regard to contracts whether such contracts are made direct with the contractors, consumers, or dealers. It will not be necessary at this time to furnish us with any information with regard to contracts which expire on or before December 31, 1915.

Trusting that you will be able to let us have this information promptly, we beg to remain,

Yours very truly, F. M. Coogan.

P. S.—Please see that reports are mailed from your office not later than November 3d.

[fol. 1877½] Govt. Ex. No. 750

W. N. B.:

There is to be a little gathering at the Hotel Raleigh, Washington, D. C., Wednesday, Nov. 3d, at 10:00 o'clock A. M. I think if you could find it convenient that it might be well to run down. Your presence might be of considerable assistance.

Coogan.

Will phone you Monday.

[fol. 1878] Govt. Ex. No. 751

Nov. 1, 1915.

Mr. F. M. Coogan, C/o Hotel Raleigh, Washington, D. C.

My Dear Coogan: I have just received your notice as to a meeting in Washington on Wednesday. It is impossible for me to be present as I am tied up as a witness in a law suit. I regret exceedingly my inability to be there.

You can count on my doing anything I possibly can toward straightening out the Washington situation.

Yours very truly, —— ——. WNB/D.

[fol. 1878½] Govt. Ex. No. 752

Dec. 6/16.

Ten Cent Differential

Effective on this date, all quotations for Lehigh Cement to consumers will be made at ten cents per barrel higher than to dealers. This in recognition of the small compensation for the service rendered, which is represented by a differential of five cents per barrel between the prices to dealers and consumrs.

Lehigh Portland Cement Company.

Allentown, Penna., December 6, 1916.

[fol. 1879] Govt. Ex. No. 753

Alpha Portland Cement Co.

Easton, Pa.

Announcement to Dealers of 10c. Differential

Effective this date, the Alpha Portland Cement Company has adopetd a differential in favor of the dealer of not less than ten cents

(10c.) per barrel when quoting direct to contractors or consumers for shipment in carload lots.

Since February 23, 1915, we have been using a differential of 5¢. per barrel. We have realized for some time that the 5¢. differential did not represent a fair return to the dealer on capital invested and expense involved in carrying on his business in Portland Cement.

We have not, up to this time, changed this differential for the very good reason that we have found a great many dealers in different parts of the East who have not taken full advantage of even this 5¢. differential.

Recently there has been a campaign of education carried on by the different Dealers' Associations and dealers generally throughout the country relative to the actual cost of doing business. There has also been a very instructive booklet issued by the Federal Trade Commission on this same subject.

[fol. 1879½] In view of these developments, we believe that the dealers will appreciate this change in the method of marketing Portland Cement, and we hope that they will take full advantage of it so that they will be able to carry on the Portland Cement end of their building material business at a profit.

Yours very truly, Alpha Portland Cement Co. G. S. Brown, President.

Easton, Pa., December 7, 1916.

[fol. 1880] Govt. Ex. No. 754

The Atlas Portland Cement Company

New York

Dec. 7, 1916.

Messrs. J. P. Hall, Inc., Jersey City, N. J.

Gentlemen: Beginning at once any quotations that we may make to consumers in carload lots will be at a price not less than 10¢ per barrel higher than the price on Atlas Portland Cement to dealers for the same delivery.

Yours very truly, The Atlas Portland Cement Company.

[fol. 1880½] Govt. Ex. No. 755

Edison Portland Cement Company

Office of the President: St. James Building. Broadway and 26th Street, New York City

February Sixth, 1917.

Mr. Charles W. Bacon, Secretary Cement Protective Association, Philadelphia, Pa.

Dear Sir: I am glad to know that you have decided to send out the percentage sheet, showing the percentage relation of the contracts booked by the various member companies as compaired with the total shipments to the first of each month, as, in my judgment, this information is very necessary so that each company may understand just how it stands as compared with the other companies.

I am also glad to be relieved of this work, and I think it is an added advantage that you will be able to get the information to the member companies earlier than I have been, due to my absence from the office at times.

[fol. 1881] I am enclosing herewith a copy of the sheet which I issued last year, and which you will note covers all the months; also a copy of the sheet which I issued as of January 1st.

In my judgment, these figures are much more interesting and instructive if the member companies can see the figures each month as compared with those of the previous months of the same year, and I think it would be well, therefore, if you would take this matter up with the proper parties and secure their judgment as to whether or not it would be wise to follow the form which I have been using.

While it makes no difference to us, as we always know just where we stand so far as the Edison figures are concerned, I think it would be much better in figuring our percentage if you were to use our 1914 shipments instead of 1916, as during 1916 we only operated part of the year, and, consequently, the percentage figured on this basis would be misleading to all the other companies.

If you do not have our 1914 shipments by months, I will be glad to send them to you.

Yours very truly, W. S. Mallory, President.

[fol. 1881½] Govt. Ex. No. 756

Feb. 7, 1917.

Mr. W. S. Mallory, President Edison Portland Cement Co., New York, N. Y.

Dear Sir: I have your favor of February 5th, attaching sheets showing percentage, relative to contracts booked, with the actual shipments for the previous twelve months.

In regard to the Association sending out these percentage sheets, would say that it was not passed on as a regular monthly report, and the reason it was compiled the first of January was that I received a special request from one of the companies for such a report, and as I had to make it up for one, thought it would be well to have a sufficient number of copies made that each member company could have the figures. However, I will read your letter at our meeting on February 19th and also submit copies of your reports for 1915 and 1916, and I believe the Association, as a whole, will think well of it and make it a permanent report to be issued monthly.

I think that your suggestion to make a comparative statement of Edison's figures on their 1914 shipments instead of 1916 is a very good idea, and, inasmuch as I do not have a record of your 1914 shipments by months, I think it would be well for you to mail them to me.

Will advise you of what further action is taken.

Yours very truly, —— ——, Secretary. CWB/W.

[fol. 1882] Govt. Ex. No. 757

Bath Portland Cement Co.

Newark, N. J.

Aug. 6, 1917.

Cement Mfrs. Prot. Assocn., 916 Widener Bldg., Philadelphia, Pa.

Gentlemen: Kindly note the following changes in price in the following contracts as reported to you; the change is due to the fact that the increase in freight rates, which was expected and was allowed for in these contracts, did not take place.

N-239. Thos. Henry, Weehawken, N. J.,	$2.06	instead of	$2.08.
N-240. John Guire, Deal, N. J.,	2.25	"	"	2.30.
N-241. " " Long Branch, N. J.,	2.25	"	"	2.30.
N-244. C. T. Kavanagh, Bayonne, N. J.,	2.06	"	"	2.08.

Yours very truly, Bath Portland Cement Co. W. D. Clark.

[fol. 1882½] Govt. Ex. No. 758

Phœnix Portland Cement Co.

Philadelphia

October 5th, 1918.

Cement Mfrs. Protective Assoc., New York, N. Y.

Gentlemen: I would appreciate it if you would kindly send me a report in detail on Bath Portland Cement Company's contract NY

239, covering cement requirements of Porter School, Syracuse, N. Y., Schaefer Construction Company, Contractors.

Thanking you in advance, I am,

Very truly yours, Charles H. Cox, General Sales Manager.

Audited 10/7/18.

[fol. 1883] Govt. Ex. No. 759

Glens Falls Portland Cement Co.

Glens Falls, N. Y.

July 16, 1919.

Cement Mfgrs. Protective Association, 19 West 44th St., New York City.

Gentlemen: Enclosed herewith find report of total shipments from July 1st to July 15th, 1918, and July 1st to July 15th, 1919.

Yours truly, Glens Falls Portland Cement Co. Geo. F. Bayle, Jr., 2nd Vice-President.

[fol. 1883½] Govt. Ex. No. 760

Glens Falls Portland Cement Co.

Glens Falls, N. Y.

Oct. 14, 1919.

Cement Mfgrs. Protective Association, 19 West 44th St., New York.

Gentlemen: We are enclosing herewith report of our bag returns for the first nine months of 1919.

Your truly, Glens Falls Portland Cement Co. Geo. F. Bayle, Jr., 2nd Vice-President.

[fol. 1884] Govt. Ex. No. 761

Dexter Portland Cement Co.

Nazareth, Pa.

9-8-19.

Miss M. B. Phalen, Secretary Cement Manufacturers Protective Ass., 19 West 44th Street, New York, N. Y.

My Dear Miss Phalen: I acknowledge receipt of yours of the 6th instant. The figures given you on our August report were absolutely correct and should have been reported exactly as we gave them without any alterations in order to give the other Companies the information that they are entitled to. I found that the report was not in the

shape it should have been when sending it in at the end of July and, therefore, went over the August figures and saw that they were absolutely right before mailing them to you. You have given the figures of shipments for the first eight months of 1918 and 1919 and for August of 1918 and 1919 correctly but the notations are not correct. The notation that should have been given with the shipments for the first eight months of 1918, instead of being 105,493 barrels, should [fol. 1884½] have been the amount we showed, namely, 68,646 barrels. The figures for August 1918 given after the three stars should have been 9,190 instead of 28,997 bbls. The way I sent you the report shows exactly what was shipped from our mill. Those are the figures which appear in the body of the report. The notations that I gave you would show the other member Companies exactly what proportion of the actual shipments was Dexter Business and what had been shipped for other Companies; that is, for August 1918 you show 76,000 bbls. shipped from our mill and, according to the notation, the other Companies will deduct 29,000 from 76,000, which would indicate the actual Dexter shipments for August 1918 of only 47,000 bbls. which is incorrect.

The actual Dexter business for August 1918 was 66,563 barrels. As you know, we have shipped for some Companies and other Companies have shipped for us. If we should attempt to put down the various details of these shipments, the other member Companies would never know what our actual shipments were. If you will put them as I send them to you, the other member Companies will know exactly the shipments from our mill and the exact amount of business that is Dexter business.

In order to give that information, however, you will have to disregard the prior reports as on looking them over, I find that they were not made out so that this could be accurately shown.

Very truly yours, Joseph Brobston, Vice-Pres.

[fol. 1885] Govt. Ex. No. 762

New York, December 30, 1919.

Dear Bert: Judging by Contract No. 6178-Lehigh through Bell & Killcullen, we are getting down to the retail business. I don't believe you read the list of jobs and noted how many of them were for less than a carload. If my memory serves me correctly, one of our legitimate trade practices is limiting contracts to a minimum of one carload of cement.

I happened to see an Atlas and a Dragon contract on the same basis and am much interested to know your ideas on this subject.

Sincerely yours, Raymond W. Hilles.

Mr. B. L. Swett, c/o Lehigh Portland Cement Co., Allentown, Pa.

[fol. 1885½] GOVT. EX. No. 763

29th May, 1920.

Mr. Morris Kind, President Hercules Portland Cement Corp., Finance Building, Philadelphia, Pa.

DEAR MR. KIND: Confirming my brief but pleasant chat with you at the Biltmore on Thursday morning last, I will indeed appreciate prompt advice from you as to the exact details of the Washington situation.

I had the pleasure of also saying a word on this subject to Mr. Goode later on Thursday and he too advises that specific data will promptly be sent me.

Aside from my personal desire to cooperate with you, it is a matter of dollars and cents saving to us; consequently, the sooner I receive this data from you the quicker I can adjust it for our individual benefit.

Cordially yours, —— ——, General Sales Manager.
HBW/MSH.

[fol. 1886] GOVT. EX. No. 764

Hercules Cement Corporation

Philadelphia

June 5, 1920.

Security Cement & Lime Co., Hagerstown, Md.

Attn. Mr. H. B. Warner, Gen. Sales Mgr.

DEAR SIR: I have delayed replying to your favor of the 29th waiting for specific information which has just been received.

I am advised that Carson & Gruman of Washington obtained and the District of Columbia bought from S. M. Frazier 805 barrels of Security Cement at $3.20 per barrel net. I regret when the information was sent me they did not give me the date of this purchase, and I am writing to secure this additional data, and as soon as I receive this information I will forward it to you.

Yours very truly, Morris Kind, President.

[fol. 1886½] GOVT. EX. No. 765

7th June, 1920.

Mr. Morris Kind, President Hercules Cement Corporation, Philadelphia, Pa.

DEAR MR. KIND: The information contained in yours of June 5th will permit me to start investigations and the specific data which you promise to forward later will also be helpful.

Permit me to assure you that your advice in matters of this kind is desired and is viewed by us as most co-operative.

Believe me to be,

Cordially, —— ——, General Sales Manager. HBW/MSH.

[fol. 1887] GOVT. EX. No. 766

Hercules Cement Corporation

Philadelphia

June 16, 1920.

Mr. H. B. Warner, General Sales Manager Security Cement & Lime Co., Hagerstown, Md.

MY DEAR MR. WARNER: In reply to your letter of the 7th and with further reference to mine of the 5th, I am now able to give you the car numbers and shipping date of the cement referred to in my previous letter. They are as follows:

C. M. & St. P., 204432, shipped 5/19/20.
S. F. & W., 20550, " 5/19/20.

Yours very truly, Morris Kind, President.

[fol. 1887½] GOVT. EX. No. 767

17th June, 1920.

Mr. Morris Kind, President Hercules Cement Corporation, Finance Building, Philadelphia, Pa.

DEAR SIR: Yours of the 16th is received in the absence of Mr. Warner.

The letter will be placed before him for his attention, upon his return.

Very truly, —— ——, for H. B. Warner, General Sales Manager. MSH.

[fol. 1888] GOVT. EX. No. 768

23rd June, 1920.

Mr. Morris Kind, President Hercules Cement Corporation, Finance Building, Philadelphia, Pa.

DEAR MR. KIND: Thank you sincerely for the specific data covered in your letter of June 16th.

As stated to you in our personal chat your advice in this transaction is viewed absolutely as constructive criticism in that it enables me to protect ourselves during these strenuous times.

With kind wishes, believe me to be,

Very truly, —— ——, General Sales Manager. HBW/MSH.

[fol. 1888½] GOVT. EX. NO. 769

Archibald Cox, Counselor at Law, 233 Broadway

New York, Oct. 27, 1917.

Mr. W. D. Lober, President, &c.

DEAR MR. LOBER: Largely upon the suggestion of Mr. Holman, I am sending you herewith enclosed a letter relating to the misuse of the statistical figures collected and furnished by the Association. It seems obviously desirable to try to stop this. We have thought that you could perhaps address a letter to the proper person in each company stating, in substance, that you enclose a copy of a letter from counsel for the Association which explains itself and send your letter with a copy of my enclosed letter which I am enclosing herewith.

Perhaps you can think of some better way of dealing with the matter, with which you are, I think, familiar. This, of course, represents simply the best suggestion that has occurred to us.

Yours very truly, Archibald Cox

[fol. 1889] GOVT. EX. NO. 770

Cement Manufacturers Protective Association

Philadelphia, Penna.

October 31, 1917.

Charles W. Bacon, Secretary.

DEAR SIR: I am enclosing for your information a copy of a letter which I have just received from Mr. Cox, counsel of the Association. This letter is self explanatory, and I ask that you read it carefully and be guided by Mr. Cox' advice.

I particularly direct your attention to the last paragraph of Mr. Cox' letter and ask that you comply with his suggestion in regard to acknowledgment of this letter and enclosure, and advise to the effect that you will see that this confidential information is not disclosed by anyone in your organization.

Yours very truly, W. D. Lober, President.

[fol. 1889½] GOVT. EX. NO. 771

Archibald Cox, Counselor-at-law, 233 Broadway

New York, Oct. 27, 1917.

Mr. W. D. Lober, President, &c.

DEAR MR. LOBER: My attention has been directed to several instances where contractors and dealers have received the substance of

statistical figures sent out by the Association's office and used them to the disadvantage of members of the Association. Since such disclosures can be accounted for only on the ground of misunderstanding on the part of some of the members, I venture to suggest that it might be desirable for you to send a letter to each member of the Association pointing out, in substance, the following:

The statistical information furnished by each member to the Association amounts, in substance, to a courtesy extended to the other members, giving them information which enables them to conduct their businesses more intelligently. Such information is always given upon the understanding that the confidence it implies will not [fol. 1890] be abused and that the information will not be passed on to others to use to the detriment of the company giving it. It has been intimated that unless such information is treated as confidential, companies will feel constrained to decline to give it, with the result that accurate and up-to-date statistics will not be available to the manufacturers. Moreover, the disclosure of such information to dealers and contractors, and thereafter by them, inevitably results in inaccuracy and distortion, which is calculated to give an erroneous impression concerning the activities of the Association and might thus lead to serious legal difficulties.

Since the matter is in many aspects of much importance, I suggest that you might perhaps ask each person to whom you address such a letter to acknowledge it and advise you that he will see to it that, so far as his company is concerned, none of the information in such reports will be disclosed to others.

Yours very truly, Archibald Cox.

[fol. 1890½] GOVT. Ex. No. 772

Glens Falls Portland Cement Co.

Glens Falls, N. Y.

Nov. 1, 1917.

Mr. W. D. Lober, President Cement Mfgrs. Protective Association, 916 Widener Bldg., Philadelphia, Pa.

DEAR SIR: This is to acknowledge the receipt of your favor of the 31st ultimo, with enclosure, and to assure you that the confidential information given us by the Association will not be disclosed by anyone in our organization.

Yours truly, Glens Falls Portland Cement Co. Geo. F. Bayle, Jr., 2nd Vice-President.

[fol. 1891] GOVT. EX. NO. 773

Pennsylvania Cement Company,

New York

November 1st, 1917.

Mr. W. D. Lober, President Cement Mfgrs. Protective Assn., 916 Widener Bldg., Philadelphia, Pa.

DEAR SIR: Replying to your letter of the 31st ulto. would say that I have read very carefully, Mr. Cox's letter of the 27th ulto. The information we received from the Cement Mfgrs. Protective Association is held absolutely confidential and there is no way in which it can get out from our office. You may rest assured that I will see that this information is kept strictly within the confine of our own Company.

Yours very truly, W. N. Beach, President.

[fol. 1891½] GOVT. EX. NO. 774

Penn-Allen Cement Company

Allentown, Pa.

November 1st, 1917.

Mr. Wm. D. Lober, Pres. Cement Protective Association, 916 Widener Bldg., Philadelphia, Penna.

DEAR SIR: I have your letter of October 31st and I wish to say that I will see to it that none of the information that comes from the Protective Association in reports will be disclosed to any one outside of the few in our organization.

Yours truly, W. E. Erdell, President.

[fol. 1892] GOVT. EX. NO. 775

Alpha Portland Cement Company

Easton, Pa.

November 1, 1917.

Mr. W. D. Lober, President Cement Manufacturers Protective Association, 916 Widener Building, Philadelphia, Pa.

DEAR SIR: We have your letter of October 31 enclosing copy of letter from Mr. Cox, dated October 27, relative to the statistical information furnished by the Association.

In reply beg to advise that this Company will at all times see that such statistical information and other confidential information fur-

nished by the Association is not disclosed to anyone outside of this Company.

Yours very truly, F. M. Coogan, 2nd Vice-President.

[fol. 1892½] Govt. Ex. No. 776

Hercules Cement Corporation,

New York

November 1, 1917.

W. D. Lober, President Cement Mfrs. Protective Asso., 916 Widener Bldg., Philadelphia, Pa.

Dear Sir: Yours of the 31st inst., with copy of letter written to you by Mr. Cox attached, received and noted.

Replying will say that I have always regarded the statistical information furnished by the Association as strictly confidential, but as an extra precaution, I have given strict instructions to each person connected with our organization, to give out no information whatsoever.

Yours truly, E. B. Goode, Jr., Sales Manager.

[fol. 1893] Govt. Ex. No. 777

Nazareth Cement Company

Nazareth, Pa.

Nov. 1, 1917.

W. D. Lober, Pres. Cement Mfrs. Pro. Asso., 916 Widener Building, Philadelphia, Pa.

Dear Sir: In reply to yours of October 31st with an enclosure from Mr. Archibald Cox, I wish to say that there are only two people in our organization that see the papers you mention. I am very sure that neither one of us ever have or will discuss any of this information with any of our customers or with any of the other employees.

Yours truly, Nazareth Cement Company. J. A. Horner, General Manager.

[fol. 1893½] GOVT. EX. NO. 778

Bath Portland Cement Co.,

New York City

November 1, 1917.

Mr. W. D. Lober, President Cement Mfgrs. Protective Assn., Widener Building, Philadelphia, Penna.

DEAR SIR: We are in receipt of yours of the 31st ulto. with copy of letter from Mr. Cox attached.

We are fully in accord with Mr. Cox's remarks on this subject and shall take pains to see that his suggestion is complied with though as a matter of fact the policy which he suggests has been our policy ever since we became members of the Association.

Yours very truly, Bath Portland Cement Company. J. F. Twamley, Second Vice-President.

[fol. 1894] GOVT. EX. NO. 779

Knickerbocker Portland Cement Company

New York City

November 1, 1917.

Mr. W. D. Lober, President Cement Manufacturers Protective Assn., 916 Widener Bldg., Philadelphia, Pa.

DEAR SIR: We have your letter of October 31st enclosing copy of letter received by you from Archibald Cox relative to statistical information promulgated by the Association having reached others than members.

We shall certainly be very careful to be governed in accordance with Mr. Cox' communication as we always have been in the past.

Yours very truly, Knickerbocker Portland Cement Company. by H. H. Ward, Sales Manager.

[fols. 1894½-1896] GOVT. EX. NO. 780

Edison Portland Cement Co.

New York

November First, 1917.

Mr. W. D. Lober, President Cement Manufacturers Protective Assn., Widener Building, Philadelphia, Pennsylvania.

DEAR SIR: This will acknowledge your circular letter of October 31st, attaching copy of letter addressed you by Mr. Archibald Cox,

in reference to the proper use of statistical information furnished us through the medium of the Association.

We very much appreciate the suggestion outlined and thank you for the copy of Mr. Cox' advice.

Yours very truly, H. M. Scott, Assistant to President.

[fol.1896½] Govt. Ex. No. 781

The Lawrence Cement Company

No. 1 Broadway, New York

November 1, 1917.

Mr. W. D. Lober, President Cement Manufacturers' Protective Assn., 913 Widener Bldg., Philadelphia, Pa.

Dear Sir: We are in receipt of your letter of October 31st which was attached to letter from Mr. Cox relative to the statistical information of the Association being furnished to those who are not members. It has been the practice of this company at all times to [fol. 1897] use the information contained in the various reports submitted by the Association for our use only and have always considered it confidential, and all of our employees have been instructed along similar lines.

Very truly yours, Frank H. Smith, Sales Manager.

[fol. 1897½] Govt. Ex. No. 782

Edison Portland Cement Co.

Stewartsville, N. J.

November 2, 1917.

Mr. W. D. Lober, President Cement Manfrs. Protective Assn., Widener Building, Philadelphia, Pa.

Dear Sir: I am in receipt of circular letter of Oct. 31st from Mr. Bacon, to which is attached a copy of letter from Mr. Archibald Cox dated Oct. 27th, which we have carefully noted, and in reply, beg to state that we have cautioned our people relative to the proper use of the statistical information.

Yours very truly, Edison Portland Cement Co. W. S. Mallory, President.

[fol. 1898] Govt. Ex. No. 783

Coplay Cement Manufacturing Company

Philadelphia

November 2, 1917.

Mr. W. D. Lober, Cement Manufacturers Protective Assoc., Phila., Pa.

Dear Sir: I have your favor of the 31st ult. enclosing copy of letter you received from Mr. Cox.

In this connection, would say that I have endeavored to keep all information contained on the reports as confidential as possible, using such information only when necessary to check up contracts which we are in some way interested. It is very possible nevertheless that salesmen have been careless in the way they have handled information given them by the office, and I am today issuing instructions to our different offices, advising them to watch this matter most carefully.

Very truly yours, Coplay Cement Mfg. Company. W. G. Dutton, General Sales Manager.

[fol. 1899] Govt. Ex. No. 784

The Allentown Portland Cement Co.

Allentown, Pennsylvania

Nov. 2, 1917.

Mr. W. D. Lober, Prest. Cement Mfgrs. Protective Assn., Phila., Pa.

Dear Sir: I have your letter of the 31st ult., enclosing copy of letter from Mr. Cox.

The advice is very valuable and I am very glad to have the matter called to my attention, as it is just possible that some information may have unintentionally leaked out.

I am, therefore, pleased to advise that all statistical information furnished by the Cement Protective Assn. is to be treated as information for members only, and in no particular is any of it to be divulged to customers or anybody outside of the members of the Cement Protective Assn.

Very truly yours, The Allentown Portland Cement Co. R. L. Cope, Manager of Sales.

[fol. 1899½] Govt. Ex. No. 785

Giant Portland Cement Company

Philadelphia, Pennsylvania

November 2nd, 1917.

Mr. W. D. Lober, c/o Vulcanite Portland Cement Company, Land Title Bldg., Philadelphia, Pa.

My Dear Mr. Lober: I appreciate very much indeed your favor of the 31st ultimo, and note with interest the letter from Mr. Cox. This is a matter that I have been intending to speak to you about for some time, as there is no question but what information is being given by some one either a member or one of their employees to outsiders, and I feel that while you have taken this matter up in individual cases and sent letters to Mr. Cox, that it should also be brought out very forcibly at the next meeting of the Association, as I have heard of cases regarding transactions of the Association from people other than members.

Yours very truly, R. E. Griffith, Vice President.

[fol. 1900] Govt. Ex. No. 786

Dexter Portland Cement Company

New York City

November 3, 1917.

Mr. W. D. Lober, President Cement Manufacturers Protective Assn., Widener Building, Philadelphia, Pa.

Dear Sir: Replying to your October 31st letter we will be guided by Mr. Cox's suggestion and advice. This letter contains the best news that we have received for a long while as the abuse of the confidence which we were placing in each other was becoming notorious.

Very truly yours, R. W. Hilles, Manager of Sales.

[fol. 1900½] Govt. Ex. No. 787

Lehigh Portland Cement Co.

Allentown, Pa.

November 5th, 1917.

Mr. W. D. Lober, Pres. Cement Mfgrs. Protective Asso., Philadelphia, Pa.

Dear Sir: In reply to your letter of October 31st, enclosing copy of letter from Mr. Cox concerning statistical information furnished

by the Association, would say that none of this information has been, nor will any of it be disclosed by us to any outside person or permitted in any way to come to the knowledge of any dealer, contractor or other customer.

Yours truly, Lehigh Portland Cement Company. B. C. Swett, Eastern Sales Manager.

[fol. 1901] Govt. Ex. No. 788

October 18, 1917.

Dear Mr. Oberman: I will be in New York Tuesday, October 23rd, and will appreciate it if you will meet me at the Seville Hotel at 10 o'clock in the morning.

I am sending you, under separate cover, copy of the By-Laws of the Association and copy of book on Trade Practices, as advocated in this industry, which you should study carefully. I wish to call your attention particularly to the contract forms in the back of this pamphlet which should have your careful consideration. Always consider this information as absolutely confidential to you and be sure not to discuss with any one the details of your work. We are particularly desirous that you should not show these instructions to any one but hold them entirely confidential.

Your employment will date from Monday of next week and I shall look forward with pleasure to meeting you again on Tuesday.

Yours very truly, —— ——, Vice-President. HSG/W.

Mr. Irving Oberman, 427 St. John Place, Brooklyn, N. Y.

[fol. 1901½] Govt. Ex. No. 789

November 5, 1917.

Mr. Harry I. Norton, 166 Devonshire Street, Boston, Mass.

Dear Mr. Norton: I am sending you under separate cover a copy of the pamphlet entitled, "Trade Practices in the Cement Industry," which will give you an idea of the methods employed by most of the manufacturers who work in cement, in handling their contractual relations with their customers.

This pamphlet should have your careful attention, as a complete knowledge of its contents will be invaluable, to you.

Also we are sending you a copy of the outline of plan on which our own Association operates. All of this information being confidential, and only for your own personal information.

Instructions for guidance of Auditors in checking contracts applies particularly to the smaller towns. The principal thing for you to bear in mind being that the dealers and contractors are the customers of your employers, and that we do not consider them crooked

and unfair, but we simply desire to have first hand information of the status of all contracts.

[fol. 1902] Enclosed herewith also is a draft for fifty dollars expense money advanced. Also receipt for same, which kindly sign and return to me. Expense books will be sent to you within the next few days and these should be sent in at the end of each week, when the total amount of your traveling expenses will be reimbursed to you; keeping your fund of fifty dollars intact. Suggest that you make out route list at the end of each week, showing about where we can locate you from time to time during the week. I realize that this will be hard to do accurately, but you can figure ahead and give us the names of the hotels at which you are going to stop, that we can reach you by wire if necessary.

I will try to arrange to see you in Boston the latter part of next week, probably Friday, the 16th, and we can then discuss your problems and arrange a programme that will be effective. It is my understanding that you are going to work on Wednesday, the 7th, and I think that you have enough work on hand there with what we will give you to keep you fully occupied until I see you.

Yours very truly, —— ——, Vice-President. HSG/E.

[fol. 1902½] GOVT. EX. No. 790

Coplay Cement Manufacturing Company

Philadelphia

November 27, 1917.

Mr. W. D. Lober, President Cement Mfrs. Protective Assoc., Phila., Pa.

DEAR SIR: Some time ago I received a letter from you enclosing letter from Mr. Cox under date of October 27th, to the effect that information filed on our contract reports had been used by some manufacturers to the detriment of the company giving the information.

In this connection, would say that our company filed a contract some time ago for requirements of certain work, and it seems as though the information regarding this contract was passed along to representatives of different manufacturers with the result that within a few days after the contract was filed eight or ten different sales-[fols. 1903 & 1903½] men representing other companies called to see the purchasing agent with whom we had closed the contract, advising him that they understood he had bought Saylor's cement on this work. A retail dealer representing another brand immediately started to use as much influence as he could bring to bear to upset the contract which we have.

We realize that there may be times when all manufacturers have been to some extent careless in permitting their salesmen to handle information which they receive from contract reports in a way

detrimental to the company filing the contracts, but our company feels it to be of utmost importance that this cease at once, and we will welcome any information where our own representatives have handled information wrongly. We will insist from now on that no such misuse of information relative to our contracts, as we are referring to in this case, occurs again.

Very truly yours, Coplay Cement Mfg. Company. W. G. Dutton, General Sales Manager.

[fol. 1904] Govt. Ex. No. 791

December 3, 1917.

Mr. W. G. Dutton, Sales Manager Coplay Cement Manufacturing Co., Widener Building, Philadelphia.

Dear Sir: Referring to your letter of November 27th in regard to misuse of contract information; the Vulcanite Company has the same complaint to make as that mentioned in your letter.

I have communicated with Mr. Cox with reference to sending out a copy of your letter to all sales managers, and he states there is no objection to doing so, and I am, therefore, having Mr. Bacon issue it in a letter from me to the members.

I have simply quoted the body of your letter without stating who has made the complaint, which I believe you would prefer to have me do. I also expect to have the matter brought up for discussion at the next meeting of the Association.

I feel very strongly that this abuse of information furnished by member companies is wrong and must be stopped.

You will receive copy of the circular the same as everyone else, and I hope that when it reaches you it will meet with your entire approval.

Yours very truly, —— ——, President.

[fol. 1904½] Govt. Ex. No. 792

Cement Manufacturers Protective Association

Philadelphia, Penna.

Charles W. Bacon, Secretary

December 3rd, 1917.

Mr. Charles W. Bacon, Secretary Cement Manufacturers Protective Assn., Widener Building, Philadelphia.

Dear Sir: I am enclosing herewith draft of a letter which I wish to have sent out to the sales managers at once. I also want you to put a copy with the papers for the next meeting, and call my attention to it at that time so that I may bring it up for discussion.

I want to see that the attention of all members is emphatically called to this abuse of contract information, and to urge upon them the necessity for considering the information confidential, &c.

Yours very truly, W. D. Lober, President.

[fol. 1905] Govt. Ex. No. 793

February 14, 1918.

Mr. John R. Morron, Atlas Portland Cement Company, 30 Broad Street, New York City.

Dear Sir: On October 31st, 1917, Mr. W. D. Lober, then President of the Association, sent out a circular letter with an enclosure from our attorney, Mr. Archibald Cox, in which the attention of your Company was called to the misuse of information disseminated by the Association.

We regret that occasion has arisen again to bring this matter to your attention. Complaints are still received concerning unfair uses of the information provided by the Association. As illustrating these improper uses, we mention the fact that some salesmen have made use of knowledge of the closing of particular contracts to approach parties to such contracts and induce them to transfer the business covered by the contracts to the salesman's company. We think you will agree with us that such misuses of the information furnished by the Association is highly detrimental to the interests of the members and menaces the continuance of the co-operation that we believe vital to the well-being of the industry.

[fol. 1905½] The Committee does not propose to attempt to make any rules governing the use of information given out by the Association, but desires to convey to you its judgment that this information should be used by executives to check up their operations and not given out to employees for such uses as they may choose to make of it.

For the protection of all concerned, it seems vital that the manner in which the information furnished is handled in your organization should be carefully reviewed, and this letter is being sent to the executives of all the member companies for their information with the hope that every possible means will be taken by them to prevent the diversion of the information to purposes for which it is not intended.

By the Committee:

—— ——, President. —— ——, Chairman.

[fol. 1906] The above letter sent to the following: E. M. Young (Lehigh), G. S. Brown (Alpha), F. L. Loeb (Coplay), J. B. Lober (Vulcanite), Conn (Giant), Morris Kind (Hercules), L. C. Morton (Phœnix), Daniels (Knickerbocker), Sen. E. R. Acker-

man (Lawrence), W. S. Mallory (Edison), J. F. Twamley (Bath), W. N. Beach (Pennsylvania), J. A. Horner (Nazareth), Jos. Brobston (Dexter), R. S. Weaver (Allentown), W. E. Erdell (Penn-Allen).

[fol. 1906½] GOVT. EX. No. 794

Sales Office Pennsylvania Cement Company

42nd St. Building, New York Feb. 19, 1918.

Mr. W. G. Dutton, Pres. Cement Mfgrs. Protective Assn., 916 Widener Bldg., Philadelphia, Pa.

DEAR SIR: I am in receipt this day of your letter of the 14th inst., in reference to furnishing information on contracts closed.

If this letter is intended particularly for us, we would like to have more detail information on the subject as we are very particular as to the information that we give out to our salesmen. In fact, many of our salesmen are complaining that they do not receive the information that salesmen from other companies are accustomed [fol. 1907] to receiving from their home offices.

Trusting to receive further details from your if this letter is intended particularly for us, I am

Yours very truly, Pennsylvania Cement Company. W. N. Beach, President.

[fol. 1907½] GOVT. EX. No. 795

February 23, 1918.

Mr. W. N. Beach, President Pennsylvania Cement Company, 42nd Street Building, New York City.

DEAR SIR: I have your favor of the 19th inst. in reference to the circular letter of the 14th inst. sent out by the committee of the Protective Association.

In this connection, would say that there have been no specific complaints filed with the Association in reference to the misuse of any information on the part of any of your representatives. The Association has, however, received reports which led us to believe that there had been some carelessness on the part of some of the cement manufacturers' representatives in misusing the information contained in the Association reports. The committee, therefore, thought it best that this matter be brought to the attention of all the cement manufacturers at once so that same could be watched more carefully.

I have asked Mr. Gaines to get in touch with you at his first opportunity so that if there are any matters not clear to you, he can explain same to you at that time.

Very truly yours, Cement Mfrs. Protective Association. ——, President. WGD/H.

[fol. 1908] GOVT. EX. No. 796

Knickerbocker Portland Cement Company

New York City

February 20, 1918.

Mr. W. G. Dutton, President Cement Mfrs. Protective Assn., Widener Building, Philadelphia, Pennsylvania.

MY DEAR MR. DUTTON: I am in receipt of your circular letter of the 14th inst., note carefully its contents and beg to ask if this company has in any way violated its obligation or in any way made improper use of the Association information. If so, I would greatly appreciate it if you would give me in confidence, full information concerning it.

I am a thorough believer in association work and have for a number of years been the President of other associations connected with the paper manufacturing business, so fully realize the harm which might possibly be done through the improper use of infor-

[fol. 1908½] mation obtained from this source. I assure you that if we have in any way violated our rights in this matter, it is my desire to take immediate steps to remedy and correct such a fault.

Hoping that I may have a frank and detailed reply, I remain,

Yours very truly, A. B. Daniels, President.

[fol. 1909] GOVT. EX. No. 797

February 23, 1918.

Mr. A. B. Daniels, President Knickerbocker Portland Cement Company, 30 East 42nd Street, New York City.

MY DEAR MR. DANIELS: I am in receipt of your letter of the 20th inst. in reference to the circular letter of the 14th inst. sent out by the committee of the Protective Association.

The letter in question was sent out as a result of the general situation. The Association has no records of any actions on the part of your representatives. Some members of our Association, however, have complained of several actions in reference to reports which they have received, and from which it would appear that the representatives of some manufacturers were not as careful as they should be in handling information given them by the Association, and on that account it was thought best by the committee in charge of this matter to send out the circular letter of the 15th inst., which you referred to.

[fol. 1909½] Our Mr. H. S. Gaines, Vice President of the Association, who has charge of auditing contracts on which information is requested, will at his first opportunity get in touch with you and go over these matters with you in detail. I also hope that I may have the pleasure of meeting you in the near future.

Very truly yours, Cement Mfrs. Protective Association. ——

——, President.

[fol. 1910] GOVT. EX. No. 798

Phoenix Portland Cement Co.

Philadelphia

February 25, 1918.

Mr. Walter G. Dutton, President Cement Mfrs. Protective Assoc., Philadelphia, Penna.

MY DEAR MR. DUTTON: I am in receipt of your letter of February 14th with reference to the mis-use of information provided by the Association, and would have answered before, but I have been laid up at home with the Measles for the past two weeks.

I fully agree with you, and think that this is a very detestable trade practice, and also there should be some way to stop it. It is my suggestion that you advise the members of the Association just who is mis-using this information and give the matter some publicity among the members. This, I think, will bring about the desired effect.

Yours very truly, Lindley C. Morton, General Manager.

[fol. 1910½] GOVT. EX. No. 799

February 26, 1918.

Mr. L. C. Morton, General Manager Phoenix Portland Cement Company, Real Estate Trust Bldg., Philadelphia, Pa.

MY DEAR MR. MORTON: I have your favor of the 25th inst. in reference to the letter sent out by the committee under date of February 14th.

I might say in this connection that there has been no complaint made as to the actions on the part of any one connected with your Company; however, there have been some complaints made against other manufacturers, and it is due to these complaints that the letter in question was sent out.

I like the suggestion contained in your letter above mentioned, and if you think it advisable, it might be well for you to bring this matter up before the members at our next meeting.

Very truly yours, Cement Mfrs. Protective Association. ——

——, President.

[fols. 1911 & 1912] GOVT. EX. No. 800

March Twenty-first, Nineteen Nineteen.

Mr. Thomas E. Wright, New York State Builders' Supply Association, 806 Insurance Building, Rochester, New York.

MY DEAR TOM: Regret that I am not in a position to give you a definite answer to your letter of March 5th, as the records in this

Government Exhibit No. 801

Estimate of Value of Defendants Properties in 1919

Company	Capacity as in Government Exhibit 387	Value Plant based on Capacity	Working Capital as shown on Def. Exhibit.	Value rock deposits shown in Def. Ex.	Total Value.
Allentown	810,000	2,300,400.00	347,169.04x	675,000.00	2,628,230.96
Alpha	6,060,000	17,210,400.00	2,481,127.99	4,739,950.00	24,431,477.99
Atlas	10,164,000	28,865,760.00	4,661,878.38	4,125,000.00	37,652,638.38
Bath	648,000	1,840,320.00	244,205.55	337,500.00	2,422,025.55
Coplay	1,566,000	4,447,440.00	307,478.48	750,000.00	5,504,918.48
Dexter	774,000	2,198,160.00	382,346.12	652,500.00	3,233,006.12
Edison	1,800,000	5,112,000.00	1,045,682.56	225,000.00	6,382,682.56
Giant	2,472,000	7,020,480.00	555,138.47	500,000.00	8,075,618.47
Glens Falls	675,000	1,917,000.00	571,629.22	375,000.00	2,863,629.22
Hercules	720,000	2,044,800.00	108,289.98	375,000.00	2,528,089.98
Knicker'bker.	1,320,000	3,748,800.00	721,488.30	1,125,000.00	5,595,288.30
Lawrence	1,305,000	3,706,200.00	615,812.41	500,000.00	4,822,012.41
Lehigh	6,858,000	19,476,720.00	2,156,504.89	1,033,340.00	22,666,564.89
Nazareth	1,170,000	3,322,800.00	680,173.17	285,000.00	4,287,973.17
Penn Allen	648,000	1,840,320.00	191,792.19	540,000.00	2,572,112.19
Penns.	1,305,000	3,706,200.00	617,286.76	750,000.00	5,073,486.76
Phoenix	690,000	1,959,600.00	201,948.35	300,000.00	2,461,548.35
Security	888,000	2,521,920.00	393,913.82	401,024.00	3,316,857.82
Vulcanite	1,596,000	4,532,640.00	247,704.49	363,750.00	5,144,094.49
Totals	41,469,000	117,771,960.00	15,837,232.09	18,053,064.00	151,662,256.09

x Deficit

ffice are for the exclusive use of the members, and I am not permitted to pass such information along to others.

Yours very truly, —— ——, Vice President.

(Here follows Government's Exhibit No. 801, marked side folio page 1912½.)

fol. 1913] Govt. Ex. No. 802

Knickerbocker Portland Cement Company, Inc.

New York City

April 1, 1919.

Manchester & Hudson Co., Providence, R. I.

GENTLEMEN: Effective tomorow we quote you Knickerbocker Portland Cement in cloth sacks, carload lots, f. o. b. cars Providence, R. I., at $2.94 per barrel. The price in paper sacks is 35¢ per barrel less.

This quotation is for acceptance and shipment within sixteen days from date hereof and is subject to terms and other conditions noted on the reverse of this sheet with the exception that cloth sacks will be repurchased at 15¢ each instead of 10¢ as mentioned in the sack paragraph.

Orders for specific work placed within the aforementioned time will be accepted for shipment to and including December 31st, 1919.

fols. 1914 & 1915] We recommend that any orders or contracts you may have in abeyance be placed on the above basis.

Very truly yours, Knickerbocker Portland Cement Company, Inc. W. M. Floring, Sales Department.

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fol. 1915½] Govt. Ex. No. 803

Knickerbocker Portland Cement Company, Inc.

New York City

April 1st, 1919.

Windsor Cement Company, Hartford, Conn.

GENTLEMEN: Effective tomorrow we quote you Knickerbocker Portland Cement in cloth sacks, carload lots, f. o. b. cars Hartford, Conn. at $2.94 per barrel. The price in paper sacks is 35¢ per barrel less.

This quotation is for acceptance and shipment within sixteen days from date hereof and is subject to terms and other conditions noted on the reverse of this sheet with the exception that cloth sacks will be repurchased at 15¢ each instead of 10¢ as mentioned in the sack paragraph.

Orders for specific work placed within the aforementioned time will be accepted for shipment to and including December 31st, 1919.

[fols. 1916–1918] We recommend that any orders or contracts you may have in abeyance be placed on the above basis.

Very truly yours, Knickerbocker Portland Cement Company, Inc. Sales Department. WMF/CM.

(Here follow Government's Exhibits Nos. 804, 805, 806, 807, marked side folio pages 1918½–1922, inclusive.)

[fol. 1922½] Govt. Ex. No. 808

January 26, 1920.

Mr. F. A. Boeye, Mr. F. G. Conkling, Mr. F. B. McKenna:

Please give instructions to the effect that in all of our contracts and in all of our quotations, a guarantee against decline be hereafter discontinued. Also insert in our quotations a paragraph specifying the approximate rate at which the cement is to be shipped and limiting the amount to be taken in any thirty consecutive days; in other words, secure a schedule of shipments.

Letters of quotations are now going out specifying shipments according to contract requirements. We desire to discontinue this and replace it with the instructions given above.

LRB. K. LGM. RS.

[fol. 1923] Govt. Ex. No. 809

Chicago, June 4, 1920.

D. H. MacFarland:

I have yours of the 2nd, and Mr. Morron has talked to me about his conversation with you regarding the taking of orders subject to price at the time of shipment.

We put this into effect around April 1, as I have already written you, and I remember it was discussed in Chicago and decided upon when Mr. Morron got back from his Western trip. I do not remember the earlier conversation that you refer to, but my mind is quite clear on this other.

LRB.K.

[fol. 1924] Govt. Ex. No. 810

Eastern Districts

June 24, 1920.

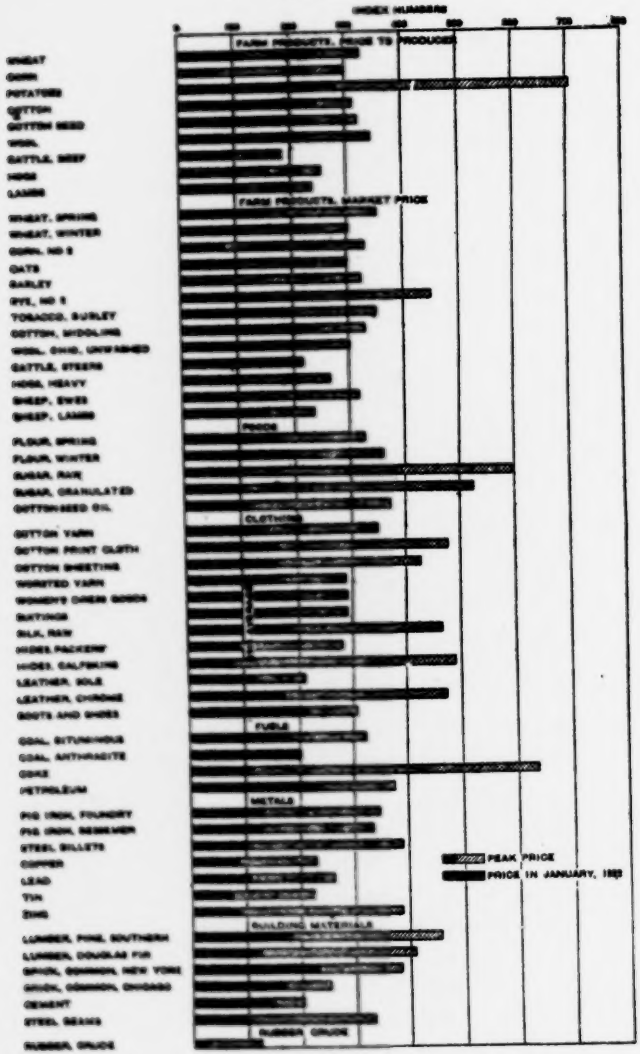
Referring to my memorandum of yesterday regarding changing prices on trade orders at the mills.

As fast as you receive notification of shipment of any of the orders on this list, you had better write a letter to the customer and

Govt. Ex. No. 804

DIAGRAM 1.—COMPARISON OF WHOLESALE PRICES AT PRESENT WITH 1920 AND PREWAR

(Average prices in 1913–1918.)



WHOLESALE PRICE COMPARISONS.

MAXIMUM PRICE COMPARED TO PRICE IN RECENT MONTHS.

NOTE.—Prices to the producer on farm products are from *U. S. Department of Agriculture, Bureau of Markets and Crop Estimates*. All other prices are from *U. S. Department of Labor, Bureau of Labor Statistics*. As far as possible all quotations represent prices to the producer or at the mill. See diagram on opposite page.

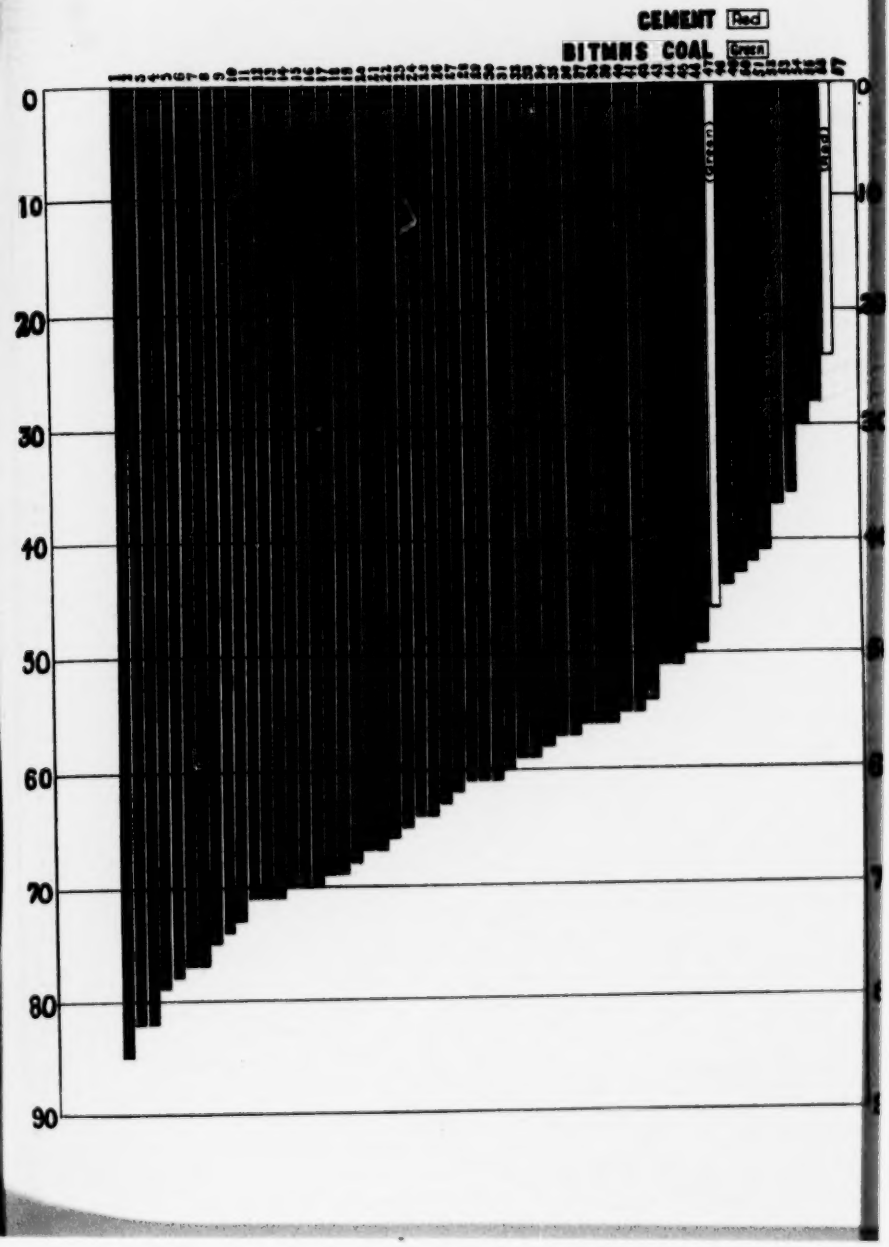
COMMODITIES.	Date and maximum relative price.		November, 1921, relative price.	December, 1921, relative price.	January, 1922, relative price.	Per cent increase (+) or decrease (−) in Jan. over Dec.
			(1913 average = 100.)			
Farm products—Average price to producer:						
Wheat	June, 1919	205	117	118	122	+ 3.4
Corn	July, 1919	200	69	70	74	+ 5.7
Potatoes	June, 1920	705	130	132	142	+ 8.0
Cotton	July, 1920	213	130	130	129	− 0.1
Cotton seed	May, 1920	201	134	132	134	+ 1.5
Wool	July, 1918	244	91	90	98	+ 8.9
Cattle, beef	May, 1919	163	79	79	81	+ 2.5
Hogs	July, 1919	206	69	81	92	+ 5.7
Lambs	Apr., 1920	220	103	107	120	+11.1
Farm products—Market price:						
Wheat, No. 1, northern, spring (Chicago)	May, 1920	204	134	137	141	+ 2.9
Wheat, No. 2, red, winter (Chicago)	May, 1920	205	110	110	121	+ 1.7
Corn, contract grades, No. 2, cash (Chicago)	Sept., 1917	221	77	77	77	0.0
Oats, contract grades, cash (Chicago)	June, 1920	206	94	97	100	+ 3.1
Barley, fair to good, malting (Chicago)	Mar., 1918	215	89	89	91	+ 1.7
Rye, No. 2, cash (Chicago)	Mar., 1918	421	135	134	137	− 1.9
Tobacco, burley, good leaf, dark red (Louisville)	Mar., 1920	243	260	260	260	0.0
Cotton, middling uplands (New York)	Apr., 1920	231	142	140	140	− 2.1
Wool, Ohio, ¼ and ⅜ grades, unwashed (Boston)	Jan., 1918	204	107	110	110	+10.3
Cattle, steers, good to choice, corn fed (Chicago)	Mar., 1919	178	101	99	98	− 1.0
Hogs, heavy (Chicago)	July, 1919	206	78	80	91	+14.0
Sheep, ewes (Chicago)	Apr., 1918	219	99	97	111	+26.3
Sheep, lambs (Chicago)	Feb., 1920	202	112	130	148	+14.0
Foods:						
Flour, standard patents (Minneapolis)	May, 1920	228	130	130	128	+ 2.0
Flour, winter straights (Kansas City)	May, 1917	202	130	130	130	+ 0.7
Sugar, 96° centrifugal (New York)	May, 1920	200	117	109	104	− 1.0
Sugar, granulated, in barrels (New York)	May, 1920	220	124	117	122	− 4.1
Cottonseed oil, prime summer yellow (New York)	July, 1917	274	114	113	118	+ 3.6
Clothing:						
Cotton yarns, carded, white, northern, mule spun, 22-1 cones (Boston)	May, 1920	248	160	154	148	− 3.9
Cotton, print cloth, 27 inches, 64 x 60-7.00 yards to pound (Boston)	Apr., 1920	178	176	168	168	0.0
Cotton, sheeting, brown, 4/4 Ware Shoals L. L. (New York)	May, 1920	227	172	174	168	− 3.0
Worsted yarns: 2/28's crossbred stock, white, in skein (Philadelphia)	Jan., 1920	260	145	142	146	+ 2.5
Women's dress goods, storm serge, all-wheels, double warp, 60 inches (N. Y.)	Oct., 1918	202	145	145	140	0.0
Suitings, wool, dyed blue, 55-56 inches, 16-ounce, Middlesex (Boston)	July, 1920	204	120	120	120	0.0
Silk, raw Japanese, Kansai No. 1 (New York)	Jan., 1920	466	107	100	95	−11.0
Hides, green salted, packer's, heavy native steers (Chicago)	Aug., 1919	202	98	98	98	0.0
Hides, oriskinies, No. 1, country, 8 to 15 pounds (Chicago)	Aug., 1919	460	72	72	72	− 1.4
Leather, sole, hemlock, middle, No. 1 (Boston)	Mar., 1917	211	133	131	131	0.0
Leather, chrome calf, dull or bright, "B" grades (Boston)	Nov., 1919	172	180	180	172	− 7.0
Boots and shoes, men's black calf, blucher (Massachusetts)	Mar., 1920	200	202	217	217	0.0
Fuels:						
Coal, bituminous, Pittsburgh, mine run—Kanawha (Cincinnati)	Sept., 1920	225	180	176	171	− 2.8
Coal, anthracite, chestnut (New York tidewater)	Oct., 1921	201	201	201	201	0.0
Coke, Connellsville (range of prompt and future) furnace—at ovens	Aug., 1920	467	113	113	113	0.0
Petroleum, crude, Kansas-Oklahoma—at wells	Mar., 1920	275	205	341	341	0.0
Metals:						
Pig iron, foundry No. 2, northern (Pittsburgh)	July, 1917	246	143	137	133	− 2.9
Pig iron, bessemer (Pittsburgh)	July, 1917	235	130	130	128	− 1.6
Steel billets, bessemer, Pittsburgh	July, 1917	200	113	113	109	− 3.5
Copper ingots, electrolytic, early delivery (New York)	Mar., 1917	200	69	68	68	0.0
Lead, pig, desilverized, for early delivery (New York)	June, 1917	201	107	107	107	0.0
Tin, pig, for early delivery (New York)	May, 1919	224	64	72	71	− 2.7
Zinc, slab, western, early delivery (New York)	June, 1915	200	99	98	97	− 2.3
Building materials:						
Lumber, pine, southern, yellow flooring 1 x 4, "B" and better (Hattiesburg district)	Feb., 1920	435	205	190	189	− 2.7
Lumber, Douglas fir, No. 1, common, s 1 s, 1 x 8 x 10 (State of Washington)	Jan., 1920	407	125	125	125	0.0
Brick, common red, domestic building (New York)	Feb., 1920	201	200	201	209	+ 3.0
Brick, common building, salmon, run of kiln (Chicago)	Oct., 1920	201	175	181	170	− 6.1
Cement, Portland, net without bags to trade, f. o. b. plant (Chicago district)	Sept., 1920	205	145	145	145	0.0
Steel beams, mill (Pittsburgh)	June, 1917	201	150	99	99	0.0
Rubber, crude:						
Rubber, Para island, fine (New York)	Jan., 1913	194	97	36	34	− 7.7

Govt. Ex. No. 806

1921½

RECESSION IN PRICES AS OF DECEMBER 1921

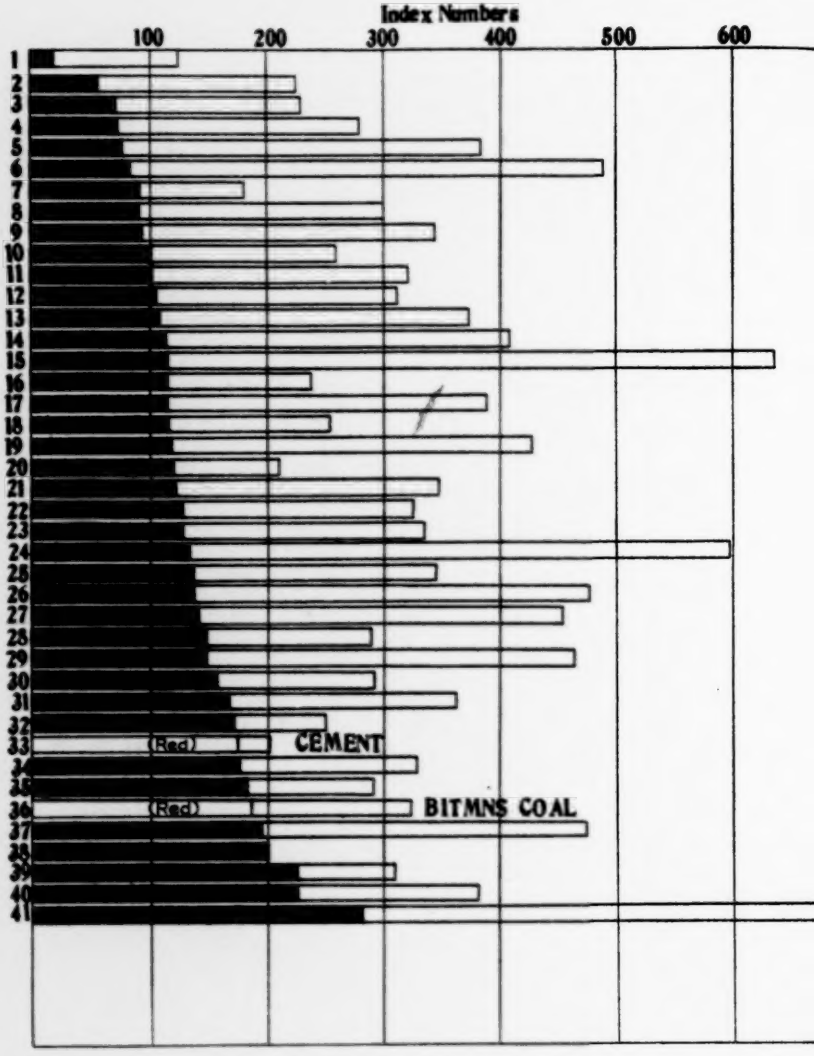
OF COMMODITIES ON DFTS EX 134



Govt. Ex. No. 807

1922

WHOLESALE PRICE COMPARISON



100=1913

Peak Price

August 1921

tell him what his new price is, advising that this is in accordance with our acknowledgment of his order at the time it was placed.

I do not believe it would be best to write a letter on orders which will not go out for some time, but be sure that a letter is written when each order is shipped.

The first of the week we will probably send out a general notice to the trade which will advise them just what our present price is, and will also advise them that this price is effective on orders taken subject to an increase in price, but regardless of this, we will want to send out a special letter on each order at the time it is shipped.

LGM-MH

[fol. 1924½] GOVT. EX. No. 811

Allentown Portland Cement Co.

	Officers	Salaries	Bonus
1916	3	$10,000.00	None.
1917	3	10,000.00	None.
1918	3	12,750.00	None.
1919	3	16,000.00	None.
1920	3	16,000.00	$1,500.00
1921	3	16,000.00	None.

GOVT. EX. No. 812

Alpha Portland Cement Co.

Year	Officers	Salaries	Bonus
1916	4	$37,500.00	$7,500.00
1917	4	47,400.08	0
1918	4	76,000.00	0
1919	4	75,000.00	61,906.37
1920	4	75,000.00	90,778.43
1921	6	89,500.08	0

[fol. 1925] GOVT. EX. No. 813

The Atlas Portland Cement Co.

Year	Officers	Salaries	Bonuses
1916	8	$74,479.68	$24,103.63
1917	9	85,086.72	24,917.76
1918	9	92,341.60	37,633.30
1919	9	97,936.41	26,808.65
1920	9	98,325.60	24,426.80
1921	9	104,276.40	8,920.40

Govt. Ex. No. 814

Bath Portland Cement Co.

Year	Officers	Salaries	Bonus
1916	4	$21,700.00	None.
1917	5	36,300.00	None.
1918	5	41,967.00	None.
1919	6	82,750.00	$1,000.00
1920	6	86,950.00	500.00
1921	6	100,000.00	None.

[fol. 1925½] Govt. Ex. No 815

Coplay Cement Mfg. Company

Year	Officers	Salaries	Bonuses
1916	3	$22,256.00	None.
1917	5	25,980.29	$21,736.04
1918	5	41,354.25	27,939.84
1919	5	37,400.00	5,119.32
1920	4	41,000.00	None.
1921	4	47,750.00	15,534.37

Govt. Ex. No. 816

Dexter Portland Cement Company

Year	Officers	Salaries	Bonuses
1916	4	$18,120.00	$2,000.00
1917	4	18,613.00	2,210.00
1918	5	24,125.63	9,068.33
1919	5	30,650.00	10,235.00
1920	5	30,950.00	25,711.71
1921	5	30,950.00	72,715.62

[fol. 1926] Govt. Ex. No. 817

Edison Portland Cement Co.

Year	Officers	Salaries	Bonuses
1916	5	$10,000.00	None.
1917	5	10,000.00	None.
1918	5	16,500.00	None.
1919	5	17,000.00	None.
1920	5	17,000.00	None.
1921	5	18,500.00	None.

GOVT. EX. No. 818

Giant Portland Cement Co.

Year	Officers	Salaries	Bonuses
1916	4	$31,200.00	None.
1917	4	31,200.00	None.
1918	4	31,400.00	None.
1919	5	38,225.00	None.
1920	4	30,883.34	None.
1921	5	31,300.00	None.

[fol. 1926½] GOVT. EX. No. 819

Glens Falls Portland Cement Co.

Year	Officers	Salaries	Bonuses
1916	5	$8,100.00	None.
1917	5	8,500.00	None.
1918	5	12,100.00	None.
1919	5	12,900.00	None.
1920	5	21,100.00	None.
1921	5	21,300.00	None.

GOVT. EX. No. 820

Hercules Cement Corporation

Year	Officers	Salaries	Bonus
1916	None.	None.	None.
1917	2	$7,458.25	None.
1918	2	12,541.55	None.
1919	2	14,099.92	None.
1920	2	16,444.49	None.
1921	2	16,100.00	None.

[fol. 1927] GOVT. EX. No. 821

Knickerbocker Portland Cement Co.

Year	Officers	Salaries	Bonus
1916	4	$15,000.00	None.
1917	4	18,500.00	None.
1918	4	24,249.99	None.
1919	4	23,000.00	None.
1920	4	20,662.50	None.
1921	7	14,750.00	None.

GOVT. EX. No. 822

Lawrence Portland Cement Company

Year	Officers	Salaries	Bonuses
1916	7	$18,001.67	None.
1917	7	24,270.32	None.
1918	7	24,018.67	None.
1919	8	25,368.35	None.
1920	8	21,967.95	None.
1921	8	22,013.08	None.

[fol. 1927½] GOVT. EX. No. 823

Lehigh Portland Cement Co.

Year	Officers	Salaries	Bonus
1916	7	$36,858.90	$3,105.24
1917	7	31,769.60	2,647.47
1918	8	32,936.14	2,755.02
1919	8	35,535.62	2,917.76
1920	8	38,062.09	None.
1921	9	41,667.06	None.

GOVT. EX. No. 824

Nazareth Cement Co.

Year	Officers	Salaries	Bonuses
1916	5	$12,000.00	None.
1917	5	22,000.00	None.
1918	5	32,000.00	None.
1919	5	32,000.00	None.
1920	5	37,000.00	None.
1921	5	37,999.68	None.

[fol. 1928] GOVT. EX. No. 825

Penn-Allen Cement Company

Year	Officers	Salaries	Bonuses
1916	2	$9,300.00	$2,500.00
1917	2	15,700.00	None.
1918	3	33,000.00	None.
1919	4	41,500.00	16,000.00
1920	4	45,500.00	20,000.00
1921	4	45,500.00	20,000.00

Govt. Ex. No. 826

Pennsylvania Cement Company

Year	Officers	Salaries	Bonuses
1916	3	$16,500.00	None.
1917	3	16,333.00	None.
1918	4	17,000.00	None.
1919	4	27,325.00	$5,640.00
1920	4	33,700.00	6,740.00
1921	4	33,700.00	None.

[fol. 1928½] Govt. Ex. No. 827

Phœnix Portland Cement Co.

Year	Officers	Salaries	Bonus
1916	5	$5,400.00	None.
1917	5	2,333.33	None.
1918	5	18,416.65	None.
1919	5	37,866.67	None.
1920	5	47,800.00	None.
1921	5	42,200.00	None.

Govt. Ex. No. 828

Security Cement & Lime Company

Year	Officers	Salaries	Bonuses
1916	5	$11,542.84	None.
1917	5	7,584.89	$1,840.98
1918	5	10,223.92	2,748.64
1919	5	13,036.78	4,980.33
1920	5	13,629.50	4,026.18
1921	5	14,342.11	4,496.41

[fols. 1929 & 1930] Govt. Ex. No. 829

Vulcanite Portland Cement Company

Year	Officers	Salaries	Bonuses
1916	4	$17,399.88	None.
1917	4	21,799.92	None.
1918	4	23,249.88	None.
1919	4	24,699.84	None.
1920	4	28,800.00	None.
1921	4	29,299.98	None.

[fol. 1931] UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

THE UNITED STATES OF AMERICA

vs.

THE ATLAS PORTLAND CEMENT COMPANY et al., Defendants

Defendants' Exhibits

(Here follows Defendants' Exhibit No. D 1, Circular of the Bureau of Standards, marked side folio pages 1932-1957, inclusive)

[fol. 1958] DEF'TS' EX. NO. D 2

Form 39

Mid-West Cement Credit & Statistical Bureau

111 West Washington Street, Chicago

Bureau File No. 6109.
Endorsed: Audited 1/2/20.

Date: December 30, 1919.

Cement Mnfrs. Pro. Assn.

GENTLEMEN: We are asked by Universal Portland Cement Co. to call your attention to specific contract No. C-495 of the Alpha Portland Cement Co. for 25,000 barrels sold to Akron Sewer Pipe Co. for delivery at Cleveland, with remarks as indicated by check mark hereon.

Check

..... 1. We are informed that this contract appears to be a duplication of —— Company's No. —.

X 2. We are informed that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We are informed that subscriber knows of no such work under construction or contemplated.

[fol. 1958½]

..... 4. We are informed the construction work covered by this contract was completed — months ago.

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

Deft Ex. No. D 1

1932

DEPARTMENT OF COMMERCE

CIRCULAR

OF THE

BUREAU OF STANDARDS

S. W. STRATTON, DIRECTOR

No. 33

UNITED STATES GOVERNMENT SPECIFICATION FOR PORTLAND CEMENT

This specification is the result of several years' work of a Joint Conference representing the United States Government, the American Society of Civil Engineers, and the American Society for Testing Materials. It was adopted by the United States Government and by the American Society for Testing Materials, to become effective January 1, 1917.

[3d Edition]
Issued January 18, 1917

WASHINGTON
GOVERNMENT PRINTING OFFICE

1933

IMPORTANT

CHANGE IN THE FINENESS REQUIREMENT OF THE
UNITED STATES GOVERNMENT SPECIFICATIONS FOR PORTLAND CEMENT

The Departmental Conference on United States Government Specifications for Portland Cement has recommended a change in the fineness requirements of the United States Government Specifications for Portland Cement, recommendation being

"That the residue on the Standard No. 200 sieve shall not exceed 22% by weight and that the tolerance clause allowing 1% permissible variation in the fineness determination shall be dropped from the specification, these changes to take effect January 1, 1921".

This recommendation has been approved by the heads of the several Government Departments and therefore the change becomes automatically effective January 1, 1921.

Bureau of Standards,
Washington, D. C.,
October 18, 1920.

1934

DEPARTMENT OF COMMERCE

CIRCULAR

OF THE

BUREAU OF STANDARDS

S. W. STRATTON, DIRECTOR

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1917

1934½

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1935

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UNITED STATES GOVERNMENT SPECIFICATION FOR PORTLAND CEMENT

(This specification is the result of several years work of a joint conference representing the United States Government, the American Society of Civil Engineers, and the American Society for Testing Materials. It was adopted by the United States Government and by the American Society for Testing Materials, to become effective January 1, 1917.)

I. OFFICIAL ADOPTION OF THE UNITED STATES GOVERNMENT SPECIFICATION FOR PORTLAND CEMENT

DEVELOPMENT OF THE UNITED STATES GOVERNMENT SPECIFICATION FOR PORTLAND CEMENT BY GOVERNMENT DEPARTMENTAL CONFERENCE

In June, 1911, the Secretary of the Department of Commerce and Labor arranged, through the Secretaries of the various departments, for a conference of Government engineers for the purpose of unifying the specifications for Portland cement used by the United States Government. At this conference a committee was appointed to consider existing specifications and to recommend a single specification for Portland cement to be used by all departments of the Government. After an extended series of meetings of this committee, at which careful consideration was given to representative specifications for Portland cement as well as to all available data on methods of tests, a specification was adopted by the Departmental Conference February 13, 1912, and made effective, upon the approval of the Secretaries of the several departments by the Executive order of April 30, 1912.

On July 30, 1912, the Departmental Conference was reconvened. Many meetings have been held by the departmental committee and conferences secured with committees of engineering societies resulting after four years of work in agreement on a single standard specification which has been adopted for use by the recognized engineering societies as well as by the Government. It was agreed that the new specification, although an improvement over the old, can not be considered as final, but is subject to revision from time

to time as occasion requires and as improvement is made in the product, in the methods of testing, and in technical knowledge of the material.

EXECUTIVE ORDER

It is hereby ordered that all Portland cement that may hereafter be purchased by any department, bureau, office, or independent establishment of the Government, or that may be used in construction work connected with any of the aforesaid branches of the Government service, shall conform in every respect to the specification for Portland cement adopted by the Departmental Conference at the meeting held at the Bureau of Standards on February 13, 1912, and approved by the heads of the several departments (to be known as the United States Government Specification for Portland Cement): *Provided, however,* That such specification may be modified from time to time by any similar departmental conference, with the approval of the heads of the several departments.

WM. H. TAFT.

THE WHITE HOUSE,
April 30, 1912.

DEPARTMENTAL APPROVALS

The revised specification as contained herein has received the approval of the following departments and independent establishments to become effective January 1, 1917, and to be known as the United States Government Specification for Portland Cement:

Department of State,
Department of the Treasury,
Department of War,
Department of Justice,
Post Office Department,
Department of the Navy,
Department of the Interior,
Department of Agriculture,
Department of Commerce,
Department of Labor,
District of Columbia, and
Capitol Building and Grounds.

PERSONNEL OF THE DEPARTMENTAL CONFERENCE

NAME	REPRESENTING
S. W. Stratton, *Chairman of Conference* ..... Director, Bureau of Standards.	Bureau of Standards, Department of Commerce.
Rudolph J. Wig, *Secretary of Conference* ..... Engineer Physicist, Bureau of Standards.	Bureau of Standards, Department of Commerce.
[1] **Spencer Cosby, Colonel, U. S. Army** ..... Formerly in charge of Public Buildings and Grounds, District of Columbia.	Office of Chief of Engineers, War Department.
[2] **H. C. Newcomer, Colonel, U. S. Army** ..... Corps of Engineers.	Office of Chief of Engineers, War Department.
W. A. E. Doying ..... Inspecting Engineer, Panama Canal.	Panama Canal, War Department.
[1] **B. F. Cheatham, Major, U. S. Army** ..... Quartermaster Corps.	Quartermaster Corps, War Department.
F. B. Wheaton ..... Advisory Architect, Office of Quartermaster General.	Office of the Quartermaster General, War Department.
[2] **E. V. Dunstan** ..... Draftsman.	Office of the Quartermaster General, War Department.
A. P. Davis ..... Director and Chief Engineer, Reclamation Service.	Reclamation Service, Department of Interior.
[1] **H. M. Wilson** ..... Engineer, Bureau of Mines.	Bureau of Mines, Department of Interior.
[1] **A. T. Ruan** ..... Formerly Disbursing Agent, Philippine Revenues, Bureau of Insular Affairs.	Bureau of Insular Affairs, War Department.
[2] **L. H. Camfield** ..... Disbursing Agent, Philippine Revenues, Bureau of Insular Affairs.	Bureau of Insular Affairs, War Department.
[1] **Carl A. Carlson** ..... Civil Engineer, Bureau of Yards and Docks.	Navy Department.
[2] **C. D. Thurber** ..... Civil Engineer, Bureau of Yards and Docks.	Navy Department.
Asa E. Phillips ..... Superintendent of Sewers, District of Columbia.	District of Columbia.
L. G. Randall ..... Assistant Engineer, Sewer Department, District of Columbia.	District of Columbia.
[1] **John S. Conway** ..... Formerly Chief Constructing Engineer, Bureau of Lighthouses.	Bureau of Lighthouses, Department of Commerce.
[2] **H. B. Bowerman** ..... Chief Constructing Engineer, Bureau of Lighthouses.	Bureau of Lighthouses, Department of Commerce.
[1] **James C. Plant** ..... Formerly Superintendent of Computing Division, Office of Supervising Architect.	Office of Supervingis Architect, Treasury Department.
[2] **J. W. Ginder** ..... Superintendent of Computing Division, Office of Supervising Architect.	Office of Supervising Architect, Treasury Department.
[1] **H. C. Heald** ..... Formerly Structural Engineer, Office of Supervising Architect.	Office of Supervising Architect, Treasury Department.
[2] **E. C. Ruebsam** ..... Structural Engineer, Office of Supervising Architect.	Office of Supervising Architect, Treasury Department.
[2] **A. T. Goldbeck** ..... Testing Engineer.	Office of Public Roads and Rural Engineering, Department of Agriculture.

[1] Former members of the Departmental Conference. [2] Members appointed since July 1, 1911.

PERSONNEL OF THE DEPARTMENTAL CONFERENCE—Continued.

NAME.	REPRESENTING.
[1] **W. H. Rose, Captain, U. S. Army** Formerly Director of Mechanical Engineering, Engineers School, Washington Barracks.	Alternate in absence of Col. Spencer Cosby.
[1] **S. S. Hunt, Captain, U. S. Army** Constructor, Office of Superintendent of United States Capitol Building and Grounds.	Office of Superintendent of United States Capitol Building and Grounds.
P. H. Bates Chemist, Bureau of Standards.	Bureau of Standards, Department of Commerce.
S. S. Voorhees Engineer Chemist, Bureau of Standards.	Bureau of Standards, Department of Commerce,

The following departmental committee was appointed by the conference to draft the specification and revision: A. P. Davis, *Chairman;* **Rudolph J. Wig,** *Secretary;* **H. C. Newcomer, J. W. Ginder, C. D. Thurber, Asa E. Phillips, S. S. Voorhees, W. A. E. Doying.**

[1] Former members of the Departmental Conference.

II. UNITED STATES GOVERNMENT SPECIFICATION FOR PORTLAND CEMENT

DEFINITION

1. Portland cement is the product obtained by finely pulverizing clinker produced by calcining to incipient fusion, an intimate and properly proportioned mixture of argillaceous and calcareous materials, with no additions subsequent to calcination excepting water and calcined or uncalcined gypsum.

CHEMICAL PROPERTIES

CHEMICAL LIMITS

2. The following limits shall not be exceeded:

	Per cent
Loss on ignition	4.00
Insoluble residue	0.85
Sulphuric anhydride (SO_3)	2.00
Magnesia (MgO)	5.00

PHYSICAL PROPERTIES

SPECIFIC GRAVITY

3. The specific gravity of cement shall be not less than 3.10 (3.07 for white Portland cement). Should the test of cement as received fall below this requirement a second test may be made upon an ignited sample. The specific-gravity test will not be made unless specifically ordered.

FINENESS

4. The residue on a standard No. 200 sieve shall not exceed 22 per cent by weight.[1]

SOUNDNESS

5. A pat of neat cement shall remain firm and hard, and show no signs of distortion, cracking, checking, or disintegration in the steam test for soundness.

TIME OF SETTING

6. The cement shall not develop initial set in less than 45 minutes when the Vicat needle is used or 60 minutes when the Gillmore needle is used. Final set shall be attained within 10 hours.

[1] The United States Government specification requires that on and after July 1, 1918, the residue on the standard No. 200 sieve shall not exceed 22 per cent by weight.

TENSILE STRENGTH

7. The average tensile strength in pounds per square inch of not less than three standard mortar briquettes (see sec. 51) composed of one part cement and three parts standard sand, by weight, shall be equal to or higher than the following:

Age at test	Storage of briquettes	Tensile strength, pounds per square inch
Days		
7	1 day in moist air, 6 days in water	200
28	1 day in moist air, 27 days in water	300

8. The average tensile strength of standard mortar at 28 days shall be higher than the strength at 7 days.

PACKAGES, MARKING, AND STORAGE

PACKAGES AND MARKING

9. The cement shall be delivered in suitable bags or barrels with the brand and name of the manufacturer plainly marked thereon, unless shipped in bulk. A bag shall contain 94 pounds net. A barrel shall contain 376 pounds net.

STORAGE

10. The cement shall be stored in such a manner as to permit easy access for proper inspection and identification of each shipment, and in a suitable weather-tight building which will protect the cement from dampness.

INSPECTION

11. Every facility shall be provided the purchaser for careful sampling and inspection at either the mill or at the site of the work, as may be specified by the purchaser. At least 10 days from the time of sampling shall be allowed for the completion of the 7-day test, and at least 31 days shall be allowed for the completion of the 28-day test. The cement shall be tested in accordance with the methods hereinafter prescribed. The 28-day test shall be waived only when specifically so ordered.

REJECTION

12. The cement may be rejected if it fails to meet any of the requirements of these specifications.

13. Cement shall not be rejected on account of failure to meet the fineness requirement if upon retest after drying at 100° C for

14. Cement failing to meet the test for soundness in steam may be accepted if it passes a retest using a new sample at any time within 28 days thereafter.

15. Packages varying more than 5 per cent from the specified weight may be rejected; and if the average weight of packages in any shipment, as shown by weighing 50 packages taken at random is less than that specified, the entire shipment may be rejected.

TESTS

SAMPLING

NUMBER OF SAMPLES

16. Tests may be made on individual or composite samples as may be ordered. Each test sample should weigh at least 8 pounds.

17. (*a*) *Individual Sample.*—If sampled in cars one test sample shall be taken from each 50 barrels or fraction thereof. If sampled in bins one sample shall be taken from each 100 barrels.

(*b*) *Composite Sample.*—If sampled in cars one sample shall be taken from 1 sack in each 40 sacks (or 1 barrel in each 10 barrels) and combined to form one test sample. If sampled in bins or warehouses, one test sample shall represent not more than 200 barrels.

METHOD OF SAMPLING

18. Cement may be sampled at the mill by any of the following methods that may be practicable, as ordered:

(*a*) *From the Conveyor Delivering to the Bin.*—At least 8 pounds of cement shall be taken from approximately each 100 barrels passing over the conveyor.

(*b*) *From Filled Bins by Means of Proper Sampling Tubes.*—Tubes inserted vertically may be used for sampling cement to a maximum depth of 10 feet. Tubes inserted horizontally may be used where the construction of the bin permits. Samples shall be taken from points well distributed over the face of the bin.

(*c*) *From Filled Bins at Points of Discharge.*—Sufficient cement shall be drawn from the discharge openings to obtain samples representative of the cement contained in the bin, as determined by the appearance at the discharge openings of indicators placed on the surface of the cement directly above these openings before drawing of the cement is started.

TREATMENT OF SAMPLES

19. Samples preferably shall be shipped and stored in air-tight containers. Samples shall be passed through a sieve having 20 meshes per linear inch in order to thoroughly mix the sample, break up lumps, and remove foreign materials.

CHEMICAL ANALYSIS

LOSS ON IGNITION

20. METHOD.—One gram of cement shall be heated in a weighed covered platinum crucible of 20 to 25 cc capacity, as follows, using either method (*a*) or (*b*) as ordered:

(*a*) The crucible shall be placed in a hole in an asbestos board, clamped horizontally so that about three-fifths of the crucible projects below and blasted at a full red heat for 15 minutes with an inclined flame; the loss in weight shall be checked by a second blasting for 5 minutes. Care shall be taken to wipe off particles of asbestos that may adhere to the crucible when withdrawn from the hole in the board. Greater neatness and shortening of the time of heating are secured by making a hole to fit the crucible in a circular disk of sheet platinum and placing this disk over a somewhat larger hole in an asbestos board.

(*b*) The crucible shall be placed in a muffle at any temperature between 900 and 1000° C for 15 minutes and the loss in weight shall be checked by a second heating for 5 minutes.

21. PERMISSIBLE VARIATION.—A permissible variation of 0.25 will be allowed, and all results in excess of the specified limit but within this permissible variation shall be reported as 4 per cent.

INSOLUBLE RESIDUE

22. METHOD.—To a 1 g sample of cement shall be added 10 cc of water and 5 cc of concentrated hydrochloric acid; the liquid shall be warmed until effervescence ceases. The solution shall be diluted to 50 cc and digested on a steam bath or hot plate until it is evident that decomposition of the cement is complete. The residue shall be filtered, washed with cold water, and the filter paper and contents digested in about 30 cc of a 5 per cent solution of sodium carbonate, the liquid being held at a temperature just short of boiling for 15 minutes. The remaining residue shall be filtered, washed with cold water, then with a few drops of hot hydrochloric acid, 1:9, and finally with hot water, and then ignited at a red heat and weighed as the insoluble residue.

23. PERMISSIBLE VARIATION.—A permissible variation of 0.15 will be allowed, and all results in excess of the specified limit but within this permissible variation shall be reported as 0.85 per cent.

SULPHURIC ANHYDRIDE

24. METHOD.—One gram of the cement shall be dissolved in 5 cc of concentrated hydrochloric acid diluted with 5 cc of water, with gentle warming; when solution is complete 40 cc of water shall be added, the solution filtered, and the residue washed thoroughly with water. The solution shall be diluted to 250 cc, heated to boiling, and 10 cc of a hot 10 per cent solution of barium chloride shall be added slowly, drop by drop, from a pipette and the boiling continued until the precipitate is well formed. The solution shall be digested on the steam bath until the precipitate has settled. The precipitate shall be filtered, washed, and the paper and contents placed in a weighed platinum crucible and the paper slowly charred and consumed without flaming. The barium sulfate shall then be ignited and weighed. The weight obtained multiplied by 34.3 gives the percentage of sulfuric anhydride. The acid filtrate obtained in the determination of the insoluble residue may be used for the estimation of sulfuric anhydride instead of using a separate sample.

25. PERMISSIBLE VARIATION.—A permissible variation of 0.10 will be allowed, and all results in excess of the specified limit but within this permissible variation shall be reported as 2 per cent.

MAGNESIA

26. METHOD.—To 0.5 g of the cement in an evaporating dish shall be added 10 cc of water to prevent lumping and then 10 cc of concentrated hydrochloric acid. The liquid shall be gently heated and agitated until attack is complete. The solution shall then be evaporated to complete dryness on a steam or water bath. To hasten dehydration the residue may be heated to 150 or even 200° C for one-half to one hour. The residue shall be treated with 10 cc of concentrated hydrochloric acid diluted with an equal amount of water. The dish shall be covered and the solution digested for 10 minutes on a steam bath or water bath. The diluted solution shall be filtered and the separated silica washed thoroughly with water.[2] Five cubic centimeters of concentrated hydrochloric acid and sufficient bromine water to precipitate any

[2] Since this procedure does not involve the determination of silica, a second evaporation is unnecessary.

manganese which may be present, shall be added to the filtrate (about 250 cc). This shall be made alkaline with ammonium hydroxide, boiled until there is but a faint odor of ammonia, and the precipitated iron and aluminum hydroxides, after settling, shall be washed with hot water, once by decantation and slightly on the filter. Setting aside the filtrate, the precipitate shall be transferred by a jet of hot water to the precipitating vessel and dissolved in 10 cc of hot hydrochloric acid. The paper shall be extracted with acid, the solution and washings being added to the main solution. The aluminum and iron shall then be reprecipitated at boiling heat by ammonium hydroxide and bromine water in a volume of about 100 cc, and the second precipitate shall be collected and washed on the filter used in the first instance if this is still intact. To the combined filtrates from the hydroxides of iron and aluminum, reduced in volume if need be, 1 cc of ammonium hydroxide shall be added, the solution brought to boiling, 25 cc of a saturated solution of boiling ammonium oxalate added, and the boiling continued until the precipitated calcium oxalate has assumed a well-defined granular form. The precipitate after one hour shall be filtered and washed; then with the filter shall be placed wet in a platinum crucible, and the paper burned off over a small flame of a Bunsen burner; after ignition it shall be redissolved in hydrochloric acid and the solution diluted to 100 cc. Ammonia shall be added in slight excess and the liquid boiled. The lime shall then be reprecipitated by ammonium oxalate, allowed to stand until settled, filtered, and washed. The combined filtrates from the calcium precipitates shall be acidified with hydrochloric acid, concentrated on the steam bath to about 150 cc, and made slightly alkaline with ammonium hydroxide, boiled and filtered (to remove a little aluminum and iron and perhaps calcium). When cool, 10 cc of saturated solution of sodium-ammonium-hydrogen phosphate shall be added with constant stirring. When the crystalline ammonium-magnesium orthophosphate has formed, ammonia shall be added in moderate excess. The solution shall be set aside for several hours in a cool place, filtered and washed with water containing 2.5 per cent NH_3. The precipitate shall be dissolved in a small quantity of hot hydrochloric acid, the solution diluted to about 100 cc, 1 cc of a saturated solution of sodium-ammonium hydrogen phosphate added, and ammonia drop by drop, with constant stirring, until the precipitate is again formed as described and the ammonia is in moderate excess. The precipitate shall then be allowed to stand about two

hours, filtered and washed as before. The paper and contents shall be placed in a weighed platinum crucible, the paper slowly charred, and the resulting carbon carefully burned off. The precipitate shall then be ignited to constant weight over a Meker burner, or a blast not strong enough to soften or melt the pyrophosphate. The weight of magnesium pyrophosphate obtained multiplied by 72.5 gives the percentage of magnesia. The precipitate so obtained always contains some calcium and usually small quantities of iron, aluminum, and manganese as phosphates.

27. PERMISSIBLE VARIATION.—A permissible variation of 0.4 will be allowed, and all results in excess of the specified limit but within this permissible variation shall be reported as 5.00 per cent.

PHYSICAL TESTS

DETERMINATION OF SPECIFIC GRAVITY

28. APPARATUS.—The determination of specific gravity shall be made with a standardized Le Chatelier apparatus which conforms to the requirements illustrated in Fig. 1. This apparatus is standardized by the United States Bureau of Standards. Kerosene free from water, or benzine not lighter than 62° Baumé, shall be used in making this determination.

29–31. METHOD.—The flask shall be filled with either of these liquids to a point on the stem between zero and 1 cc and 64 g of cement, of the same temperature as the liquid, shall be slowly introduced, taking care that the cement does not adhere to the inside of the flask above the liquid and to free the cement from air by rolling the flask in an inclined position. After all the cement is introduced, the level of the liquid will rise to some division of the graduated neck; the difference between readings is the volume displaced by 64 g of the cement.

The specific gravity shall then be obtained from the formula

$$\text{Specific gravity} = \frac{\text{Weight of cement (g)}}{\text{Displaced volume (cc)}}$$

30. The flask, during the operation, shall be kept immersed in water, in order to avoid variations in the temperature of the liquid in the flask, which shall not exceed 0°.5 C. The results of repeated tests should agree within 0.01.

31. The determination of specific gravity shall be made on the cement as received; if it falls below 3.10, a second determination shall be made after igniting the sample as described in section 20.

DETERMINATION OF FINENESS

32–33. APPARATUS.—Wire cloth for standard sieves for cement shall be woven (not twilled) from brass, bronze, or other suitable wire, and mounted without distortion on frames not less than 1½

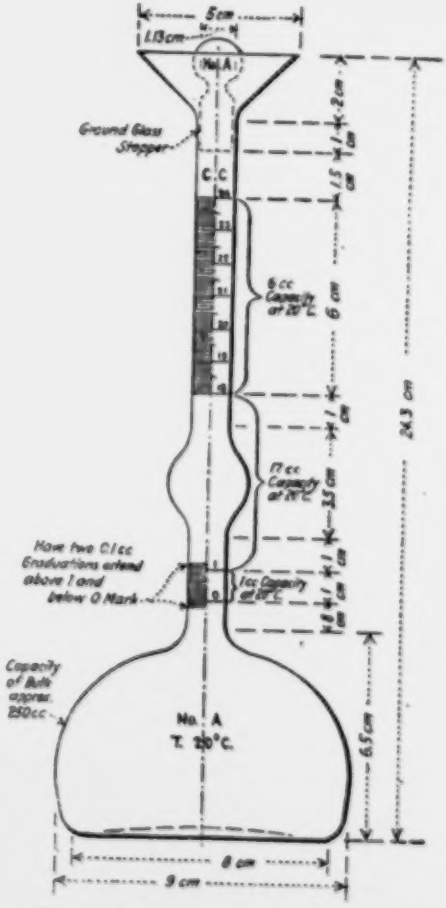


FIG. 1.—*Le Chatelier apparatus for specific gravity determinations*

inches below the top of the frame. The sieve frames shall be circular, approximately 8 inches in diameter, and may be provided with a pan and cover.

33. A standard No. 200 sieve is one having nominally an 0.0029-inch opening and 200 wires per inch standardized by the

United States Bureau of Standards, and conforming to the following requirements:

The No. 200 sieve should have 200 wires per inch, and the number of wires in any whole inch shall not be outside the limits of 192 to 208. No opening between adjacent parallel wires shall be more than 0.0050 inch in width. The diameter of the wire should be 0.0021 inch and the average diameter shall not be outside the limits 0.0019 to 0.0023 inch. The value of the sieve as determined by sieving tests made in conformity with the standard specification for these tests on a standardized cement which gives a residue of 25 to 20 per cent on the No. 200 sieve, or on other similarly graded material, shall not show a variation of more than 1.5 per cent above or below the standards maintained at the Bureau of Standards.

34–35. METHOD.—The test shall be made with 50 g of cement. The sieve shall be thoroughly clean and dry. The cement shall be placed on the No. 200 sieve, with pan and cover attached, if desired, and shall be held in one hand in a slightly inclined position so that the sample will be well distributed over the sieve, at the same time gently striking the side about 150 times per minute against the palm of the other hand on the up stroke. The sieve shall be turned every 25 strokes about one-sixth of a revolution in the same direction. The operation shall continue until not more than 0.05 g passes through in one minute of continuous sieving. The fineness shall be determined from the weight of the residue on the sieve expressed as a percentage of the weight of the original sample.

35. Mechanical sieving devices may be used, but the cement shall not be rejected if it meets the fineness requirement when tested by the hand method described in section 34.

36. PERMISSIBLE VARIATION.—A permissible variation of 1 will be allowed, and all results in excess of the specified limit but within this permissible variation shall be reported as 22 per cent.[3]

MIXING CEMENT PASTES AND MORTARS

37–38. METHOD.—The quantity of dry material to be mixed at one time shall not exceed 1000 g nor be less than 500 g. The proportions of cement or cement and sand shall be stated by weight in grams of the dry materials; the quantity of water shall be expressed in cubic centimeters (1 cc of water = 1 g). The dry materials shall be weighed, placed upon a nonabsorbent surface,

[3] See note 1 on p. 9.

thoroughly mixed dry if sand is used, and a crater formed in the center, into which the proper percentage of clean water shall be poured; the material on the outer edge shall be turned into the crater by the aid of a trowel. After an interval of one-half minute for the absorption of the water the operation shall be completed by continuous, vigorous mixing, squeezing and kneading with the hands for at least one minute.[4] During the operation of mixing, the hands should be protected by rubber gloves.

38. The temperature of the room and the mixing water shall be maintained as nearly as practicable at 21° C (70° F).

NORMAL CONSISTENCY

39. APPARATUS.—The Vicat apparatus consists of a frame *A* (Fig. 2) bearing a movable rod *B*, weighing 300 g, one end *C* being 1 cm in diameter for a distance of 6 cm, the other having a removable needle *D*, 1 mm in diameter, 6 cm long. The rod is reversible, and can be held in any desired position by a screw *E*, and has midway between the ends a mark *F* which moves under a scale (graduated to millimeters) attached to the frame *A*. The paste is held in a conical, hard-rubber ring *G*, 7 cm in diameter at the base, 4 cm high, resting on a glass plate *H* about 10 cm square.

40–41. METHOD.—In making the determination, 500 g of cement, with a measured quantity of water, shall be kneaded into a paste, as described in section 37, and quickly formed into a ball with the hands, completing the operation by tossing it six times from one hand to the other, maintained about 6 inches apart; the ball resting in the palm of one hand shall be pressed into the larger end of the rubber ring held in the other hand, completely filling the ring with paste; the excess at the larger end shall then be removed by a single movement of the palm of the hand; the ring shall then be placed on its larger end on a glass plate and the excess paste at the smaller end sliced off at the top of the ring by a single oblique stroke of a trowel held at a slight angle with the top of the ring. During these operations care shall be taken not to compress the paste. The paste confined in the ring, resting on the plate, shall be placed under the rod, the larger end of which shall be brought in contact with the surface of the paste; the scale shall

[4] In order to secure uniformity in the results of tests for the time of setting and tensile strength the manner of mixing above described should be carefully followed. At least one minute is necessary to obtain the desired plasticity which is not appreciably affected by continuing the mixing for several minutes. The exact time necessary is dependent upon the personal equation of the operator. The error in mixing should be on the side of overmixing.

be then read, and the rod quickly released. The paste shall be of normal consistency when the rod settles to a point 10 mm below the original surface in one-half minute after being released. The apparatus shall be free from all vibrations during the test. Trial pastes shall be made with varying percentages of water until the

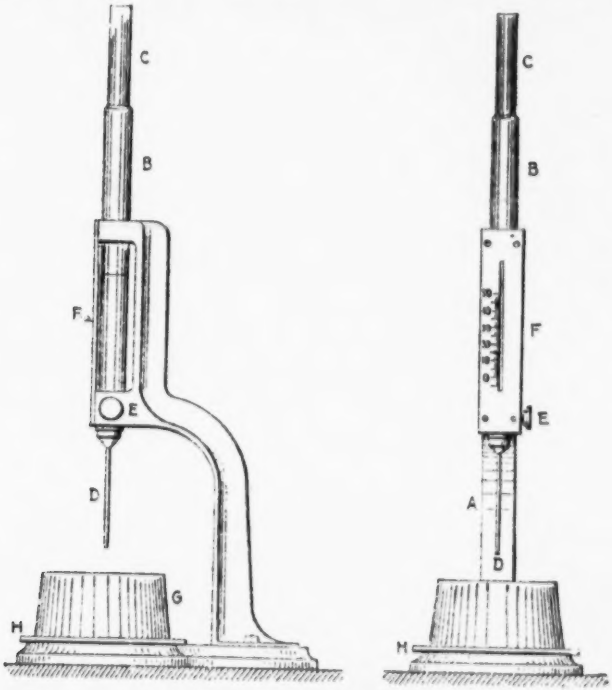


FIG. 2.—*Vicat apparatus*

normal consistency is obtained. The amount of water required shall be expressed in percentage by weight of the dry cement.

41. The consistency of standard mortar shall depend on the amount of water required to produce a paste of normal consistency from the same sample of cement. Having determined the normal consistency of the sample, the consistency of standard mortar made from the same sample shall be as indicated in Table 1, the values being in percentage of the combined dry weights of the cement and standard sand.

TABLE 1

Percentage of Water for Standard Mortars

Percentage of water for neat cement paste of normal consistency	Percentage of water for one cement, three standard Ottawa sand	Percentage of water for neat cement paste of normal consistency	Percentage of water for one cement, three standard Ottawa sand
15	9.0	23	10.3
16	9.2	24	10.5
17	9.3	25	10.7
18	9.5	26	10.8
19	9.7	27	11.0
20	9.8	28	11.2
21	10.0	29	11.3
22	10.2	30	11.5

DETERMINATION OF SOUNDNESS[5]

42. APPARATUS.—A steam apparatus which can be maintained at a temperature between 98 and 100° C, or one similar to that shown in Fig. 3, is recommended. The capacity of this apparatus may be increased by using a rack for holding the pats in a vertical or inclined position.

43–45. METHOD.—A pat from cement paste of normal consistency about 3 inches in diameter, one-half inch thick at the center, and tapering to a thin edge, shall be made on clean glass plates about 4 inches square, and stored in moist air for 24 hours. In molding the pat the cement paste shall first be flattened on the glass and the pat then formed by drawing the trowel from the outer edge toward the center.

44. The pat shall then be placed in an atmosphere of steam at a temperature between 98 and 100° C upon a suitable support 1 inch above boiling water for five hours.

45. Should the pat leave the plate, distortion may be detected best with a straight edge applied to the surface which was in contact with the plate.

DETERMINATION OF TIME OF SETTING

46. The following are alternate methods, either of which may be used as ordered:

47. VICAT APPARATUS.—The time of setting shall be determined with the Vicat apparatus described in section 39. (See Fig. 2.)

[5] Unsoundness is usually manifested by change in volume which causes distortion, cracking, checking, or disintegration. Pats improperly made or exposed to drying may develop what are known as shrinkage cracks within the first 24 hours and are not an indication of unsoundness. These conditions are illustrated in F.g. 4. The failure of the pats to remain on the glass or the cracking of the glass to which the pats are attached does not necessarily indicate unsoundness.

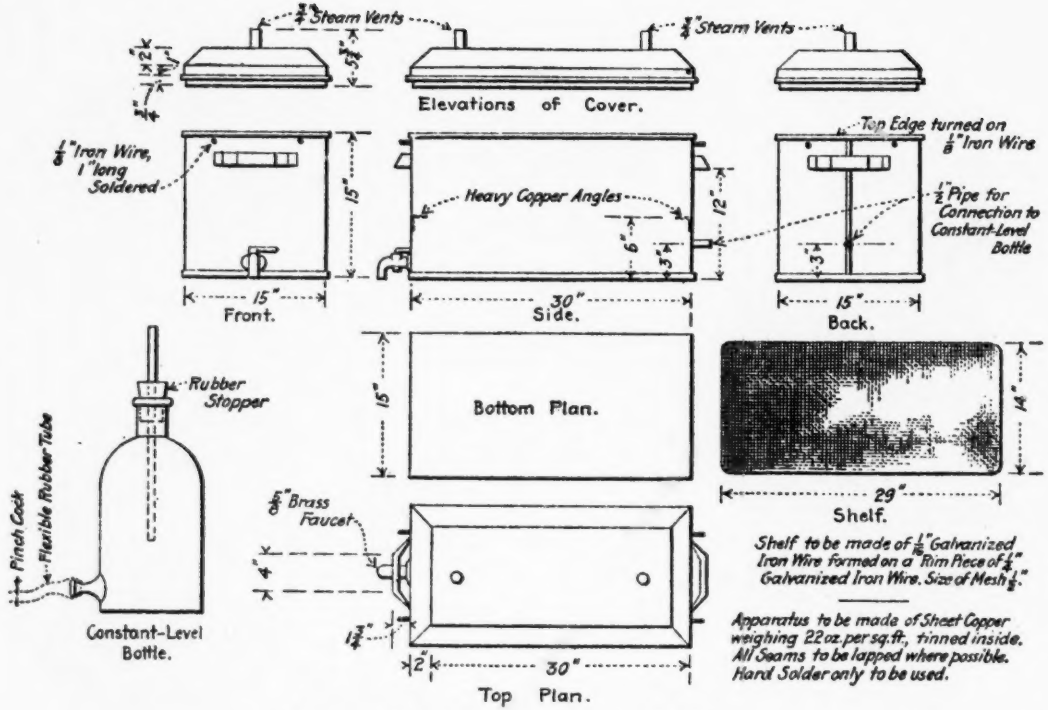
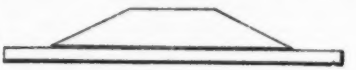


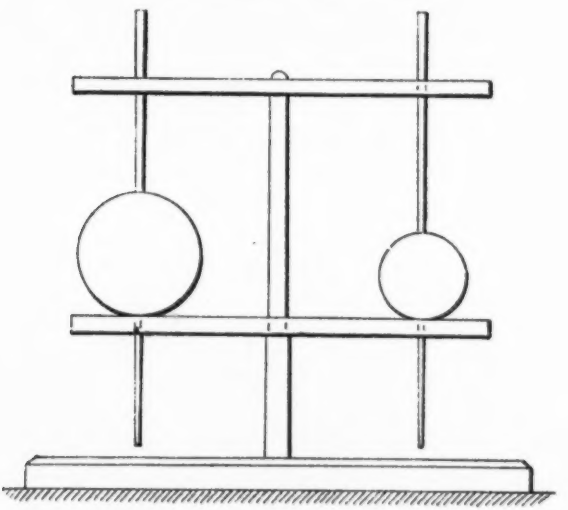
FIG. 3.—*Apparatus for making soundness test of cement*

FIG. 4.—*Typical failures in soundness test*

48. VICAT METHOD.—A paste of normal consistency shall be molded in the hard-rubber ring *G*, as described in section 40, and placed under the rod *B*, the smaller end of which shall then be carefully brought in contact with the surface of the paste, and the rod quickly released. The initial set shall be said to have occurred when the needle ceases to pass a point 5 mm above the glass plate in one-half minute after being released, and the final set when the needle does not sink visibly into the paste. The test pieces shall



(*a*) Pat with Top Surface Flattened for Determining Time of Setting by Gillmore Method.



(*b*) Gillmore Needles.

FIG. 5

be kept in moist air during the test. This may be accomplished by placing them on a rack over water contained in a pan and covered by a damp cloth, kept from contact with them by means of a wire screen; or they may be stored in a moist closet. Care shall be taken to keep the needle clean, as the collection of cement on the sides of the needle retards the penetration, while cement on the point may increase the penetration. The time of setting is affected not only by the percentage and temperature of the water used and the amount of kneading the paste receives, but by the

temperature and humidity of the air, and its determination is therefore only approximate.

49. GILLMORE NEEDLES.—The time of setting shall be determined by the Gillmore needles. The Gillmore needles should preferably be mounted as shown in Fig. 5 (*b*).

50. GILLMORE METHOD.—The time of setting shall be determined as follows: A pat of neat cement paste about 3 inches in diame-

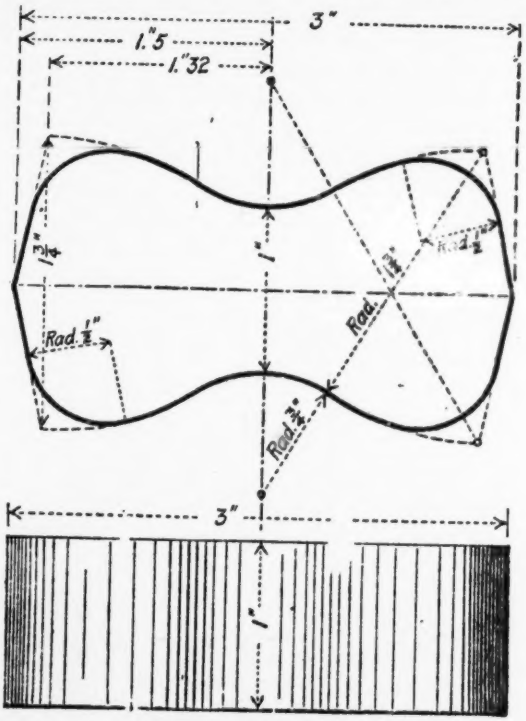


FIG. 6.—*Details for briquette*

ter and one-half inch in thickness with a flat top (Fig. 5 (*a*)), mixed to a normal consistency, shall be kept in moist air at a temperature maintained as nearly as practicable at 21° C (70° F). The cement shall be considered to have acquired its initial set when the pat will bear, without appreciable indentation, the Gillmore needle one-twelfth inch in diameter, loaded to weigh one-fourth pound. The final set has been acquired when the pat will bear without appreciable indentation, the Gillmore needle one-twenty-fourth inch in diameter, loaded to weigh 1 pound. In

making the test the needles shall be held in a vertical position and applied lightly to the surface of the pat.

TENSION TESTS

51. FORM OF TEST PIECE.—The form of test piece shown in Fig. 6 shall be used. The molds shall be made of noncorroding metal and have sufficient material in the sides to prevent spreading during molding. Gang molds when used shall be of the type shown in Fig. 7. Molds shall be wiped with an oily cloth before using.

52–54. STANDARD SAND.—The sand to be used shall be natural sand from Ottawa, Ill., screened to pass a No. 20 sieve and retained on a No. 30 sieve. This sand may be obtained from the Ottawa Silica Co., at a cost of 2 cents per pound, f. o. b. cars, Ottawa, Ill.

53. This sand, having passed the No. 20 sieve, shall be considered standard when not more than 5 g pass the No. 30 sieve after one minute continuous sieving of a 500 g sample.

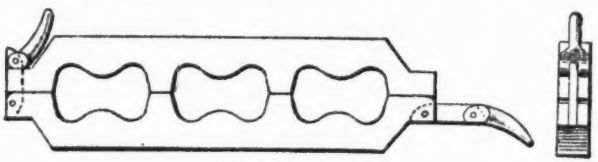


FIG. 7.—*Gang mold*

54. The sieves shall conform to the following specifications:

The No. 20 sieve shall have between 19.5 and 20.5 wires per whole inch of the warp wires and between 19 and 21 wires per whole inch of the shoot wires. The diameter of the wire should be 0.0165 inch and the average diameter shall not be outside the limits of 0.0160 and 0.0170 inch.

The No. 30 sieve shall have between 29.5 and 30.5 wires per whole inch of the warp wires and between 28.5 and 31.5 wires per whole inch of the shoot wires. The diameter of the wire should be 0.0110 inch and the average diameter shall not be outside the limits 0.0105 to 0.0115 inch.

55. MOLDING.—Immediately after mixing, the standard mortar shall be placed in the molds, pressed in firmly with the thumbs and smoothed off with a trowel without ramming. Additional mortar shall be heaped above the mold and smoothed off with a trowel; the trowel shall be drawn over the mold in such a manner as to exert a moderate pressure on the material. The

mold shall then be turned over and the operation of heaping, thumbing, and smoothing off repeated.

56–57. TESTING.—Tests shall be made with any standard machine. The briquettes shall be tested as soon as they are removed from the water. The bearing surfaces of the clips and briquettes shall be free from grains of sand or dirt. The briquettes shall be carefully centered and the load applied continuously at the rate of 600 pounds per minute.

57. Testing machines should be frequently calibrated in order to determine their accuracy.

58. FAULTY BRIQUETTES.—Briquettes that are manifestly faulty, or which give strengths differing more than 15 per cent from the average value of all test pieces made from the same sample and broken at the same period, shall not be considered in determining the tensile strength.

STORAGE OF TEST PIECES

59. APPARATUS.—The moist closet may consist of a soapstone, slate, or concrete box, or a wooden box lined with metal. If a wooden box is used, the interior should be covered with felt or broad wicking kept wet. The bottom of the moist closet should be covered with water. The interior of the closet should be provided with nonabsorbent shelves on which to place the test pieces, the shelves being so arranged that they may be withdrawn readily.

60–62. METHODS.—Unless otherwise specified, all test pieces, immediately after molding, shall be placed in the moist closet for from 20 to 24 hours.

61. The briquettes shall be kept in molds on glass plates in the moist closet for at least 20 hours. After 24 hours in moist air the briquettes shall be immersed in clean water in storage tanks of noncorroding material.

62. The air and water shall be maintained as nearly as practicable at a temperature of 21° C (70° F).

III. INTERPRETATION OF RESULTS

CHEMICAL

The composition of normal Portland cement has been the subject of a great deal of investigation, and it can be said that the quantities of silica, alumina, oxide of iron, lime, magnesia, and sulphuric anhydride can vary within fairly wide limits without materially affecting the quality of the material.

A normal American Portland cement which meets the standard specifications for soundness, setting time, and tensile strength has an approximate composition within the following limits:

	Per cent
Silica	19–25
Alumina	5–9
Iron oxide	2–4
Lime	60–64
Magnesia	1–5
Sulphur trioxide	1–2.00
Loss on ignition	0.5–3.00
Insoluble residue	0.1–0.85

It is also true that a number of cements have been made both here and abroad which have passed all standard physical tests in which these limits have been exceeded in one or more particulars, and it is equally true that a sound and satisfactory cement does not necessarily result from the above composition.

It is probable that further investigation will give a clearer understanding of the constitution of Portland cement, but at present chemical analysis furnishes but little indication of the quality of the material.

Defective cement usually results from imperfect manufacture, not from faulty composition. Cement made from very finely ground material, thoroughly mixed and properly burned, may be perfectly sound when containing more than the usual quantity of lime, while a cement low in lime may be entirely unsound due to careless manufacture.

The analysis of a cement will show the uniformity in composition of the product from individual mills, but will furnish little or no indication of the quality of the material. Occasional analysis

should, however, be made for record and to determine the loss on ignition and the quantity of sulphuric anhydride, magnesia, and insoluble residue present.

The ground clinker as it comes from the mill is usually quick setting, which requires correction. This is usually accomplished by the addition of a small quantity of more or less hydrated calcium sulphate, either gypsum or plaster of Paris. The maximum limit for sulphuric anhydride (SO_3) is 2 per cent, which is considered the maximum quantity necessary to control setting properties.

The specification prohibits the addition of any material subsequent to calcination except water and calcined or uncalcined gypsum, which latter is permitted to regulate the time of set. Other additions may be difficult or impossible to detect even by a careful mill inspection during the process of manufacture, but as the normal adulterant would be ground raw material, an excess of "insoluble residue" would reveal the addition of siliceous material, and an excess in "loss on ignition" would point to the addition of calcareous material when either is added in sufficient quantity to make the adulteration profitable.

The effect of relatively small quantities of magnesia (MgO) in normal Portland cement, while still under investigation, can be considered harmless. Earlier investigators believed that as magnesia had a slower rate of hydration than lime the hydration of any free magnesia (MgO) present would occur after the cement had set and cause disintegration.

The effect of magnesia was considered especially injurious when the cement was exposed to the action of sea water. More recent investigation has shown that cement can be made which is perfectly sound under all conditions when containing 5 per cent of magnesia, and it has also been found that the lime in Portland cement exposed to sea water is replaced by magnesia.

The maximum limit for magnesia has been set at 5 per cent, as it has been established that this quantity is not injurious and it is high enough to permit the use of the large quantities of raw material available in most sections of the country.

PHYSICAL

SPECIFIC GRAVITY

The specific gravity of a Portland cement is not an indication of its cementing value. It will vary with the constituents of the cement, especially with the content of iron oxide. Thus the

white or very light Portland cements, containing only a fraction of a per cent of iron oxide, usually have a comparatively low specific gravity ranging from 3.05 to 3.15, while a cement containing 3 to 4 per cent or more of iron oxide may have a specific gravity of 3.20 or even higher. It is materially affected by the temperature and duration of burning the cement, the hard-burned cement having the higher specific gravity. A comparatively low specific gravity does not necessarily indicate that a cement is underburned or adulterated, as large percentages of raw materials could be added to a cement with a normally high specific gravity before the gravity would be reduced below 3.10.

If a Portland cement fresh from the mill normally has a comparatively low specific gravity, upon aging it may absorb sufficient moisture and carbon dioxide to reduce the gravity below 3.10. It has been found that this does not appreciably affect the cementing value of the material; in fact, many cements are unsound until they have been aged.

The value of the specific gravity determination lies in the fact that it is easily made in the field or laboratory, and when the normal specific gravity of the cement is known, any considerable variation in quality due to underburning or the addition of foreign materials may be detected.

FINENESS

Only the extremely fine powder of cement called flour possesses appreciable cementing qualities, the coarser particles adding little or nothing to the cementing value. No sieve is fine enough to determine the flour in a cement, nor is there any other generally applied means of accurately and practically measuring the flour. Some cements grind easier than others, thus, although a larger percentage of one cement may pass the 200-mesh sieve than another, the former may have a smaller percentage of actual flour due to the difference in the hardness and the character of the clinker, and the method used in grinding. Thus the cementing value of different cements can not be compared directly upon their apparent fineness through a 200-mesh sieve. With cement from the same mill, with similar clinker and grinding machinery, however, it is probable that the greater the percentage which passes the 200-mesh sieve the greater the percentage of flour in that particular cement. Data at present available indicate that all Portland cements have greater cementing value as the fineness is increased.

MIXING

The homogeneity of the cement paste or mortar is dependent upon the thoroughness of the mixing, and this may have considerable influence upon the time of setting and the strength of the briquettes. Concordant results can be obtained only by using extreme care in mixing the paste or mortar.

NORMAL CONSISTENCY

The quantity of water used in making the paste or mortar from which the pats for soundness, tests of setting, and the briquettes are made is very important and may vitally affect the results obtained. The determination consists in measuring the quantity of water required to bring a cement to a certain state of plasticity.

SOUNDNESS

The purpose of this test is to detect those qualities in a cement which tend to destroy the strength and durability. Unsoundness is usually manifested by a change in volume which causes cracking, swelling, or disintegration. If the pat is not properly made, or if it is placed where it will be subject to any drying during the first 24 hours, it may develop what are known as shrinkage cracks, which are not an indication of unsoundness and should not be confused with disintegration cracks, as shown in Fig. 4, p. 22. No shrinkage cracks should develop after the first 24 or 48 hours. The failure of the pats to remain on the glass or the cracking of the glass to which the pat is attached does not necessarily indicate unsoundness. In molding the pats, the cement paste should first be flattened on the glass and the pat formed by drawing the trowel from the outer edge toward the center, as shown in Fig. 8.

TIME OF SETTING

The purpose of this test is to determine the time which elapses from the moment water is added until the paste ceases to be plastic and the time required for it to obtain a certain degree of hardness. The determination of the "initial set" or when plasticity ceases is the more important, as a disturbance of the material after this time may cause a loss of strength, and thus it is important that the mixing and molding or the incorporating of the material into the work be accomplished within this time. The time of setting by the Gillmore needles is usually determined upon the pat which is to be used for the soundness test,

the top surface being flattened somewhat, as shown in Fig. 5a, page 23. In using the Gillmore needles care should be taken to apply the needles in a vertical position and perpendicular to the surface of the pat. The rate of setting and hardening may be materially affected by slight changes in temperature. The percentage of water used in gauging and the humidity of the moist closet in which the test pieces are stored may also affect the setting some-what.

TENSILE TESTS

Consistent results can only be obtained by exercising great care in molding and testing the briquettes. The correct method



FIG. 8.—*Correct method of molding cement pat*

of filling the mold is shown in Figs. 9 and 10. In testing the sides of the briquette and the clips should be thoroughly cleaned and free from grains of sand or dirt which would prevent a good bearing and the briquette should be carefully centered in the clips so as to avoid cross strains. It may be considered good laboratory practice if the individual briquettes of any set do not show a greater variation from the mean value than 10 per cent for sand mixtures. The 28-day mortar tests should not be omitted except in cases of emergency.



FIG. 9.—*Correct method of filling briquette mold*



FIG. 10.—*Correct method of troweling surface of briquettes*

IV. EXPLANATION OF CHANGES MADE IN REVISING THE ORIGINAL UNITED STATES GOVERNMENT SPECIFICATION FOR PORTLAND CEMENT [6]

INTRODUCTION AND RECOMMENDATIONS

At a meeting of the Departmental Conference held July 30, 1912, consideration was given to the following communication, dated March 7, 1912, which was received from the committee on standard specifications for cement of the American Society for Testing Materials:

In order to secure uniformity in specifications for cement, it is recommended that the board of direction of the American Society of Civil Engineers, the committee on standard specifications for cement of the American Society for Testing Materials, and the Government departmental committee on specifications for cement be each requested to appoint a committee of three to confer for the purpose of reconciling differences.

The Departmental Conference referred this matter to the departmental committee which had drawn up the present Government specification for Portland cement, with instructions to appoint a subcommittee to confer with committees of the American Society of Civil Engineers and American Society for Testing Materials.

The joint conference on "Uniform methods of tests and standard specifications for cement," as organized in conformity with the above resolution, was composed of the following:

Representing the American Society of Civil Engineers: Alfred Noble, George S. Webster, and R. L. Humphrey.

Representing the American Society for Testing Materials: George F. Swain, Olaf Hoff, and Clifford Richardson.

Representing the United States Government departmental committee: A. P. Davis, A. E. Phillips, and R. J. Wig.

This joint conference held nine meetings and the executive committee of the conference held 35 sessions of one or more days' duration.

Consideration was given to every detail of the specifications. Elaborate tests and investigations were made. Inquiries were

[6] Printed here in accordance with the action of the Government conference from the report of the departmental committee to the conference, submitted Sept. 7, 1916.

submitted to many engineers, laboratories, and manufacturers for information which would be of assistance to the committee. Agreement of the conference was reached in April, 1915. A report of 145 printed pages containing the findings of the joint conference was submitted to the respective parent committees for consideration. Further investigations were made by these committees and their recommendations were given final consideration by the joint conference June 1, 1916.

The cement committee of the American Society for Testing Materials adopted these specifications with some few changes June 28, 1916, since which time they have been adopted by that society.

While certain modifications desired by the Government departmental committee were not accepted by the cement committee of the American Society for Testing Materials, the latter committee did accept many of the changes recommended by the Government committee, and therefore it is recommended that the Government Departmental Conference adopt these specifications, copy of which is appended, to be issued as the United States Government specification for Portland cement with a note under the title reading:

This specification is the result of several years' work of a Joint Conference representing the United States Government, the American Society of Civil Engineers, and the American Society for Testing Materials. This was adopted by the United States Government and by the American Society for Testing Materials to become effective January 1, 1917.

It is also recommended that a footnote reference be placed upon the fineness requirement of the specification, as follows:

The United States Government specification requires that on and after July 1, 1918, the residue on the standard No. 200 sieve shall not exceed 20 per cent by weight.

It is further recommended that in case the American Society for Testing Materials does not signify its intention of approving this latter requirement another Government conference should be called and other changes made in the specification as desired by the Government committee, but which are waived at this time in order to obtain uniformity.

Following is a discussion and explanation of the changes made in the specifications in making the revision of 1916. For convenience of reference the old version and the new version of each requirement are given preceding the comments.

DEFINITION

Old Version.—The cement shall be the product obtained by finely pulverizing clinker produced by calcining to incipient fusion an intimate mixture of properly proportioned argillaceous and calcareous substances, with only such additions subsequent to calcining as may be necessary to control certain properties. Such additions shall not exceed 3 per cent, by weight, of the calcined product.

New Version.—Portland cement is the product obtained by finely pulverizing clinker produced by calcining to incipient fusion an intimate and properly proportioned mixture of argillaceous and calcareous materials, with no additions subsequent to calcination excepting water and calcined or uncalcined gypsum.

The old definition was considered to partake of the nature of a specification and to be improper in including quantitative chemical restrictions which were specifically provided for elsewhere. Furthermore, no test is available whereby one may determine whether the 3 per cent limitation is exceeded. The limitations under "Chemical properties" prevent adulteration and the use of gypsum in quantities considered to be harmful.

CHEMICAL PROPERTIES

Old Version.—In the finished cement the following limits shall not be exceeded:

	Per cent
Loss on ignition for 15 minutes	4
Insoluble residue	1
Sulphuric anhydride (SO_3)	1.75
Magnesia (MgO)	4

New Version.—The following limits shall not be exceeded:

	Per cent
Loss on ignition	4
Insoluble residue	0.85
Sulphuric anhydride (SO_3)	2
Magnesia (MgO)	5

The phrase "Loss on ignition for 15 minutes" was modified by omitting the words "for 15 minutes" as the time and other provisions of the method of making the determination are given in the methods of tests.

The insoluble residue limitation was reduced from 1 to 0.85. This was done as all unadulterated cements were found to be well within this limitation.

The maximum limit for sulphuric anhydride (SO_3) was increased from 1.75 to 2 per cent because there was no evidence that the quality of the material would be impaired by such a change, and because the increase in the fineness requirement and further restriction in the time of setting made such a change desirable and logical. This permissible increase will probably be taken advantage of only by a limited number of mills, for gypsum is more expensive than cement and it is the desire of the manu-

tent of sulphuric anhydride fixed by European practice is as follows:

	Per cent.
France	[7] 3.00
England	2.75
Germany	2.50
Austria	2.50
Holland	2.50

The magnesia limitation was raised from 4 per cent to 5 per cent. All data available demonstrated that cements containing magnesia even in excess of 5 per cent were equal in quality to those containing less than 4 per cent. The change in this requirement reduces the cost of manufacture in some cases, and should increase competition.

SPECIFIC GRAVITY

Old Version.—The specific gravity of the cement shall be not less than 3.10. Should the cement as received fall below this requirement, a second test may be made upon a sample heated for 30 minutes at a very dull red heat.

New Version.—The specific gravity of cement shall be not less than 3.10 (3.07 for white Portland cement). Should the test of cement as received fall below this requirement, a second test may be made upon an ignited sample. The specific-gravity test will not be made unless specifically so ordered.

While the specific-gravity requirement is still included in the specification, it was the general opinion that it furnished little or no information of value relative to the quality of the cement. A cement meeting all other requirements was considered to be satisfactory irrespective of its specific gravity. Sufficient data were not available to warrant the complete elimination of this requirement, but the following clause was added:

The specific-gravity test will not be made unless specifically so ordered.

This makes the requirement still obligatory although the test may not be made by the purchaser. A clause is also inserted making white Portland cements acceptable if the specific gravity is 3.07 or higher. This was thought desirable as white Portland cements have a very low iron content which gives them a correspondingly lower specific gravity.

FINENESS

Old Version.—Ninety-two (92) per cent of the cement, by weight, shall pass through the No. 100 sieve, and 75 per cent shall pass through the No. 200 sieve.

New Version.—The residue on a standard No. 200 sieve shall not exceed 22 per cent by weight.

NOTE.—The United States Government specification requires that on and after July 1, 1918, the residue on the standard No. 200 sieve shall not exceed 20 per cent by weight.

[7] Excepting in sea water, when it is 1.30.

The fineness requirement was changed by eliminating the requirement on the No. 100 sieve and requiring a residue of not more than 22 per cent in place of 25 per cent on the No. 200 sieve.

The Government committee desired to have the requirement raised to not more than 20 per cent residue on the No. 200 sieve. The cement committee of the American Society for Testing Materials, however, would not agree to this increased requirement, primarily on the basis that it would be a hardship upon certain manufacturers to meet such a requirement without ample time for changing plant equipment. All data available to the committees indicated that the finer the commercial cements are ground the more cementing value they possess, although the fineness of two cements of different manufacture may not furnish any indication of their relative cementing values in concrete.

The results of a rather comprehensive series of tests made in a number of laboratories with several brands of cement showed an average increase of 2 per cent in compressive strength at the age of one month for each 1 per cent increase in fineness between the limits considered, which vary from 77 to 83 per cent.

The information obtained indicates that the majority of cement mills are now meeting the 22 per cent residue requirement and a number are meeting the 20 per cent requirement. The departmental committee is of the opinion that fine grinding is a step in the right direction. For the sake of uniformity it has recommended that the 22 per cent residue requirement be temporarily adopted, the 20 per cent residue requirement to be made effective in 1918, which will give all manufacturers sufficient time to readjust their mills.

The study of available data showed that the relative fineness of that portion of cement which is retained on the No. 200 sieve is unimportant, as it has little or no cementing value. With present methods of grinding the great majority of cements meeting the present requirements of the No. 200 sieve will of necessity meet the requirements of the No. 100 sieve. Therefore the No. 100 sieve requirement has been omitted.

SOUNDNESS

Old Version.—Pats of neat cement prepared and treated as hereinafter prescribed shall remain firm and hard and show no sign of distortion, checking, cracking, or disintegrating. If the cement fails to meet the prescribed steaming test, the cement may be rejected or the steaming test repeated after seven or more days, at the option of the engineer.

New Version.—A pat of neat cement shall remain firm and hard and show no signs of distortion, cracking, checking, or disintegration in the steam test for soundness.

The soundness requirement was changed by omitting the test of neat cement pats exposed to air and water for 28 days and retaining only the test of a neat cement pat exposed in an atmosphere of steam for five hours.

Members of all committees expressed it as their experience that cements meeting the other requirements of the specification and the steam test for soundness never failed to meet the air and water soundness tests, therefore the latter were considered superfluous and were omitted.

The clause relative to retest before rejection has been inserted elsewhere in the specification under the heading "Rejection."

TIME OF SETTING

Old Version.—The cement shall not acquire its initial set in less than 45 minutes and must have acquired its final set within 10 hours.

New Version.—The cement shall not develop initial set in less than 45 minutes when the Vicat needle is used or 60 minutes when the Gillmore needle is used. Final set shall be attained within 10 hours.

The new specifications provide for the use of either the Vicat or the Gillmore needles, while the old specifications required the use of the Gillmore method only. There was a difference of opinion regarding the relative merits of these methods. After careful investigation it was decided to include both methods, as there was no material difference in their accuracy. Either one may be used as ordered by the engineer.

Tests have shown that the Gillmore needle requires on the average about 15 minutes more than the Vicat needle to indicate initial set, therefore the specific requirement is different for each needle.

The time of initial setting was increased from 45 minutes to 60 minutes by the Gillmore needle. This was deemed desirable, as it is not uncommon to find that cements which meet the old specification requirements in the laboratory become quick setting on the work where the temperature is 10° or more above that of the laboratory. This change was particularly desired by all members of the joint conference.

TENSILE STRENGTH

Old Version.—Briquettes made of neat cement, after being kept in moist air for 24 hours and the rest of the time in water, shall develop tensile strength per square inch as follows:

	Pounds
After 7 days	500
After 28 days	600

Briquettes made up of 1 part cement and 3 parts standard Ottawa sand, by weight, shall develop tensile strength per square inch as follows:

	Pounds
After 7 days	200
After 28 days	275

The average of the tensile strengths developed at each age by the briquettes in any set made from one sample is to be considered the strength of the sample at that age, excluding any results that are manifestly faulty.

The average strength of the sand-mortar briquettes at 28 days shall show an increase over the average strength at 7 days.

New Version.—The average tensile strength in pounds per square inch of not less than three standard mortar briquettes (see sec. 51) composed of one part cement and three parts standard sand, by weight, shall be equal to or higher than the following:

Age at test, days	Storage of briquettes	Tensile strength, pounds per square inch
7	1 day in moist air, 6 days in water	200
28	1 day in moist air, 27 days in water	300

The average tensile strength of standard mortar at 28 days shall be higher than the strength at 7 days.

The neat tests were eliminated from the specification, it being the general opinion that they were unreliable and misleading. For example, the results of tests of cements ground to increased fineness showed decreased strength in the neat tests, although there were substantial increases in the mortar and concrete tests. It was not uncommon to find retrogession with age in neat tests between 7 and 28 days, although substantial increases were obtained in mortar tests. This fact was recognized in the old Government specification by permitting such retrogression in neat tests.

The mortar strength requirement at 28 days was increased from 275 to 300 pounds. Tests substantiated by general experience showed that most cements gave strengths appreciably higher than the old requirement. It was also recognized that the increase in the fineness requirement would result in higher mortar strengths.

PACKAGES AND MARKING

Old Version.—Bids for furnishing cement or for doing work in which cement is to be used shall state the brand of cement proposed to be furnished and the mill at which made. The right is reserved to reject any cement which has not established itself as a high-grade Portland cement, and has not been made by the same mill for two years and given satisfaction in use for at least one year under climatic and other conditions at least equal in severity to those of the work proposed.

The cement shall be delivered in sacks, barrels, or other suitable packages (to be specified by the engineer), and shall be dry and free from lumps. Each package shall be plainly labeled with the name of the brand and of the manufacturer.

A sack of cement shall contain 94 pounds net. A barrel shall contain 376 pounds net. Any package that is short weight or broken or that contains damaged cement may be rejected, or accepted as a fractional package, at the option of the engineer.

New Version.—The cement shall be delivered in suitable bags or barrels with the brand and name of the manufacturer plainly marked thereon, unless shipped in bulk. A bag shall contain 94 pounds net. A barrel shall contain 376 pounds net.

The cement shall be stored in such a manner as to permit easy access for proper inspection and identification of each shipment, and in a suitable weather-tight building which will protect the cement from dampness.

The clause in the old specification relative to the rejection of cement not established as a high-grade Portland cement has been omitted from the new specification. The Government committee desired to have the following modified form of this clause inserted under the head of "Rejection":

The right is reserved to reject any mill product which is not established as a high-grade Portland cement.

The other committees, however, would not agree to the insertion of this clause and the Government committee waived its desires in the matter for the sake of uniformity.

The clause relative to rejection of packages short in weight is inserted in a modified form elsewhere in the specification under the heading "Rejection."

INSPECTION

Old version.—The cement shall be tested in accordance with the standard methods hereinafter described. In general, the cement will be inspected and tested after delivery, but partial or complete inspection at the mill may be called for in the specifications or contract. Tests may be made to determine the chemical composition, specific gravity, fineness, soundness, time of setting, and tensile strength, and a cement may be rejected in case it fails to meet any of the specified requirements. An agent of the contractor may be present at the making of the tests or they may be repeated in his presence.

In case of the failure of any of the tests, and if the contractor so desires, the engineer may, if he deem it to the interest of the United States, have any or all of the tests made or repeated by the Bureau of Standards, United States Department of Commerce, in the manner hereinafter specified, all expenses of such tests to be paid by the contractor. All such tests shall be made on samples furnished by the engineer.

New version.—Every facility shall be provided the purchaser for careful sampling and inspection at either the mill or at the site of the work, as may be specified by the purchaser. At least 10 days from the time of sampling shall be allowed for the completion of the 7-day test, and at least 31 days shall be allowed for the completion of the 28-day test. The cement shall be tested in accordance with the methods hereinafter prescribed. The 28-day test shall be waived only when specifically ordered.

The inspection clause has been entirely rewritten. That part referring to rejection has been placed elsewhere in the specification under the heading "Rejection." The paragraph referring to retest by the Bureau of Standards in cases of dispute has been omitted. In the new specification a minimum time is specified for the completion of tests. Specific provision is also made for

the omission of the 28-day tests only when specially so ordered by the engineer.

REJECTION

New Version.—The cement may be rejected if it fails to meet any of the requirements of these specifications.

Cement shall not be rejected on account of failure to meet the fineness requirement if upon retest after drying at 100° C. for one hour it meets this requirement.

Cement failing to meet the test for soundness in steam may be accepted if it passes a retest using a new sample at any time within 28 days thereafter.

Packages varying more than 5 per cent from the specified weight may be rejected; and if the average weight of packages in any shipment, as shown by weighing 50 packages taken at random, is less than that specified, the entire shipment may be rejected.

This is a new section of the specification embracing all references to the rejection of cement as taken from other portions of the old specification. The only new matter is a clause relative to the permissible variation in the weight of packages.

METHODS OF TESTS

The description of the methods of tests are of too great length to be repeated here. However, following are comments relative to the changes made.

SAMPLING

The description of the method of sampling has been entirely rewritten making the method specific for individual and composite and for car and bin sampling.

The departmental committee is not in favor of an invariable rule concerning the number of samples that may be required but waived its objection to this feature of the new specification for the sake of uniformity.

CHEMICAL ANALYSIS

Much attention was given to the method of chemical analysis. With the cooperation of Dr. W. F. Hillebrand and Clifford Richardson numerous tests were made by many laboratories and the old methods modified in the light of the results obtained.

A tolerance or permissible variation is also allowed on each determination. The purpose of this tolerance is to prevent the rejection of cement where the analysis shows that the restricted element exceeds the limitations of the specifications by no more than the probable error due to lack of reproducibility of chemical determinations. The majority of the Government committee is opposed to the inclusion of any tolerance allowance in the specification, believing that sufficient margin should be provided by the manufacturer to cover the probable error of test.

DETERMINATION OF SPECIFIC GRAVITY

The method of determining specific gravity was not changed from the old specification, although the description was somewhat modified; the method of igniting sample for retest was changed and the required temperature raised. The temperature allowed will drive off carbon dioxide (CO_2) and some other gases if present and would be objectionable if the specific gravity test were important.

DETERMINATION OF FINENESS

The description of the method has been expanded and slightly changed to make it more definite.

The most essential difference from the old specification is the insertion of a "tolerance" or "permissible variation" clause which provides for the acceptance of the cement unless the results show that the cement is actually coarser than the requirement, after allowing 1 per cent for the lack of reproducibility of the determination. The majority of the Government committee is opposed to the inclusion of a tolerance clause for the reason previously stated under chemical analysis.

MIXING CEMENT PASTES AND MORTARS

The only change made is in the verbiage to make the statement more clear and specific.

NORMAL CONSISTENCY

The Vicat method is substituted for the Ball method for the determination of normal consistency. A comprehensive series of tests was made which showed that the Vicat method gave slightly more concordant results.

DETERMINATION OF SOUNDNESS

No change was made in the method other than omitting the description of the air and water pat. The verbiage is modified slightly and illustrations are shown of a steam apparatus and typical failures of pats in the steam soundness test.

DETERMINATION OF TIME OF SETTING

The old specification provided only for the use of the Gillmore method. In the new specification both the Gillmore and Vicat methods are described and the specification permits the use of either.

TENSION TESTS

No essential change has been made in the method although the verbiage has been changed somewhat to make it more specific.

STORAGE OF TEST PIECES

No essential change has been made other than the insertion of the description of a moist closet for the storage of test pieces and placing a minimum limitation on the time which briquettes should be retained in the molds.

GENERAL REMARKS

The Government committee is of the opinion that the new specification is an improvement over the old. Certain essential requirements such as strength, fineness, and setting properties, have been increased, certain unessential requirements, such as tests of neat cement, 100-mesh sieve requirement, air and water soundness pats, etc., have been omitted. Other limitations which did not improve the quality of cement but were a handicap to certain manufacturers such as the low sulfuric anhydride and magnesia limitations have been made more liberal.

While the Government committee desired certain changes in the substance and form of these specifications it is of the opinion that the securing of generally recognized uniform specification for Portland cement in the United States is of greater importance and it must be recognized that such uniformity is made possible only by compromise.

The new specification, although an improvement over the old, can not be considered as entirely satisfactory, as there is no test which furnishes specific information as to the relative value in concrete of the products of different mills. Under the specification for fineness the cement may contain a large percentage of worthless material which could be made valuable by finer grinding, and improvement in this direction should be steady and persistent. Furthermore, the methods of tests so far devised are not as accurate as they should be. With the continuation of investigations and research further improvement should be possible in the near future.

Respectfully submitted.

Departmental Committee:
ARTHUR P. DAVIS, *Chairman,*
RUDOLPH J. WIG, *Secretary,*
HENRY C. NEWCOMER,
JOHN W. GINDER,
ASA E. PHILLIPS,
C. D. THURBER,
W. A. E. DOYING,
S. S. VOORHEES,

..... 7. We are informed subscriber has reason to believe that cement under this contract is being diverted to other work.

..... 8. Subscriber would like to know how much cement has been shipped on this contract.

Yours truly, Mid-West Cement Credit & Statistical Bureau.
C. R. Kayser, Manager. WDA.

This form to be used by Bureau in directing attention of other Associations to Specific Contracts in their reports.
[In triplicate.]

[fol. 1959] Form 1

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: February 9, 1920.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

GENTLEMEN: We desire to call attention to specific contract No. C-495 for Alpha Brand of Cement for 25,000 barrels sold to Akron Sewer Pipe Co., Cleveland, O., for delivery at Cleveland, Ohio, with remarks as indicated by check marks herein.

Check

..... 1. This contract appears to be a duplication of —— Company's No. —.

X 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or contemplated.

..... 4. The construction work covered by this contract was completed — months ago.

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

[fol. 1959½]

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

..... 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly, Alpha Portland Cement Co.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

[fol. 1960] Form 3

Audit Memo.—File Alpha C-495. Sent for Audit to F. B. Date 1/26/20. Signed Mid-West.

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Paving, Curbs, and Sidewalks

Jan. 26, 1920.

No. C-495. Brand: Alpha. Delivery Point: Cleveland, Ohio.

Name of Streets: Paving 13 streets in East View Village—So. Moreland Blvd.; E. 137th St.; E. 132d St.; Southington Rd.; Risley Rd.; No. Moreland Blvd.; Livingston Rd.; Keswick Rd.; Hampton Rd.; Corby Rd.; Ashwood Rd.; Albion Rd.; Becket Rd.

City or Town: Cleveland, Ohio. Total Am't of Contract: 25,000 bbls. Nothing shipped.

Purchaser: Akron Sewer Pipe Co. of Cleveland, O. Contractor: Cleveland Trinidad Paving Co.

Date of Contract: Dec. 8, 1919.

Has above contractor been awarded these streets? Yes.

Has work started? No. If so, when? ——.

How much cement does contractor say he has used? None on this contract.

How much cement does contractor say he will use? About 10,500 bbls. Universal.

[fol. 1960½] Does contract cover full requirements? √ If not, what part? ——.

What other brands used? Universal only thru Clev. Bldrs. Sup. Co.

Condition of work? Not started.

If work has not started state date it will go ahead? As soon as weather Permits.

Estimate date of completion? This year.

Kind of Paving? ——. Sq. yds? ——. Cement required — bbl.

Kind of Sidewalks? ——. Sq. yds.? ——. Cement required — bbl.

Lin. ft. Curb and Gutter ——. Cement required — bbl.

Total ——.

Source of information? 2/10/20. Mr. Cramer of Akron Sewer Pipe Co. said no cement has been delivered to date on this contract.

Remarks: 2/10/20. Mr. Robinson of Cleveland Trinidad Co. said they had not contracted for above cement but had placed their contract with the Clev. Bldrs. Sup. Co. for Universal cement to complete the above work estimating about 10,500 bbls. will be required

as there is about 50,000 sq. yds. paving with 6" concrete base and curbs and gutters all of which is to be done for Van Swengen Co.

Date: 2/10/20. Signed Frank Broomall.

This form to be used by auditor on the work.

I estimate this work will require about 10,000 bbls. cement.

Endorsed: Received Feb. 13, 1920. Cem't Mfg. Pro't. Ass'n.

[fol. 1961] Form 4

Cement Manufacturers' Protective Association

19 West 44th Street, New York

File Alpha *C-495 2722

Date: March 5th, 1920.

Dear Sir: The work covered by the following contract has been investigated and the facts as reported by the auditor are given below for your information:

Alpha *C-495.

Purchaser—Akron Sewer Pipe Co., Cleveland, Ohio. Paving 13 streets in East View Village. So. Moreland Blvd., Keswick Rd, E. 137th St., Hampton Rd., E. 132nd St., Corby Road, Southington Rd., Ashwood Rd., Risley Rd., Albion Rd., No. Moreland Blvd., Becket Road, Livingston Road, Cleveland, Ohio. Contractor—Cleveland Trinidad Paving Co. 25,000 barrels, nothing shipped. Date of Contract—12/8/19.

Above mentioned contractor has been awarded this contract. Work has not started. Contractor says he has used no cement on this contract, but will use about 10,500 bbls. Universal. Universal Brand only used—through Cleveland Bldrs. Supply Co., Work not started, but will go ahead as soon as weather permits. Date of completion estimated for this year.

Auditor visited Mr. Cramer of Akron Sewer Pipe Co. Mr. Cramer said no cement has been delivered to date on this contract. Mr. [fol. 1961½] Robinson of Cleveland Trinidad Co. said they had not contracted for above cement but had placed their contract with the Cleveland Bldrs. Sup. Co. for Universal cement to complete the above work estimating about 10,500 bbls. will be required as there is about 50,000 sq. yds. paving with 6" concrete base and curbs and gutters all of which is to be done for Van Swengen Co. Auditor estimates this work will require about 10,000 bbls. cement.

Date of Audit—February 10th, 1920.

Copy sent to Mid-West March 25th, 1920.

Cement Manufacturers' Protective Association, per —— ——.

(This form will be used by the Association when sending information on audited contracts to the manufacturers.)

[fol. 1962] DEF'TS' EX. No. D 3

Form 1

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: November 18th, 1919.

Endorsed: Audited 11/19/19.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York

GENTLEMEN: We desire to call attention to specific contract No. Va-123 for Alpha Brand of Cement for 15,000 barrels sold to Woolf Milling Co. for delivery at Keyser, W. Va. with remarks as indicated by check marks herein.

(Check)

..... 1. This contract appears to be a duplication of —— Company's No. —.

..... 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or contemplated.

..... 4. The construction work covered by this contract was completed — months ago.

[fol. 1962½]

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

..... 7. We have reason to believe that cement under this contract is being diverted to other work.

We are informed that the work awarded the Company shown as contractors consists of Grading only and does not require any cement.

Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

[fol. 1963] Form 2

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Buildings

Dec. 30, 1919.

No. Va-123. Brand: Alpha. Delivery Point: Blaine & Elk Garden, W. Va.

Description of Work: For use in building 7.66 miles Elk District Road, Mineral County.

Location: West Virginia. (St. and No.:) ——.

Contractor: H. W. Kaylor Co. Architect: —— ——.

Purchaser: Woolf Milling Co., Keyser, W. Va. Total Am't of Contract: 15,000 bbls. Nothing shipped.

Date of contract: Oct. 3d, 1919.

Has above contractor been awarded this work? Yes, but work requires only small amt. of concrete.

Has work started? ——. If so, when? ——.

Is foundation in? ——. Is superstructure started? ——.

How many floors are completed? ——.

How many floors to be finished? ——.

How much cement did each floor take? ——.

Give dimensions of building ——.

What kind of construction—steel, reinforced concrete, etc. ——.

How much cement does contractor say he has used? ——.

How much more cement does contractor say he will use? ——

[fol. 1963½] What other brands are being furnished for this work? ——.

If work has not started state date it will go ahead —— —, ——.

Estimate date of completion: —— —, ——.

Is any of the cement under this contract to be furnished to sub-contractors? ——.

How much cement dealer's books show has been used? None.

Source of information: Visited dealer and county officials.

Remarks: Dealer says he has this contract but has delivered no cement as yet. Contractor started work last fall and worked until bad weather, he thinks the road is 7½ miles and 12′ wide.

At County clerk office contract filed Sept. 9/19, for Elk District Road, with H. W. Kaylor.

Specifications show only 3 item using concrete i. e. 50 cu. yd. Class A concrete 60 cu. yds. Class B concrete and 250 cu. yds. of concrete rubble masonry which will not exceed 400 bbls. of cement.

County Engineer says no cement road will be built under present contract of H. W. Kaylor. When bids were called for, it was hoped that a concrete road could be built but at present they haven't enough money. He says under present contract with Kaylor the grading is being done and if a concrete road is to be

built new figures will be asked. Kaylor's contract is only about $60,000.

Date Jan. 14/20. Signed Harry I. Norton.

This Form to be used by the Auditor on the Work.

Endorsed: Received Jan. 15, 1920. Cem't Mfg. Pro't Ass'n.

{fol. 1964} Form 4

Cement Manufacturers' Protective Association

19 West 44th Street, New York

File Alpha Va-123. #2645

Date: January 16th, 1920.

DEAR SIR: The work covered by the following contract has been investigated and the facts as reported by the auditor are given below for your information:

Alpha Va-123.

Purchaser: Woolf Milling Co., Keyser, W. Va. For use in building 7.66 miles Elk District Road in Mineral County, Blaine & Elk Garden, W. Va. Contractor—H. W. Kaylor Co. 15,000 b'ls., nothing shipped. Date of contract—October 3d, 1919.

Above-mentioned contractor has been awarded this contract. Dealer's book show no cement delivered.

Auditor visited dealer and County officials.

Interview with dealer, who said he has this contract but has delivered no cement as yet. Contractor started work last Fall and worked until bad weather. He stated that he thought the road is 7½ miles and 12' wide.

Auditor visited County Clerk's office—contract filed Sept. 9, 1919 for Elk District Road with H. W. Kaylor. Specifications show only three items using concrete: 50 cu. yds. Class A concrete; 60 [fol. 1964½] cu. yds. Class B concrete and 250 cu. yds. of concrete rubble masonry, which will not exceed 400 bbls. cement.

Interview with County Engineer, who said no cement road will be built under present contract of H. W. Kaylor. When bids were called for it was hoped that a concrete road could be built but at present funds are lacking. He further stated that grading is being done under present contract with Kaylor and if a concrete road is to be built, new figures will be asked.

Date of audit—January 14th, 1920.

Copy to Lehigh—1/29/20.

Cement Manufacturers' Protective Association, per —— ——.

(This form will be used by the Association when sending information on audited contracts to the manufacturers.)

[fol. 1965] DEF'TS' EX. NO. D 4

Cement Manufacturers' Protective Association

The contents of this booklet refer to normal commercial business and are subject to such temporary modifications as may be made by Government orders and regulations for war purposes.

Instructions to Auditors

The Portland Cement industry in America has had a phenomenal growth, and during past years those engaged in its manufacture have struggled against conditions that were most unsatisfactory, arising from the many peculiar requirements in marketing this product, until it has become necessary to effect an organization to economically secure sound basic facts concerning the details of the industry which can be used individually and separately by the members.

In order to accomplish these aims—

The Cement Manufacturers Protective Association was organized in 1915 for the purpose of collecting and disseminating such accurate information as may serve to protect the manufacturers of Portland Cement against misrepresentations, deception and imposition, thereby enabling them each to conduct their business exactly as they please in [fol. 1965½] every respect and particular, free from misdirection by false or insufficient information concerning the following matters, to wit:

(a) Information concerning credits.

(b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, stocks of cement and clinker on hand, and shipments.

To accomplish these purposes, the Association maintains an office and a force of traveling auditors who have the following instructions relative to auditing of contracts:

In going into a town to audit contracts, go first to the dealer and make clear to him the following:

1. That we are going to be frank with him and expect frankness in return.

2. That our object in auditing contracts is to secure information for the manufacturers as to their obligations as to the actual requirements of jobs according to all the terms and conditions of the contracts.

3. That manufacturing and shipping conditions are abnormal in every respect, and that we are making every effort to find out just exactly where the manufacturers stand with respect to their obligations so that they can protect both themselves and their customers.

[fol. 1966] 4. That we are auditing contracts, regardless of how old or how new they are.

5. That by ascertaining and determining their actual obligations the manufacturers will be in much stronger position to protect all of their customers.

6. That the manufacturers expect to live up to their obligations in every respect.

7. That we expect his full co-operation.

8. That it is his—the dealer's—advantage to cut his outstanding obligations down to a minimum.

Bear in mind for your personal information—

1. That the manufacturers are not trying to dodge or side-step any legitimate obligations.

2. That the manufacturers do not want to cancel bona fide contracts.

3. That the manufacturers do want to get the actual commitments on their books in line with the actual requirements of jobs that are bona fide.

4. That the manufacturers do want to cancel every job that is not bona fide and legitimate.

5. That by doing so the manufacturers can insure protection to all dealers who are obligated to deliver cement on legitimate contracts.

6. That the dealers as a rule will want to co-operate with us, when our position and reasons are explained to them.

7. That your information must not be based on hearsay.

[fol. 1966½] 8. That you must get information from every possible source. Put it all down, and then arrive at as accurate a conclusion as possible.

Members

Allentown Portland Cement Company,
Alpha Portland Cement Company,
Atlas Portland Cement Company,
Bath Portland Cement Company,
Coplay Cement Manufacturing Company,
Dexter Portland Cement Company,
Edison Portland Cement Company,
Giant Portland Cement Company,
Hercules Cement Corporation,
Knickerbocker Portland Cement Company,
Lawrence Cement Company,
Lehigh Portland Cement Company,
Nazareth Portland Cement Co.,
Penn-Allen Cement Company,

Pennsylvania Cement Company,
Phœnix Portland Cement Company,
Vulcanite Portland Cement Company.

Executive Offices

19 West 44th Street, New York City.
H. S. Gaines, Vice-President.
M. B. Phalen, Secretary.
July, 1918.

[fol. 1967] DEF'TS' EX. No. D 5

Form 1

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: March 2nd, 1920.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

GENTLEMEN: We desire to call attention to specific contract No. 1538-758 for Phœnix Brand of Cement for 10,000 barrels sold to P. H. Fairlamb Company for delivery at Ogontz, Pa. with remarks as indicated by check marks herein.

Check

..... 1. This contract appears to be a duplication of —— Company's No. —.

x 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or con-

[fol. 1967½] templated.

..... 4. The construction work covered by this contract was completed — months ago.

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

..... 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly, Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

Endorsed: Received Mar. 3, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 1968] Form 1

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: March 2, 1920.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

GENTLEMEN: We desire to call attention to specific contract No. 1538-758 for Phœnix Brand of Cement for 10,000 barrels sold to P. H. Fairlamb Company for delivery at Philadelphia, Pa. with remarks as indicated by check marks herein.

Check

..... 1. This contract appears to be a duplication of —— Company's No. —.

..... 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or contemplated.

..... 4. The construction work covered by this contract was completed — months ago.

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a con-
[fol. 1968½] tract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

..... 7. We have reason to believe that cement under this contract is being diverted to other work.
Building contract has not yet been awarded.

Yours truly, Bath Portland Cement Co. W. G. Dutton, Second Vice President.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

Endorsed: Received Mar. 3, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 1969] Form 2

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Buildings

No. 1538-758. Brand: Phœnix. Delivery Point: Philadelphia, Pa.

Description of Work: Cheltenham High School. Owner: Cheltenham Township.

Location: Ogontz, Pa. (St. and No.): ——.

Contractor: Felix Cantano. Architect: —— ——.

Purchaser: P. H. Fairlamb Co. Total Am't of Contract: 10,000 bbls.

Date of Contract: February 19th, 1920.

Has above contractor been awarded this work? No.

Has work started? No.

If so, when? ——.

Is foundation in? ——.

Is superstructure started? ——.

How many floors are completed? ——.

How many floors to be finished? ——.

How much cement did each floor take? ——.

Give dimensions of building. ——.

What kind of construction—steel, reinforced concrete, etc.? ——.

How much cement does contractor say he has used? ——.

How much more cement does contractor say he will use? ——.

[fol. 1969½] What other brands are being furnished for this work? ——.

If work has not started state date it will go ahead? ——.

Estimate date of completion. ——.

Is any of the cement under this contract to be furnished to subcontractors? ——.

How much cement dealer's books show has been used? ——.

Source of Information: Mr. W. Gilson, Consulting Engineer for H. C. Wise, Architect.

Remarks: Mr. Gilson said that this contract has not been awarded, and that in a few weeks, it will be advertised for bids. There will be some time before work is actually started.

This building is 96′ x 264′ and including retaining walls 30′ high. Mr. Gilson said that it would require about 10,000 bbls.

Date: April 7, 1920. Signed: Albert G. Ward.

This Form is to be used by the Auditor on the Work.

Endorsed: Received Apr. 8, 1920. Cem't Mfg. Prot. Ass'n.

[fol. 1970] Form 4

Cement Manufacturers' Protective Association

19 West 44th Street, New York

File Phœnix—1538-758. Date: April 30th, 1920. #2951

DEAR SIR: The work covered by the following contract has been investigated and the facts as reproted by the auditor are given below for your information:

Phœnix—1538-758.

Purchaser—P. H. Fairlamb Company, Philadelphia, Pa. Cheltenham High School Owner, Cheltenham Twp. Ogontz, Pa. Contractor—Felix Cantano. 10,000 bbls. nothing shipped. Date of contract—February 19th, 1920.

Auditor visited Mr. W. Gilson, Consulting Engineer for H. C. Wise, Architect. Mr. Gilson stated that this contract has not been awarded and that in a few weeks it will be advertised for bids. There will be some time before work is actually started.

This building is 96 ft. x 264 ft., including retaining walls 30 ft. high. Mr. Gilson mentioned that it would require about 10,000 bbls.

Date of audit—April 7th, 1920.

Copies sent to Bath & Lehigh 5/24/20.

Cement Manufacturers' Protective Association, per ——— ———.

(This form will be used by the Association when sending information on audited contracts to the manufacturers.)

[fol. 1970½] Form 5

Cement Manufacturers' Protective Association

19 West 44th Street, New York

File Phœnix—1538-758. Date: April 30th, 1920. #2951

DEAR SIR: The work covered by the following contract has been investigated and the facts as reported by the auditor are given below for your information:

Phœnix—1538-758.

Purchaser—P. H. Fairlamb Company, Philadelphia, Pa. Cheltenham High School Owner, Cheltenham Twp. Ogontz, Pa. Contractor—Felix Cantano. 10,000 bbls. nothing shipped. Date of contract—February 19th, 1920.

Auditor visited Mr. W. Gilson, Consulting Engineer for H. C. Wise Architect. Mr. Gilson stated that this contract has not been awarded and that in a few weeks it will be advertised for bids. There will be some time before work is actually started.

This building is 96 ft. x 264 ft., including retaining walls 30 ft. high. Mr. Gilson mentioned that it would require about 10,000 bbls.

Date of audit—April 7th, 1920.

[fol. 1971] Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— —, ——, this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, per —— ——.

(This form will be used by the Association when submitting information on an audited contract to the manufacturer having the contract for comparison with information in possession of the manufacturer.)

[fol. 1971½] DEF'TS' EX. NO. D 6

Form 1

Audited —— ——.

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: Oct. 25/20.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York.

GENTLEMEN: We desire to call attention to specific contract No. 1975 for Dragon Brand of Cement for 15,000 barrels sold to Ames Bldg. Mat. Co. for delivery at New York City with remarks as indicated by check marks herein.

Check

..... 1. This contract appears — be a duplication of —— Company's No. —.

..... 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or contemplated.

..... 4. The construction work covered by this contract was completed — months ago.

[fol. 1972]

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

..... 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly, Lawrence Portland Cement Company. RAP.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

Endorsed: Received Oct. 26, 1920. Cem't Mfg. Prot. Ass'n, per —— ——.

[fol. 1972½] Audit Memo.: File: Lawrence 1975. Sent for Audit to —— ——. Date: Nov. 5, 1920. Signed J. J. Wall, Jr.

Form 3

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Paving, Curbs, and Sidewalks

Nov. 5, 1920.

Please Investigate.

No. 1975. Brand: Lawrence. Delivery Point: New York City.
Name of Streets: Paving White Plains & Ellerton Ave., Bronx. Union Paving Co., Contractors. Cohn & Ehardt, sub-contractors.
City or Town: Bronx, N. Y. Total Am't of Contract: 15,000 bbls. Bal. due 9-1-20: 12,514 bbls.
Purchaser: Ames Bldg. Mtl. Co., N. Y. C. Contractor: Cohn & Ehardt.
Date of Contract: December 17th, 1919.
" " Expiration: " 31st, 1920.
Has above contractor been awarded these streets? ——.
Has work started? ——.
[fol. 1973] If so, when? —— —, ——.
How much cement does contractor say he has used? ——.
How much cement does contractor say he will use? ——.
Does contract cover full requirements? ——.
If not, what part? ——.
What other brands used? ——.
Condition of work? ——.
If work has not started state date it will go ahead? —— —, ——.
Estimate date of completion? —— —, ——.
Kind of Paving? ——. Sq. yds.? ——. Cement required: —— bbl.
Kind of Sidewalks? ——. Sq. yds.? ——. Cement required: —— bbl.
Lin. ft. Curb and Gutter ——. Cement required: —— bbl.
Total ——.
Source of information? ——.
Remarks: Mr. Burns in office of Union Paving Co. stated that he

did not know of the above work and he doubted whether the Union Paving Co., was ever awarded such a contract. Referred auditor to Mr. Beckwith President of Union Paving Co.

Mr. Beckwith was not acquainted with this work.

Mr. A. C. Bloom of Cohn and Ehardt stated he is in charge of field work, and does not know of the above work.

Date: —— —, ——. Signed: —— ——.

[fol. 1973½] This form to be used by auditor on the work.

Mr. Floyd McDowell, Borough Engr., stated he knew of no paving contract on Allerton Ave.

At location no paving work under construction.

Nov. 8th, 1920.

J. J. Wall, Jr.

Endorsed: Received Nov. 9, 1920. Cem't Mfg. Prot. Ass'n. per —— ——.

[fol. 1974] Form 5

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Date: November 10, 1920.

Audit No. 4519.

Contract: Lawrence 1975.

Purchaser: Ames Building Material Company, New York City—Work: Paving White Plains and Ellerton Avenue, Bronx, New York—General Contractor: Union Paving Company—Sub-Contractor: Cohn & Ehardt—Contract: December 17, 1919, 15,000 barrels—Balance due September 1, 1920, 12,514 barrels.

GENTLEMEN: The work covered by the above contract has been investigated and the facts as reported by the auditor are given below:

Mr. Burns, in office of the Union Paving Company, stated that he did not know about the above work and he doubted whether the Union Paving Company was ever awarded such a contract. He referred auditor to Mr. Beckwith, President of the Union Paving Company.

Mr. Beckwith was not acquainted with this work.

Mr. A. C. Bloom, of Cohn & Ehardt, stated that he is in charge of field work and does not know of the above work.

[fol. 1974½] Mr. Floyd McDowell, Borough Engineer, stated that he knew of no paving contract on Allerton Avenue.

At location, there is no paving work under construction.

Date of Audit—November 8, 1920.

Kindly advise us whether the foregoing accords with your information and as to the standing of this contract. Unless we hear from you to the contrary by —— this audit will be considered complete and so reported.

Cement Manufacturers' Protective Association, per ——— ——.

FK.

(This form will be used by the Association when submitting information on an audited contract to the manufacturers having the

contract for comparison with information in possession of the manufacturer.)

[In triplicate.]

[fol. 1975] DEF'TS' EX. No. D 7

Form 1

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Audited 1/17/20.

Date: January 16th, 1920.

Cement Manufacturers' Protective Association, 19 West 44th Street, New York

GENTLEMEN: We desire to call attention to specific contract No. P-982 for Giant Brand of Cement for 10,000 barrels sold to Edwards Hdwe. Company for delivery at Muncy, Pa. with remarks as indicated by check marks herein.

..... 1. This contract appears to be a duplication of —— Company's No. —.

X 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

..... 3. We know of no such work under construction or contemplated.

..... 4. The construction work covered by this contract was completed — months ago.

[fol. 1975½]

..... 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

..... 6. We are informed that the work in question has been indefinitely postponed, for the reason that ——.

..... 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly, Lehigh Portland Cement Company, B. L. Swett, Eastern Sales Manager.

(This form to be used by members in calling the attention of the Association to "Specific Contracts" upon which they desire further information.)

Endorsed: Received Jan. 17, 1920. Cem't Mfg. Prot. Assn.

[fol. 1976] Form 3

Cement Manufacturers' Protective Association

19 West 44th Street, New York

Paving, Curbs, and Sidewalks

Jan. 19, 1920.

No. P-982 Brand: Giant. Delivery Point: Muncy, Pa.

Name of Streets: Streets, pavements, curbing (Pennsylvania State Reform Home for Women).

City or Town: Muncy, Pa. Total Am't of Contract: 10,000 bbls. Nothing shipped.

Purchaser: Edwards Hardware Co., Muncy, Pa. Contractor: E. C. Fish Company.

Date of contract: Dec. 10th, 1919.

Has above contractor been awarded these streets? See Remarks.

Has work started? See Remarks.

If so, when? —— —, ——.

How much cement does contractor say he has used? None on this contract.

How much cement does contractor say he will use? None on this contract.

Does contract cover full requirements? See Remarks.

If not, what part? ——.

What other brands used? See Remarks.

Condition of work? See Remarks.

If work has not started state date it will go ahead? See Remarks.

[fol. 1976½] Estimate date of completion? See Remarks.

Kind of Paving? —— Sq. yds.? —. Cement required — bbl.

Kind of Sidewalks? Sq. yds.? —. Cement required — bbl.

Lin. ft. Curb and Gutter —. Cement required — bbl.

Total: ——.

Source of information? 1/29/20 Mr. Edwards of Edwards Hwre. Co. said no cement has been delivered to Fish & Co. to date on account of this contract.

Remarks: 1/29/20 Visited job & interviewed Mr. Lilley of Fish & Co. who said their work has been mostly landscape work and stone roads; but said they had used small amount of cement in catch basins, etc. He referred me to Mr. Fish for information on this contract.

1/30/20 Mr. Fish Pres. E. C. Fish & Co. said they had not contracted for above cement and will require only 15 or 20 bbls. to complete their contract which is for landscape work and macadam roads.

Date Jan. 30th, '20. Signed Frank Broomall.

This form to be used by auditor on the work.

Endorsed: Received Jan. 31, 1920. Cem't Mfg. Prot. Assn.

[fol. 1977] DEF'TS' EX. No. 9

Annual Report Cement Manufacturers' Protective Association for the Year 1920

Cement Manufacturers' Protective Association Annual Report—1920

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[fol. 1979] Cement Manufacturers Protective Association 19 West 44th St., New York City

January 20, 1921.

To Member Companies:

In submitting the attached report of the work of the Cement Manufacturers Protective Association for the year 1920, the writer wishes to express his appreciation of the indulgence and assistance of the representatives of the member companies in his task of becoming acquainted with the objects, methods and business of the Association. What might have been a rather difficult task has not only been facilitated but has been made an extremely pleasant one.

Following a brief outline of the work of the past year are attached summary tables and graphical presentations of the statistics compiled by the Association since its organization. These have been prepared in order to facilitate reference to them and to enable a more ready comparison of current statistics to be made with old.

Respectfully submitted, (Signed) C. Raymond Hulsart, Vice-President.

[fol. 1979½] Cement Manufacturers Protective Association 19 West 44th Street, New York City

Report of the Work of the Association for the Year 1920

General

The work of the Association continued during 1920 along the previously well established lines and within the scope defined by the Constitution and By-laws. As provided therein, this covers: (1) Credit Reports; (2) Contract Reports; (3) Contract Investigation; (4) Statistical Reports of Production Stocks and Shipments; (5) Freight Rates.

The routine work of the Association office and field force is divided into two general classes: (1) The receipt and issuing of reports and statistical information and (2) the investigation of cement contracts for specific work. The first consists of receiving, indexing and filing the reports from the member companies under the above

headings (except #3) and the compiling of this data for the preparation of the following fourteen Association Reports which have been issued regularly during the year:

Contract Reports

Form 7—Daily Report of Contract Filed.
" 8—Daily Summary of Contracts Filed.
" 9—Monthly Summary of Contracts Filed.
" 10—Printed report of Contracts on File (Quarterly.)
[fol. 1980] Form 11—Unshipped Balances of Contracts on File by States (Quarterly.)

Production and Shipments

Form 12—Monthly Statistical Report of Production, Stocks and Shipments.
" 13—Percentage of Commitments as compared with Shipments. (Quarterly)
" 14—Report of Shipments for First Fifteen Days of each Month.
" 28—Commitments and Shipments on Various Classes of Construction by States. (Quarterly.)

Credit Reports

Form 15—Monthly Credit Report of Overdue Accounts.
" 16—Summary of Monthly Credit Report.
" 17—Comparative Summaries of Monthly Credit Reports for past 12 months.
" 18—Summary of Accounts placed with Attorneys.

Miscellaneous

Form 19—Bag Returns and Rejections. (Quarterly.)

The second class of Association work consists of the investigation of cement contracts, when requested, to determine their true status and the cement requirements of the specific work named; and the preparation of reports of the facts disclosed by these investigations for the information of the companies interested.
[fol. 1980½] The office work involved in the first class above is about proportional to the number of contracts filed, cancellations and changes. During 1920 the number of these have been about 25% greater than during the two previous years. The greater increase in the work of the Association has been in contract investigation. During the past year 2433 contracts were investigated as against 716 in 1919 and 483 in the last six months of 1918. No data is available for previous periods.

The office force has consisted of six to seven young women under the direction of the Secretary. The field force has varied from three to seven engineers.

(1) Credit Reports

Besides the Monthly Credit Report of Unpaid Accounts (Form 15) and the report of accounts placed in hands of Attorney, there is maintained in the Association office a card index of all over-due accounts for the past five years. This data is available to the credit managers and will be furnished upon request.

Table 9 gives the summaries of over-due accounts for each month from 1917 to 1920 inclusive. Chart IV shows the fluctuations in the amount of these accounts, illustrating seasonal and other changes.

(2) Contract Reports

The reports and summaries, listed on pages 1 and 2, of contracts filed, cancellations and changes were issued regularly during the [fol. 1981] year. The Printed Contract Report, which was formerly issued monthly, was issued Quarterly during 1920 as of March 1st, June 1st, September 1st and December 1st, comprising respectively 183, 189, 130 and 78 pages. This report was formerly arranged by States in order of the amount of contracts filed in the respective states. It is now arranged geographically by states from Maine southward. Heretofore, separate communities within greater New York but outside of Brooklyn, Manhattan and the Bronx have been listed alphabetically as separate cities under New York State. In accordance with the action of the Association on December 14th, all contracts in greater New York will hereafter be listed together, but divided into the five boroughs.

Table 5 gives the amount of New Contracts Filed plus Increases and Reinstatements, i. e. new business, or each month from 1917 to 1920 inclusive. Table 6 gives Cancellations plus Decreases for the same period. Table 8 gives the Total Commitments or Unshipped Balances at monthly or quarterly points from 1916 to 1920 inclusive. Chart III is a graphical presentation of the data in Tables 5, 6 and 8 illustrating seasonal and other changes.

Table 7 shows the practically uniform increase in the average size of cement contracts filed, from 2,206 barrels in 1917 to 3,260 barrels in 1920.

(3) Contract Investigation

During 1920, a much greater number of requests for investigation were received than during previous years. The total contract [fol. 1981½] amount of the contracts investigated was 9,233,160 barrels. The total actual cement requirements as estimated by our engineers was 5,703,130 barrels. A total difference of 3,530,030 barrels or an average difference of 1,539 barrels per contract.

The number of contracts investigated was equal to forty-six per cent of the number of contracts filed in 1920. The amount in barrels of the contracts investigated was equal to 54% of the total amount filed during the year.

It is not expected that so many investigations will be required in 1921. Provision has been made in the estimate of 1921 expenses for 1,500 to 2,000 investigations, depending upon the regularity that requests are received. (See table on page 5.)

The field force has averaged 5¾ engineers who have had a technical training and considerable experience in engineering or building construction. One especially qualified engineer spent a part of his time in the office to assist in the checking of estimates and technical features of the reports. The 2,433 investigations involved about 7,300 interviews by our engineers, beside surveys of construction, study of plans and preparation of estimates.

Except in comparatively few instances, our engineers met little opposition from dealers or contractors. Every effort was made to impress those interviewed with the reasonableness of our objects and to enlist their co-operation. It is fair to state that this co-operation has been extended and will continue to increase.

[fol. 1982] Beside establishing all of the facts relative to the status of contracts, the principal object in the field and office has been to secure and report accurate detailed estimates of the actual cement requirements, to enable the cement companies to know with certainty the amount they are obligated to deliver under the contracts investigated.

It has not been found practicable to assign engineers to fixed territories on account of the large area covered; from Maine to Georgia and west to Ohio and Kentucky. The Association office will continue to notify the member companies when it is planned to send an engineer to any certain territory. It is hoped however, that requests for investigation will not be held for such notice, as itineraries of engineers are determined by the number and location of requests on file.

Number and Cost of Contract Investigation by Years

Year	No. of contracts investigated	Investigations per auditor per month	Auditor's salaries and expenses	
			Total	Per inv'n
Last 6 months	483	27	$4,876	$10.10
1919	716	20	10,077	14.07
1920	2,433	42	20,964	8.62
1921	...	..	.....	....
Estimated	1,500 to 2,000	30 to 40	$16,000	$8 to $10

[fol. 1982½] (4) Production and Shipments

The monthly Statistical Report of Production, Stocks and Shipments was issued regularly during the year. A stock of old forms not of standard size was used. Beginning with the report for January, 1921, a standard 11″ x 17″ form will be used with a center binding space for filing in a standard 8½″ x 11″ ring binder.

Tables 1, 2 and 3 give the statistics of Cement Ground, Stock on Hand and Shipments for each month from 1915 to 1920 inclusive. Chart 1 shows the same data graphically, illustrating seasonal fluctuations and other changes.

Table 4 gives the yearly shipments of each member company from 1915 to 1920 inclusive. Chart II shows the same data graphically, grouped both by years and by companies.

[fol. 1983] (5) Freight Rates and Changes

Twenty-nine notices of freight rate changes affecting 1,130 delivery points in 10 States were issued during the year. Also a table of corrections to apply to the rates given in the Freight Rate Books in order to apply the 40% increase in rates effective August 26th, 1920.

Data is now being compiled for the issue of a complete new set of Rate Books.

Changes in Reports and Forms

All reports have been reduced to a standard 8½" x 11" or 11" x 17", except the Monthly Statistical Report as noted above.

The printed Contract Report has been arranged geographically, and contracts in greater New York will hereafter be listed by Boroughs as noted above.

The forms for reporting contract investigations have been slightly changed to add to clearness and to provide a second or more pages which are necessary with the detailed estimates that are now made a part of most of the reports.

Form 28, Commitments and Shipments on Various Classes of Construction by States was first issued as of Sept. 1st, 1920, on three 11" x 17" mimeographed sheets. Action by the Association is now pending as to whether this report shall be printed in 1921 on one sheet. It has been prepared from only the active contracts listed in the Printed Contract Report and has not included shipments on cancelled or completed contracts. Our records will be so arranged in [fol. 1983½] 1921 as to include in Form 28, shipments for the year on all contracts whether active, cancelled or completed.

Financial

Column #1 of the table on page 9 gives the Budget for 1920 as estimated in January 1920; Column #2 shows the actual cost during 1920 of doing all of the work contemplated in the budget; and Column #3 the cost of additional auditors and office force ordered by the Association to cover the extraordinary amount of contract investigation. Column 4 gives the total disbursements for the year for all work whether contemplated in the budget or ordered during the year. The work contemplated in the budget actually cost about $5,000 less than originally estimated. The cost of additional audi-

tors and office force to cover the extra contract investigations amounted to $11,445.50. To cover this, an extra assessment of one-half mill amounting to $13,456 was ordered by the Association at the meeting of Sept. 23rd, 1920.

A balance of $9,177 will be carried over from 1920. The regular dues of two mills per barrel based on 1920 shipments will yield $58,334 making a total sum of $67,511 available for 1921. This provides $5,311 for contingencies over and above the estimated expense for 1921.

Meetings

Nine regular meetings of the Association were held during 1920, meetings having been omitted in June, July and August. The pro- [fol. 1984] ceedings at all meetings were reported stenographically and the minutes printed and distributed to the member companies. The average number of companies represented at meetings was 13.7. The average number of representatives attending was 17.

In addition to the regular monthly meetings of the Association, one meeting of credit managers was held on December 14th, 1920. The discussion at this meeting was reported stenographically, but not printed.

(Here follow side folio pages 1985-1998, inclusive.)

[fol. 1999] DEF'TS' EX. NO. D 24

The Atlas Portland Cement Co.

New York

For the attention of C. A. Kimball, Sales Manager.

October 20, 1916.

Confirming our conversation in which you indicated that some of our competitors advanced prices 10¢ per barrel. Please arrange to issue your quotations at once, getting them all out by tonight if possible, making our base $1.15 Northampton and $1.25 Hudson to dealers.

Mr. Costello told me on the telephone that he had positive information that the Lehigh Company were quoting in his district on basis of $1.25 Union Bridge, which made the Baltimore price to dealers $1.40, and the price in the balance of the territory based on $1.25, plus the rate from Union Bridge to various destinations. We want to raise our price to this basis. In other words, using $1.25 Union Bridge, or $1.15 Northampton, in that territory, whichever makes the lowest price at final destination.

I have not received any information of competitors changing prices at their basing points and, therefore, we want to continue to meet

ESTIMATED DISBURSEMENTS DURING 1920 and 1921

ITEM	#1 Budget for 1920	#2 Disbursements during 1920: On work contemplated in Budget	#3 Disbursements during 1920: On extra contract investigation ordered by Association	#4 Disbursements during 1920: Total of columns 2 and 3	#5 Estimated disbursements for 1921
Printing Contract Reports	10000.00	8919.15	....	8919.15	8000.00
Printing Credit Reports	600.00	521.75	....	521.75	500.00
Printing Statistical Reports	300.00	510.00	....	510.00	500.00
Printing Minutes	500.00	302.42	....	302.42	500.00
Printing Freight Rate Books	....	....	....	....	2000.00
Salaries	25012.00	21701.91	6605.32	28307.23	27000.00
Vice-President	(8000.00)	(6230.58)	....	(6230.58)	....
Auditors	(6300.00)	(6350.00)	(5140.32)	(11490.32)	....
Office	(10712.00)	(9121.33)	(1465.00)	(10586.33)	....
Office Expense (Stationery & Printing)	3000.00	3153.94	....	3153.94	3000.00
Postage	1200.00	794.20	....	794.20	1000.00
Telegraph & Telephone	600.00	460.05	....	460.05	600.00
Rent	1800.00	1800.00	....	1800.00	3600.00
Miscellaneous	1500.00	1003.18	....	1003.18	1500.00
Travelling Expenses	6000.00	6482.54	4640.18	11122.72	5000.00
Attorney's Fees	5000.00	5000.00	....	5000.00	5000.00
TOTAL	55512.00	50649.14	11445.50	62094.64	62200.00

Figures in parenthesis are included in total salaries above them.

1985

FRANK H. WOODRUFF, JR.,
CERTIFIED PUBLIC ACCOUNTANT, N. J.
302 Broadway, New York, N.Y.

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR YEAR ENDED JANUARY 15th, 1921.

BALANCE,	January 15th, 1920.		$2,550.98
RECEIPTS:	Allentown Portland Cement Co.,	$651.00	
	Alpha Portland Cement Co.,	6,965.00	
	Atlas Portland Cement Co.,	16,738.12	
	Bath Portland Cement Co.,	2,155.00	
	Coplay Cement Manufacturing Co.,	2,592.50	
	Dexter Portland Cement Co.,	2,182.50	
	Edison Portland Cement Co.,	2,810.74	
	Giant Portland Cement Co.,	2,195.00	
	Glens Falls Portland Cement Co.,	1,242.50	
	Hercules Cement Corporation,	1,457.50	
	Knickerbocker Cement Co.,	1,992.50	
	Lawrence Portland Cement Co.,	3,107.50	
	Lehigh Portland Cement Co.,	9,370.00	
	Nazareth Cement Co.,	2,030.00	
	Penn Allen Cement Co.,	1,622.50	
	Pennsylvania Cement Co.,	3,620.00	
	Phoenix Portland Cement Co.,	295.00	
	Security Cement & Lime Co.,	1,770.00	
	Vulcanite Portland Cement Co.,	2,512.50	
	Interest on Bank Balance	127.85	
	Refund Expenses,	300.00	65,737.71
			$62,288.69
DISBURSEMENTS:			
	Printing Contract Reports,	$8,919.15	
	Printing Credit Reports,	521.75	
	Printing Statistical Reports,	510.00	
	Minutes of Meetings,	302.42	
	Salaries,	28307.23	
	Office Expenses	3,153.94	
	Postage,	794.20	
	Telephone & Telegraph	460.05	
	Rent,	1,800.00	
	Miscellaneous Expenses,	1,003.16	
	Travel Expenses, (H. S. Gaines)	135.36	
	Travel Expenses, (C. R. Hulsart)	1,859.02	
	General Traveling Expenses	9,974.34	
	Attorney's Fees	5,000.00	62,744.64
BALANCE,--	January 15th, 1921		
	Farmers Loan & Trust Co.,	$5,444.05	
	Petty Cash Fund,	100.00	$5,544.05
UNPAID ASSESSMENTS, (All 1920)		$2,493.42	

1920 Assessment rate: 2¼ mills per barrel.

January 20th, 1921.

CORRECT:
FRANK H. WOODRUFF, JR.,
Certified Public Accountant.

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 1

CEMENT GROUND

(Unit: 1000 bbls.)

MONTH	1915	1916	1917	1918	1919	1920
JANUARY)	2407*	1657	1978	779	1168	2089
FEBRUARY)	....	1688	1992	1015	1329	1632
MARCH	1440	1990	2214	1527	1502	1967
APRIL	2909	2186	2559	1766	1780	2467
MAY	3106	2859	3105	2493	2177	2747
JUNE	2951	2532	2573	2633	2319	2560
JULY	2710	2126	2607	2661	2560	2228
AUGUST	3482	2794	2537	2587	2726	2692
SEPTEMBER	2930	2465	2307	2335	2854	2822
OCTOBER	2916	3073	2367	1815	3004	3136
NOVEMBER	2920	2686	2037	1829	2625	3035
DECEMBER	2173	2302	1529	1688	1827	2222
TOTAL	29944	28358	27885	23128	25871	29645

* Clinker Produced

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 2

CEMENT STOCK ON HAND
(Unit: 1000 bbls)

MONTH	1915	1916	1917	1918	1919	1920
JANUARY	2475	4426	3515	2861	3561	2825
FEBRUARY	3610	5018	4279	2940	4138	3716
MARCH	3280	5474	4603	2491	4353	3927
APRIL	3456	5058	4316	1942	4264	3891
MAY	3715	4612	3969	1915	4324	4168
JUNE	3345	4882	3902	1954	4194	3550
JULY	3087	4536	4045	2199	4076	2246
AUGUST	3837	4079	3866	2434	3748	1545
SEPTEMBER	4003	3052	3213	2459	2781	1017
OCTOBER	4007	2370	2795	2377	2272	757
NOVEMBER	4033	2267	2546	2549	2229	1180
DECEMBER	4265	2792	2722	3112	2046	2496

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 3

SHIPMENTS
(Unit: 1000 bbls.)

MONTH	1915	1916	1917	1918	1919	1920
JANUARY)	2161	1303	1206	599	720	1309
FEBRUARY)	....	1080	1032	1005	759	740
MARCH	1976	1526	2074	1883	1224	1712
APRIL	2755	2886	2936	2408	1855	2508
MAY	3064	2977	3419	2602	2110	2464
JUNE	3328	2722	2581	2503	2535	3231
JULY	2951	2483	2482	2492	2678	3543
AUGUST	2852	3362	2728	2347	3109	3375
SEPTEMBER	2747	3357	2949	2320	3758	3342
OCTOBER	2949	4010	2827	1899	3573	3454
NOVEMBER	2901	2661	2348	1606	2603	2601
DECEMBER	1982	1817	1371	1116	1988	
TOTAL	29666	30184	27953	22780	26912	

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 4

COMPARATIVE YEARLY SHIPMENTS OF EACH COMPANY.
(Unit:1000 bbls)

COMPANY	1915	1916	1917	1918	1919	1920
Allentown	901	793	695	426	651	543
Alpha	4380	3815	3684	2670	2786	3684
Atlas	5718	6816	6836	5291	6716	6928
Bath	620	582	592	450	862	772
Cayuga	60	297	....	....	340	503
Coplay	1688	1356	1156	992	1037	1095
Dexter	919	809	757	758	866	691
Edison	221	1287	1300	1160	1507	1378
Giant -L.V.	648	962	862	701	878	1034
Giant-Norfolk	....	....	168	....	....	....
Glens Falls	660	636	560	580	497	387
Hercules	....	....	*114	441	583	518
Knickerbocker	1080	913	963	830	797	967
Lawrence	1452	3107	1342	1155	1243	1472
Lehigh	4097	4115	3787	3096	3748	3825
Nazareth	1066	1143	1001	830	812	1087
Penn Allen	628	721	638	496	649	596
Pennsylvania	1133	1111	1186	1326	1109	1185
Phoenix	619	531	526	84	118	623
Security	613	635	698	600	708	729
Virginia	820	916	....	....	....	....
Vulcanite	1175	1437	1086	894	1005	1170
Climchfield	755	....	....	....	....	....
Millen	213	....	....	....	....	....
Totals	29666	30184	27953	22780	26912	29167

*Five months.

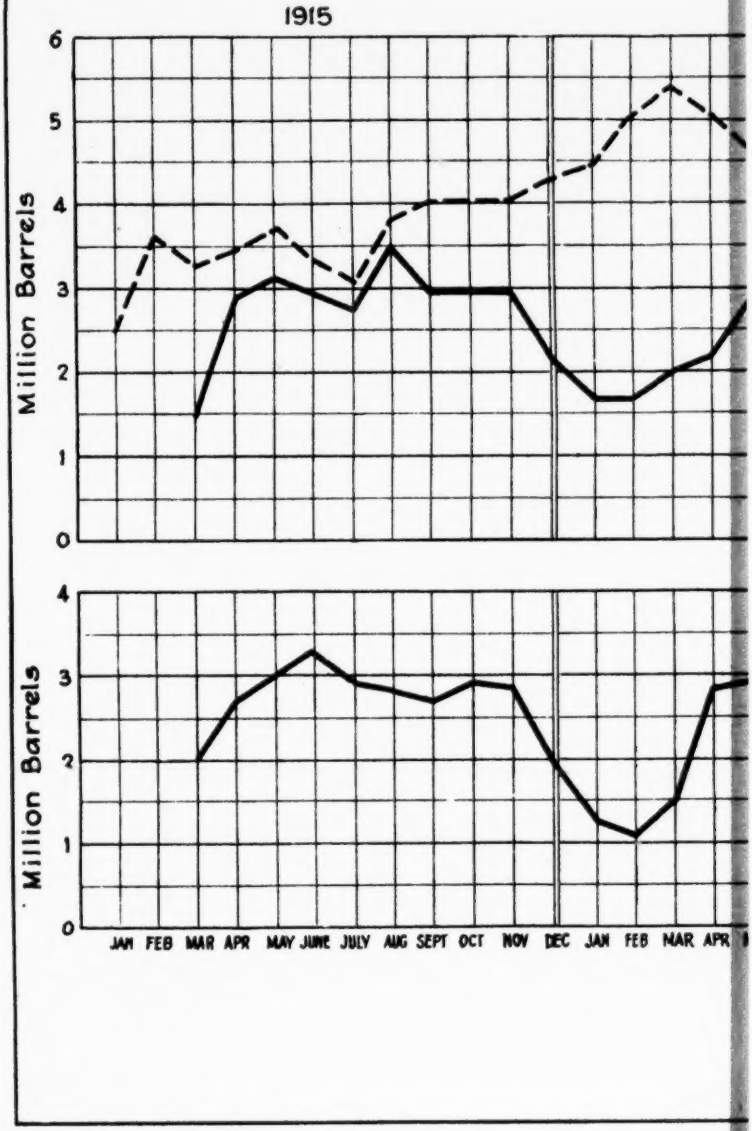
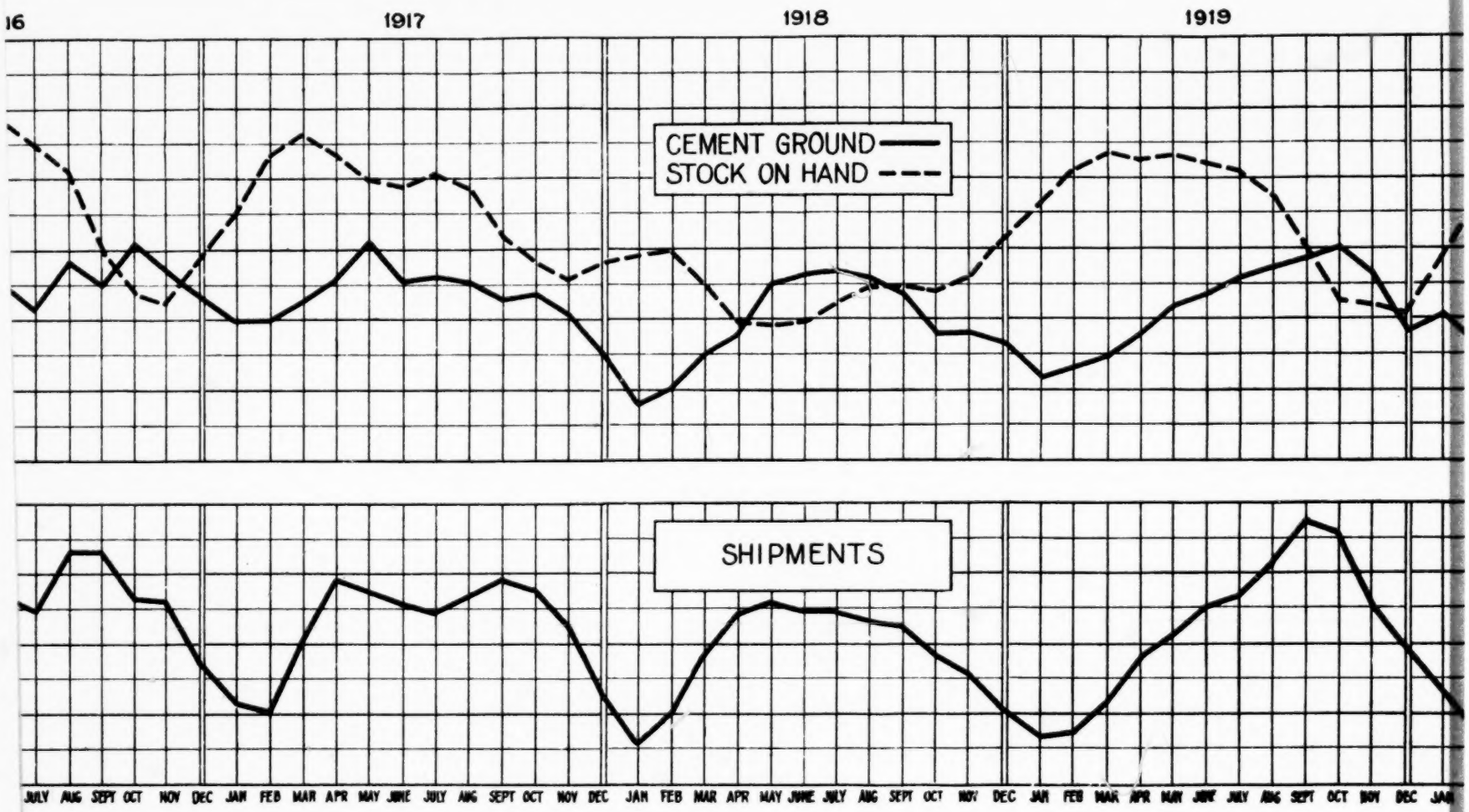
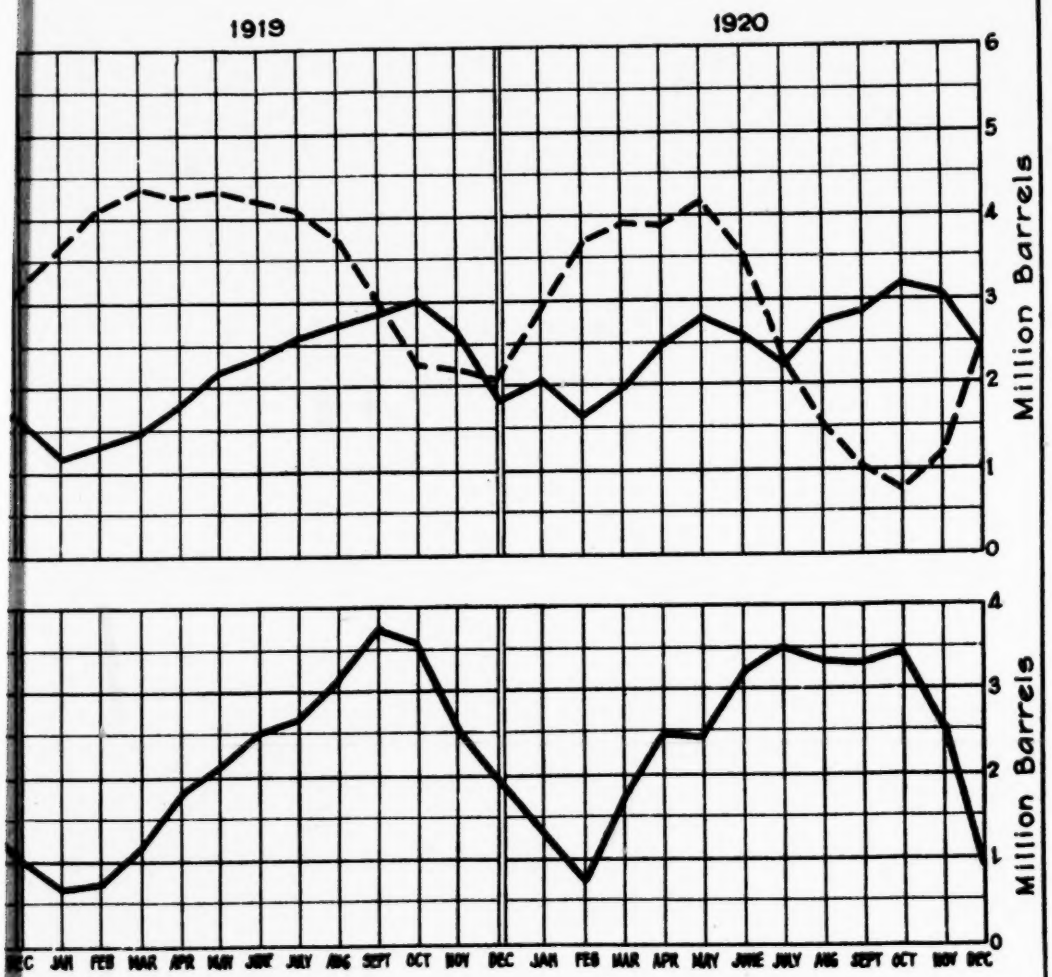

1915
Million Barrels
6
5
4
3
2
1
0
Million Barrels
4
3
2
1
0
JAN FEB MAR APR MAY JUNE JULY AUG SEPT OCT NOV DEC JAN FEB MAR APR

Chart I

CEMENT GROUND AND STOCK ON HAND — SHIPMENTS





COMPARATIVE YEARLY PRODUCTION

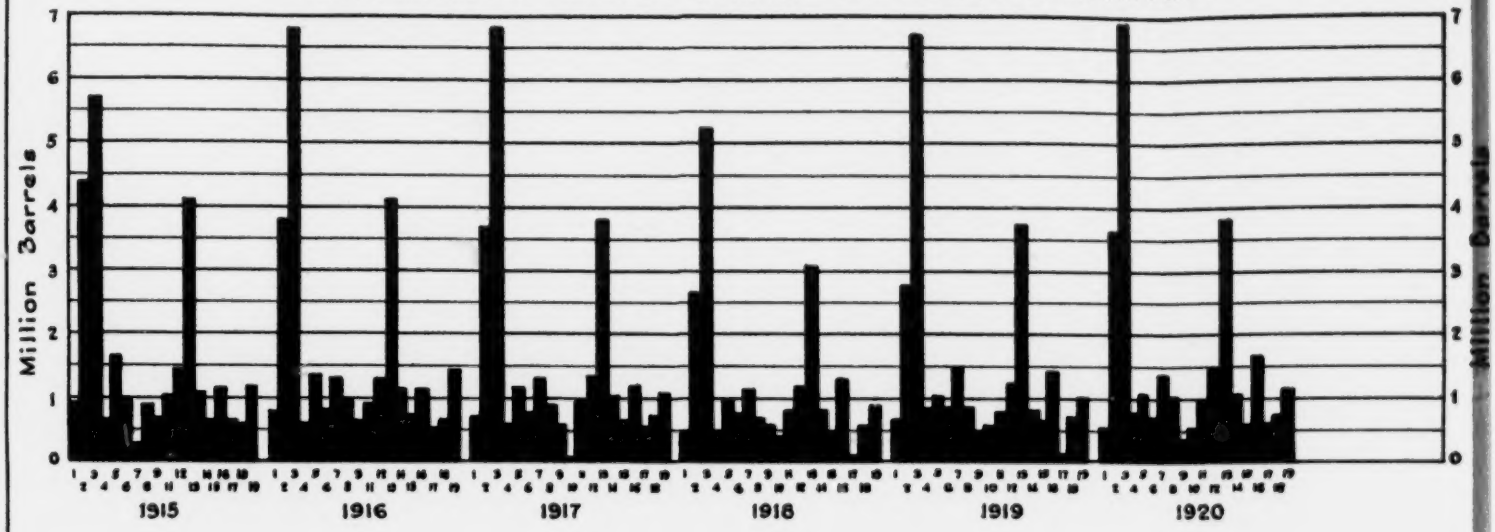
Six Years Average	100 %
1915	109 %
1916	103.2 %
1917	101.5 %
1918	84.2 %
1919	94.2 %
1920	107.9 %

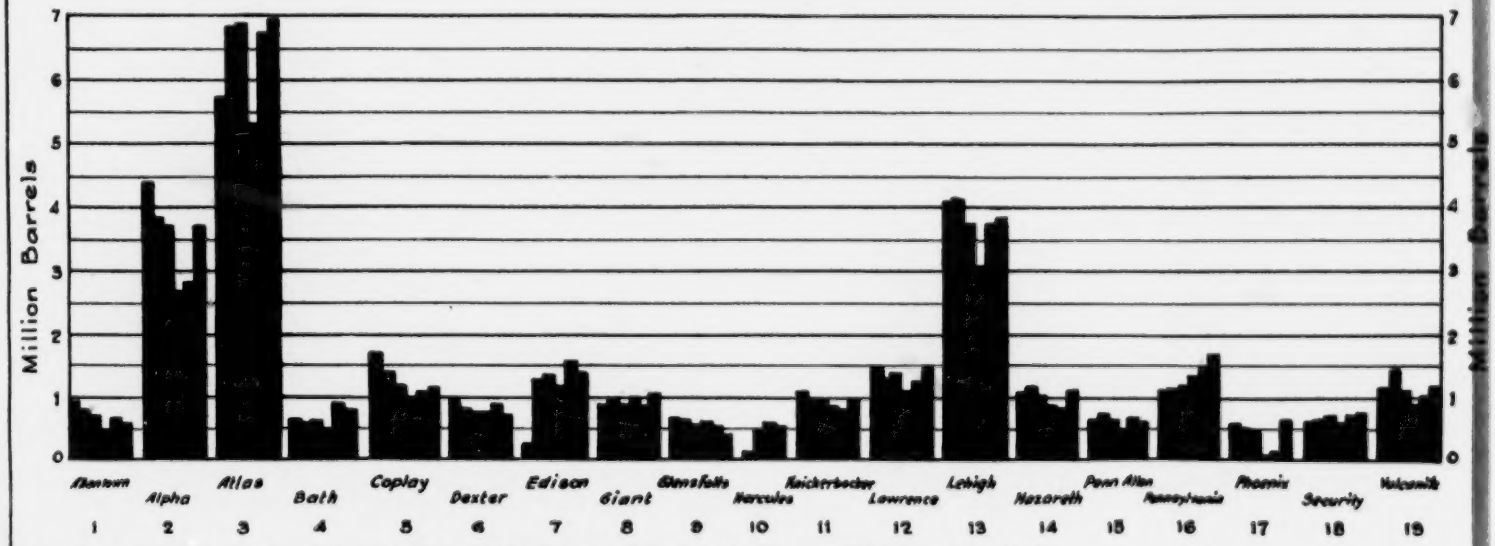
COMPARATIVE YEARLY SHIPMENTS

Six Years Average	100 %
1915	106.8 %
1916	108.7 %
1917	100.6 %
1918	82 %
1919	96.8 %
1920	105 %

Chart II

COMPARATIVE YEARLY SHIPMENTS OF EACH COMPANY





Each Company is shown from 1915 to 1921 (left to right) except Hercules, 1917 (5 months) to 1921.
Numbers in upper diagram indicate corresponding numbered Companies in lower diagram.

COMP

Alle
Alph
Atla
Bath
Cayu
Copl
Dext
Edin
Glan
Glan
Glen
Herc
Knic
Lave
Lehi
Nazz
Penn
Penn
Phoe
Secu
Virg
Vulc
Clim
Mill

Total

*Five

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 5

CONTRACTS FILED PLUS INCREASES AND REINSTATEMENTS
(Unit: 1000 bbls.)

MONTH	1917	1918	1919	1920
JANUARY	3500	2222	145	6372
FEBRUARY	1264	1329	140	2464
MARCH	3083	2913	175	1930
APRIL	2513	2332	479	2361
MAY	....	838	1058	988
JUNE	....	880	1816	805
JULY	....	661	2514	538
AUGUST	....	964	3717	394
SEPTEMBER	731	477	1929	386
OCTOBER	937	270	2023	358
NOVEMBER	1119	201	1608	290
DECEMBER	1469	108	5836	208
TOTALS	19804	12735	21440	17114

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 6

CANCELLATIONS PLUS DECREASES
(Unit: 1000 bbls)

MONTH	1917	1918	1919	1920
JANUARY	602	1415	1549	25
FEBRUARY	467	379	104	1772
MARCH	741	693	150	810
APRIL	768	864	155	343
MAY	....	441	78	525
JUNE	....	352	323	823
JULY	....	785	187	1427
AUGUST	....	348	228	1440
SEPTEMBER	342	657	291	1052
OCTOBER	772	541	503	1024
NOVEMBER	634	514	283	912
DECEMBER	683	1225	522	1483
TOTALS	7084	8214	4373	11636

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

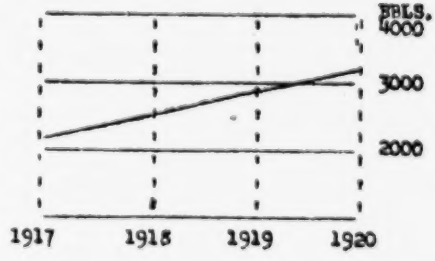
TABLE 7

YEARLY NUMBER OF CONTRACTS AND AVERAGE SIZE.

NUMBER OF CONTRACTS	1917	1918	1919	1920
FILED	8976	5124	7236	5249
WHOLLY OR PARTLY CANCELLED	4751	3833	2119	6295

AVERAGE AMOUNT PER CONTRACT
(Unit - Barrels)

1917	1918	1919	1920
2206	2497	2963	3260

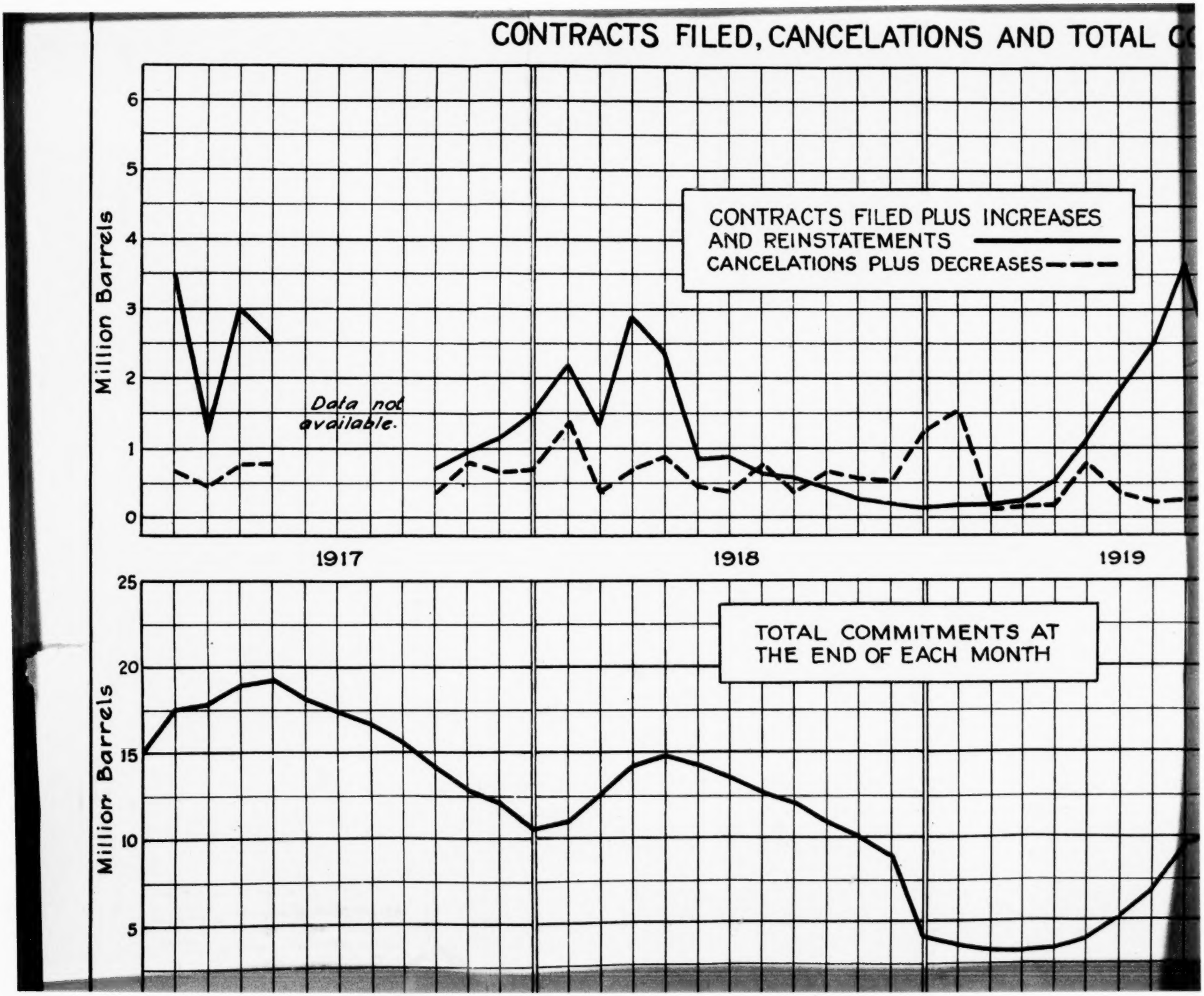


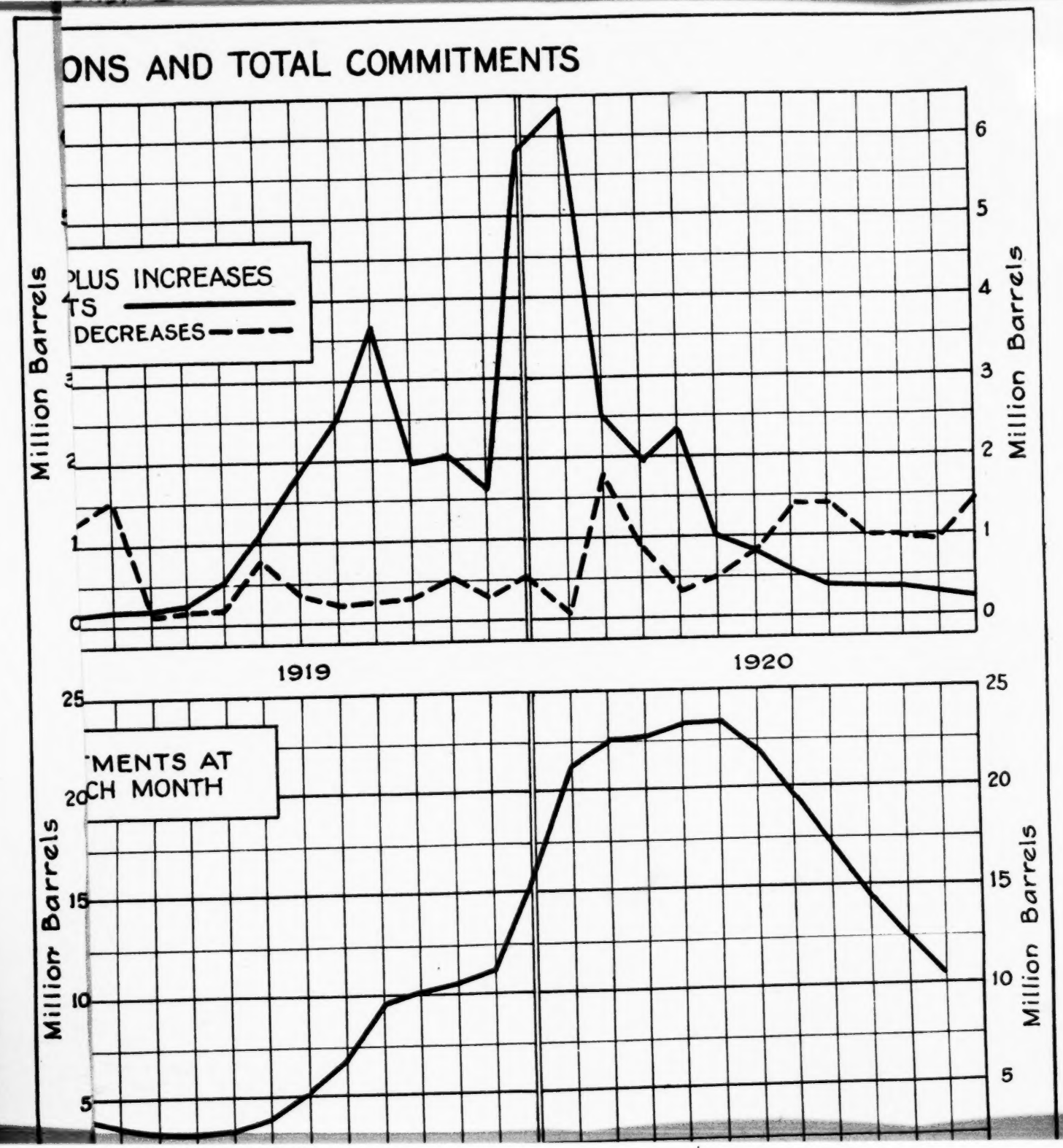
CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

TABLE 8

TOTAL COMMITMENTS
(Unit . 1000 bbls)

MONTH	1916	1917	1918	1919	1920
JANUARY 1st	7374	15293	10505	4164	15698
FEBRUARY 1st	9712	17644	....	3441	....
MARCH 1st	10824	17834	12445	3142	22684
APRIL 1st	11827	18860	14215	3053	....
MAY 1st	13079	19295	14869	3225	....
JUNE 1st	13676	18104	14473	3950	23606
JULY 1st	14415	17370	13650	5013	....
AUGUST 1st	13860	16647	12824	6897	....
SEPTEMBER 1st	13339	15578	12170	9764	16822
OCTOBER 1st	12589	14064	10878	10396	....
NOVEMBER 1st	16009	12831	10066	10827	....
DECEMBER 1st	17409	12143	9145	11378	10449


CONTRACTS FILED, CANCELATIONS AND TOTAL C
Million Barrels
6
5
4
3
2
1
0
CONTRACTS FILED PLUS INCREASES AND REINSTATEMENTS
CANCELATIONS PLUS DECREASES
Data not available.
1917
1918
1919
Million Barrels
25
20
15
10
5
TOTAL COMMITMENTS AT THE END OF EACH MONTH


ONS AND TOTAL COMMITMENTS
LUS INCREASES
TS
DECREASES
Million Barrels
0
1
2
3
4
5
6
1919
1920
MENTS AT
CH MONTH
Million Barrels
5
10
15
20
25

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

1997½

TABLE 9

SUMMARY OF PAST DUE ACCOUNTS BY YEARS.
(Unit : 1 Dollar)

MONTH	1917			1918			1919			1920		
	5 mos.	4 mos.	3 mos.	5 mos.	4 mos.	3 mos.	4 mos.	3 mos.	2 mos.	4 mos.	3 mos.	2 mos.
JAN.1st	103459	72366	180764	143025	96049	205239	238834	111982	278708	156721	174687	536073
FEB 2nd	....	....	....	181668	94435	183254	237261	155468	252825	199838	289089	357067
MAR 1st	120043	102948	172501	215212	134807	237413	263030	127624	148334	264412	205060	267384
				4 mos.	3 mos.	2 mos						
APR 1st	152153	89401	102586	376253	98599	72013	239909	68760	99239	290967	98986	122531
MAY 1st	....	....	....	326194	33286	80242	216413	51333	82867	245051	45240	54893
JUNE 1st	141751	17679	35847	226778	35607	163699	185152	29640	146864	180463	20291	88361
JULY 1st	133228	14339	76807	183036	72172	191720	162556	46486	189040	165436	26048	120264
AUG.1st	109356	35843	95946	187241	88351	283215	149285	75604	192037	135052	40431	141567
SEPT 1st	110309	50283	141293	164517	95302	330041	145319	85172	255404	120082	44035	170052
OCT 1st	131110	70909	127827	204978	134479	259378	149266	89748	297164	119607	148411	215785
NOV 1st	138746	62518	104582	242217	119682	254050	144264	104449	315148	123071	83734	207912
DEC 1st	156920	79281	167548	247752	113221	259821	157412	103098	440224	148470	96603	254502

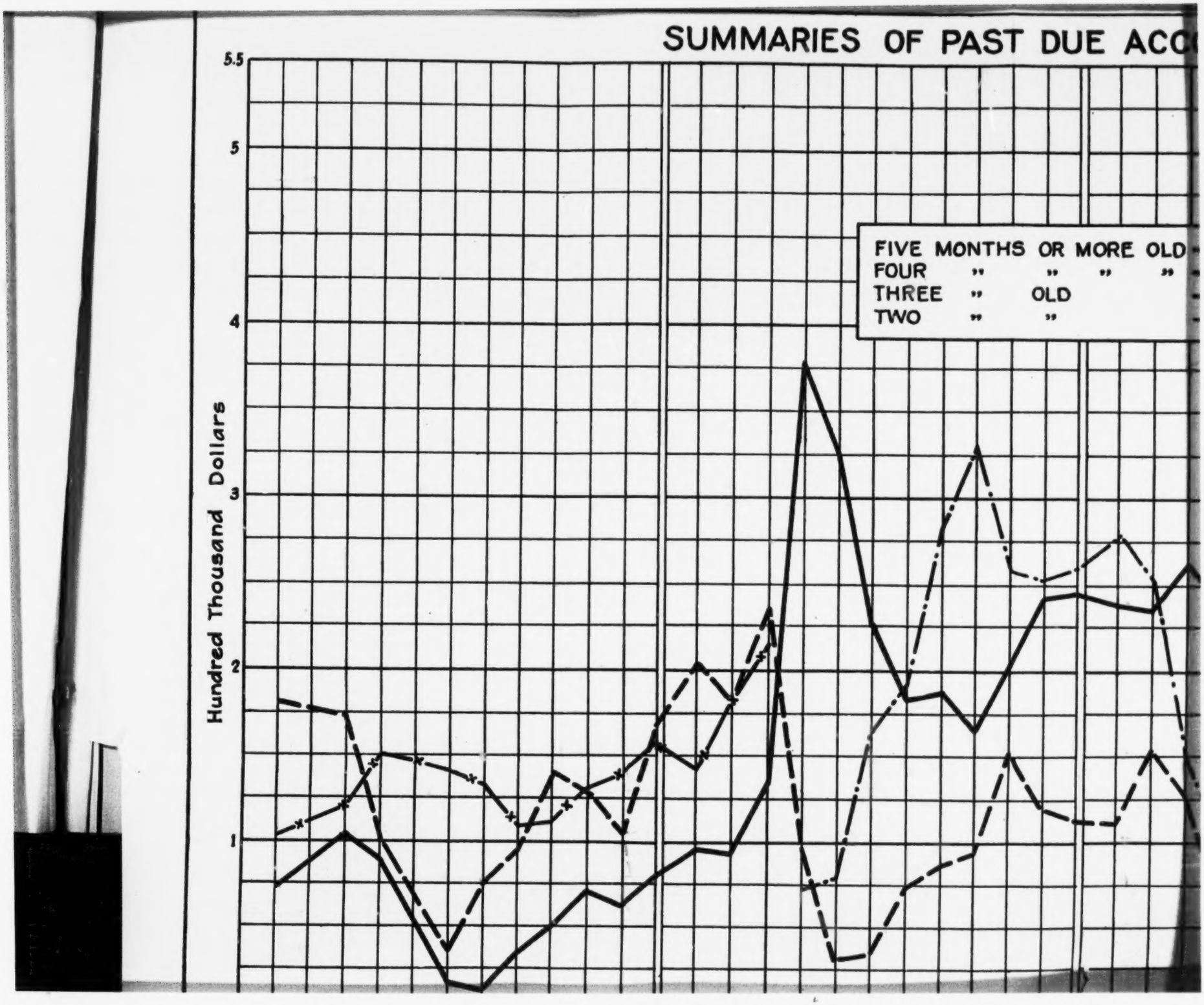
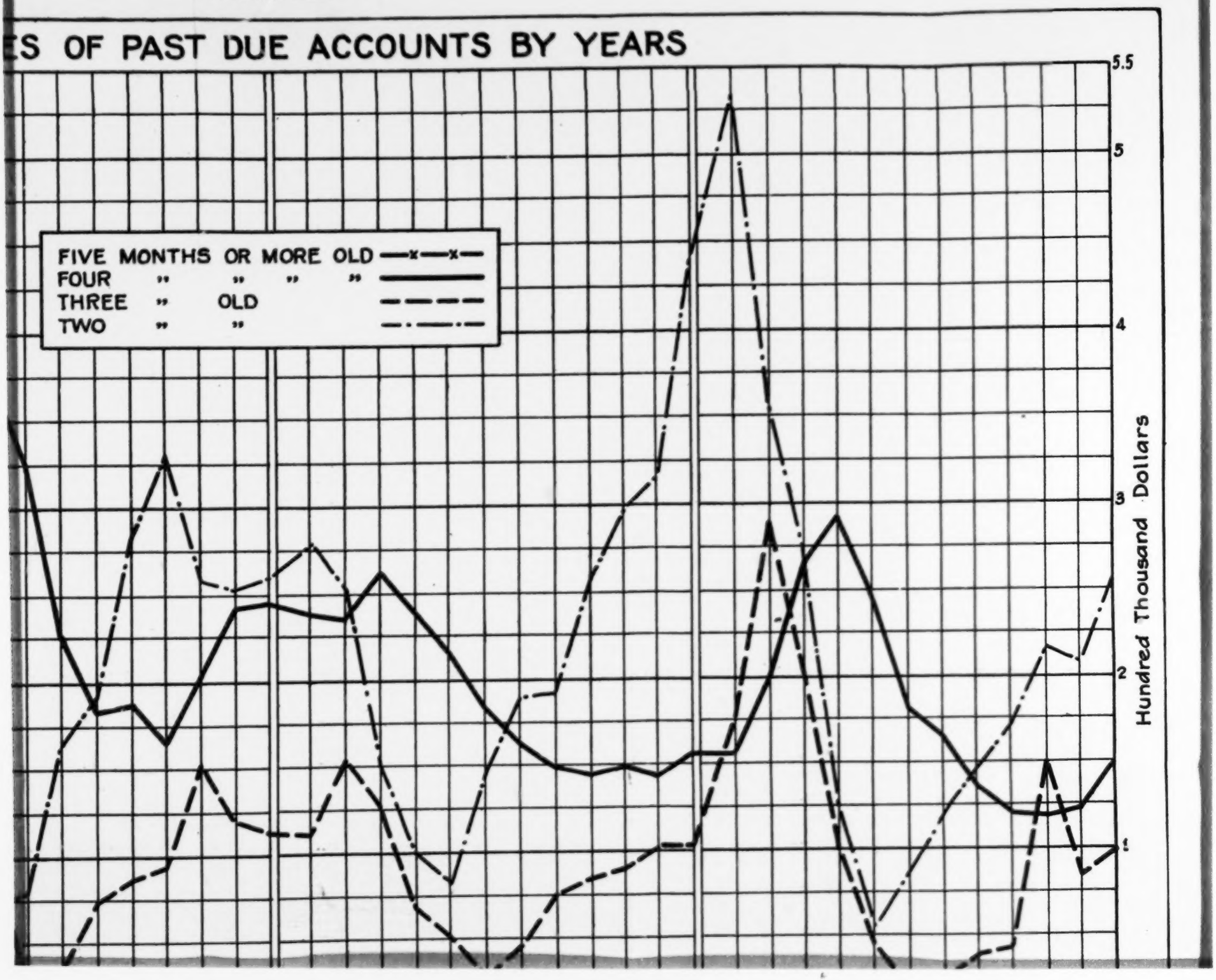

SUMMARIES OF PAST DUE ACC
5.5
5
4
3
2
1
Hundred Thousand Dollars
FIVE MONTHS OR MORE OLD
FOUR " " " "
THREE " OLD
TWO " "

Chart IV

1998



the competition from their basing points as it stands at the present time.

Yours very truly, D. H. MacFarland. DHM/MK.

P. S.—Also increase export price to basis of $1.00 Northampton.

[fol. 2000] DEF'TS' EX. NO. D 25

The Atlas Portland Cement Co.

New York

For the Attention of Mr. D. H. MacFarland.

October 20, 1916.

Referring to the talk with you and Mr. Kimball this morning in regard to your having been notified by the New York dealers and a telephone call from Philadelphia regarding some other cement companies advancing their price 10¢ a barrel.

I am leaving early this afternoon, so am writing this letter to you because we do not want to get loaded up with the present price cement. As I told you this morning, coal alone is costing us 10¢ a barrel more at Hudson than it did thirty days ago, and the replacement of bags is another 5¢; and unless I am very much mistaken, it is going to be absolutely impossible for cement manufacturers to manufacture large quantities of cement this winter; they cannot get the labor, and if they do the cost will be tremendous.

You have a certain number of outstanding quotations to our regular customers and others, which you cannot go back on, but if you can substantiate during the day that other important cement brands are quoted at the 10¢ advance, I want you to get your quotations out today at not less than their price. These other companies have evidently acted on what we would, ourselves, have to act on as protection within a very short time, and I am glad of it; but if we do not get busy and the other fellow has gone up, we will be simply loaded up, which we cannot afford. You cannot spend the money on selling cement that we did last year and try to get the dealers back onto Atlas, and then find yourself loaded so that you cannot fill their requirements during 1917; if you do, you will undo everything we have done.

I do not care whether you find cement being sold at less money or not—if the commanding brands are higher, you go up quick, because of present manufacturing conditions.

Yours very truly, J. R. M.

[fol. 2001] DEF'TS' EX. NO. D 26

The Atlas Portland Cement Co.

New York

For the Attention of Mr. D. H. MacFarland.

October 20, 1916—2.40 p. m.

About 11 o'clock today our Philadelphia office called up, and stated that the Newton Supply Co. had told Mr. Brigham they had heard that the Lehigh Company were quoting up-state (Penna.) 10¢ above the current market price.

Shortly before 12 o'clock, John P. Kane of the J. P. Kane Co., called me up, and stated that Lehigh, Alpha, Bath and Nazareth had notified him of a 10¢ barrel advance. Similar information came to Mr. Martin from Mr. Penny of Candee, Smith & Howland, who stated that Lehigh and Bath had advanced their price 10¢ per barrel.

Since that time we have had confirmation from various directions, and at 2:30 P. M. Mr. Stark was advised by Rafael del Castillo that he had asked Lehigh for their price for export, and was quoted over phone $1.70 per barrel alongside; $1.57 at Jersey City.

From the information now at hand, it would appear that the Lehigh Company have advanced their prices 10¢ per barrel in all directions in the Eastern territory, including export.

Yours very truly, C. A. K. CAK-MH.

[fol. 2002] DEF'TS' EX. NO. D 27

The Atlas Portland Cement Co.

For the attention of Mr. L. G. McConnell.

New York, January 15, 1917.

Just a line for you to keep until Mr. MacFarland gets back, to draw his attention to the fact that in December the Atlas was away below the average in shipments to Lehigh Valley and New York states, and that this matter wants to have prompt and vigorous attention so that it may not occur in following months.

Yours very truly, J. R. M.

[fol. 2002½] DEF'TS' EX. NO. D 28

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, July 13th, 1918.

I want to draw your attention to the fact that the Lehigh shipped 373,000 out of the east, against our 414,000, which is a very bad

showing for us. Of course I realize what they did last year and all that, but what I mean to say is that they are shipping very nearly as much stuff now out of their Lehigh Valley mills as we do.

They also did a wonderful business in Mitchell, New Castle, Mason City and Oglesby. I do not think we can afford to go to sleep much.

The Universal also put a few circles around us, and about the only thing we can compare favorably with for June, as far as I can see, is the Alpha.

Now I understand that MacFarland will say that if we had had more orders we could not have shipped them. What I am getting at, however, is to get more orders, and I will agree to ship them, and it looks as though we were going to have enough to justify it.

Yours truly, J. R. M.

[fol. 2003] DEF'TS' EX. No. D 29

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, January 20th, 1919.

I notice the Lehigh beat us again from January 1st to 15th in the east.

Yours truly, J. R. M.

Enc.

[fol. 2003½] DEF'TS' EX. No. D 30

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, Jan. 24th, 1919.

I see the Vulcanite got a little order of 2,000 bbls. on a total of three different contracts on the 22nd. The amount isn't a great deal, but the thought of their getting three contracts and the rest of us not getting any might be worth looking into.

I also notice that on the western business for Jan. 21st, we did not get our share.

Why didn't we get the Armour business at the National Stock Yards which was taken by Missouri?

Yours truly, J. R. M.

[fol. 2004] DEF'TS' EX. No. D 31

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, Jan. 27th, 1919.

I hope you will draw Boston's attention to the order that the Hercules got over there, and find out how it happened.

Yours truly, J. R. M.

[fol. 2004½] DEF'TS' EX. No. D 32

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, Apr. 3, 1919.

I see the Lehigh starts off with a bull's eye, east and west, on the first of the month, while the Atlas does not hit even the outside rim.

Yours very truly, J. R. M

Enc.

[fol. 2005] DEF'TS' EX. No. D 33

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, Apr. 7th, 1919.

I see the sheet of April 5th still leaves us a blank.

Yours truly, J. R. M.

[fols. 2005½-2008] DEF'TS' EX. No. D 34

The Atlas Portland Cement Co.

For the attention of Mr. Holman.

New York, Apr. 8th, 1919.

I am glad to see that Atlas is at last on the list in the report of April 7th. I hope that means we are now really moving, and I believe it does.

Yours truly, J. R. M.

[fol. 2008½] DEF'TS' EX. NO. D 38

May 11.

A. P. Lockwood.

DEAR SIR: Yours of the 9th inst., written at Elmira, with orders from the Elmira Builders' Supply Co. enclosed was received and noted.

Replying will say that inasmuch as you did not receive my letter telling you not to take any more orders at $1.35, I will accept these, and send them on.

Your wire regarding price at Erie, sent to me at the Philadelphia Office, was received and noted, and I suppose you got my answer last night. The Universal price has been changed from $1.55 to $1.70 and that accounts for the price of $2.30 at Erie, but as I wired you, if you happen to run across quotations still in force at the old price, we will meet such quotations as long as they are still in force, but on all quotations sent out now, the price will be figured on the Universal base at $1.70. So, in most of your territory we will have to use the Lehigh Valley base at $1.50 to dealers, which will make the price cheaper than the Universal base in most cases.

While in Philadelphia yesterday I received a call from Walter Fuchs and had dinner with him last night and he wished to be remembered very kindly to you.

[fol. 2009] Everything seems to be progressing satisfactorily at the mill and we hope before long that everything will be in readiness for shipments.

Remember me to Harry, Charlie Capes, and also Mr. Randall when you see them, and any of the other fellows that I met at Rochester.

Very truly, —— ——, Sales Manager.

DEF'TS' EX. NO. D 39

Hercules Cement Corporation

Buffalo Office

Attention of Mr. E. B. Goode.

Buffalo, N. Y., 3/29-19.

DEAR ED: I was sure glad to hear that you are better and was sorry that you had such a siege of it.

[fol. 2009½] The dealers are all up in the air here in regard to the new price on cement, and are holding off buying until it is settled.

Kindly let me have any change as soon as possible as I would like to be the first to get it.

Lehigh, Atlas and Universal are putting on a lot of new men.

Lehigh have a new man in Utica, one in Syracuse and one out of Buffalo making 6 men in New York from Albany west.

They have taken Utica and Syracuse away from Herb which I don't believe makes a hit with him. I believe he could put on a big tonnage for me down that way as he has a lot of friends among the big contractors, and he no doubt would take delight in taking Lehigh business. Treat this confidential and if interested please advise me.

I received your letter in regard to the bonus and if business opens up I should make some money on same.

Hoping that you are entirely well again, I am,

As ever, Lock.

[fol. 2010] DEF'TS' EX. NO. D 40

Dec. 2nd, '19.

Mr. E. B. Goode, New York City.

DEAR SIR: I neglected to tell you when in New York last week that the Pennsylvania Cement Company had rented a warehouse on the water-front here and were storing cement which they bring in by boat from their Cayuga mill. I understand that they have so far stored one barge which contained about 2,500 barrels, and have been advised that they expect to store a large quantity here and expect to do the same in Rochester.

I do not know who will get the benefit of the saving of freight on this cement, but have been advised that they are now charging $2.78 per barrel for cement loaded on dealers' trucks alongside their warehouse.

Yours very truly, A. P. Lockwood.

[fol. 2010½] DEF'TS' EX. NO. D 41

Postal Telegraph-Commercial Cables Telegram

Fast Day Telegram. X.
(Confirmation.)

December 16, 1919.

To Mr. A. P. Lockwood, 40 Builders Exchange, Buffalo, N. Y.:

Some companies have advanced price round up all contracts possible this week by personal call or telephone.

E. B. Goode, Jr.

Chg. Hercules Cement Corp., 30 East 42nd St.

[fol. 2011] DEF'T'S EX. No. D 42

New York, February 19, 1920.

From: Mr. E. B. Goode, Jr.
To: Mr. A. P. Lockwood.
Subject: Market conditions.

I understand that some of our competitors have changed their base price at Universal as well as at Fordwick. Please let me know by return mail if you have any information on the subject?

I will not change our price just yet, but it has occurred to me that before doing anything it would be wise to get the Buffalo Builders Supply Company's contracts straighten-up somewhat. For instance: On their contract #782 which calls for 250 barrels and on which they require 1,000, as long as we were committed on this, I think it might be wise for us to change our mind and increase this to the thousand barrels as desired.

Also I recall the Father Timmons' Job for 2,000 barrels. Let me know what you think of that?

The rumored change is 10¢ at each of the above points, which would change the price at Buffalo 6¢ per barrel.

I will be up in Boston during the first part of next week, so would like to have your letter Saturday morning of this week, if possible, and I could then decide what to do.

[fol. 2011½] DEF'TS' EX. No. D 43

Hercules Cement Corporation

Buffalo Office

2/28-20.

Mr. E. B. Goode.

DEAR SIR: Replying to your letter of the 27th, in regard to "Universal Mill Base" would say that the Universal Cement Co., have not mailed out a new quotation and I will advise you in case they do.

Yours very truly, A. P. Lockwood.

[fol. 2012] DEF'TS' EX. No. D 44

Buffalo, New York, Feb. 20th, 1920.

Mr. E. B. Goode, New York Office.

DEAR SIR: Replying to your letter of February 19th in regard to market conditions, would say that the Universal mill base has been advanced 10¢. Some of the Lehigh Valley mills have mailed out their new quotations on that basis, that is, on a $2.84 price, f. o. b. Buffalo. The Lehigh have gotten out such a quotation.

In regard to the Buffalo Builders Supply Company's contract, I think it would be wise on contract #782, which calls for 250 barrels for the Ideal Paving Company and which work requires 1,000 barrels, to send them a new contract covering this amount, as we are committed for that amount of cement on same.

In regard to Father Timmons' job, which requires 2,000 barrels would suggest that you mail them a contract covering this work, as you will note in my letter of January 20th that I have committed myslf for this amount of cement as per instructions from you at Binghamton.

In regard to contract #965 for F. L. Hess, Batavia, New York, would ask that you either increase this contract to read, 1,000 barrels or mail them an additional contract for 500 barrels as Mr. Hess has accepted this order from the Massey-Harris Harvester Company, and as I have stated before he is handling our cement exclusively and believe it would be unfair to him to do anything else in the matter. The price at Batavia is not effected by this increase but think it would be well to have him protected upon same.

We had hoped that you would be up this way before this, but we still have hopes of seeing you before the golf season opens.

Yours very truly, A. P. Lockwood.

P. S.—It might be wise to date these contracts the time in January they were received as some of the dealers who we have refused to cover may not like it.

A. P. L.

[fol. 2013] DEF'TS' EX. NO. D 45

New York, February 27, 1920.

From: Mr. E. B. Goode, Jr.
To: Mr. A. P. Lockwood.
Subject: Universal Mill Base.

Referring to yours of the 20th: You state that the Universal Mill Base has been advanced 10¢ and that some of the Lehigh Valley Mills have mailed out new quotations on that base.

What I am particularly anxious to know is, has the Universal Portland Cement Company itself, mailed out quotations at the new price? Please secure and let me have this information as soon as possible.

Regarding the Buffalo Builders Supply Company's contracts: I will write you on tomorrow. I have only been in my office about two hours so far this week, so have had very little time to give to my correspondence.

[fol. 2013½] DEF'TS' EX. NO. D 46

Buffalo, New York, March 4th, 1920.

To: Mr. E. B. Goode.
From: Mr. A. P. Lockwood.
Subject: Price of Cement.

I have just been advised by Mr. Schaefer of the Globe Plaster Company that Lehigh, Alpha, Atlas, Allentown and Crescent have issued quotations of $2.84, f. o. b. Buffalo. Universal, however, have not raised their price as yet.

Yours very truly, A. P. Lockwood.

[fol. 2014] DEF'TS' EX. NO. D 47

New York, March 8, 1920.

From: Mr. E. B. Goode, Jr.
To: Mr A. P. Lockwood.

I have yours of the 4th inst., regarding advice received by you from Mr. Schaefer as to quotations received from some of the Lehigh Valley Companies.

Please keep me advised as soon as you hear that the Universal Company has raised its price, or of other price changes that you may get from time to time.

DEF'TS' EX. NO. D 48

New York, March 10, 1920.

From: Mr. E. B. Goode, Jr.
To: Mr. A. P. Lockwood.

I have yours of the 8th inst., advising the Lehigh Company's latest quotations to dealers in the Buffalo market.

[fol. 2014½] DEF'TS' EX. NO. D 49

Buffalo, New York, April 7th, 1920.

From: A. P. Lockwood.
To: E. B. Goode, Jr.
Subject: Price of Cement.

I have just seen two Alpha quotations under date of April sixth, which quote the price here in Buffalo of $3.04 in cloth, that is a mill base of $1.95.

A. P. L.

[fol. 2015] DEF'TS' EX. NO. D 50

Buffalo, New York, April 8th, 1920.

From: A. P. Lockwod.
To: E. B. Goode, Jr.
Subject: Price of Cement.

I have just been advised that the Lehigh have increased their mill bases as follows: Lehigh Valley, $1.95; Hudson River, 2.05; Universal, 2.15.

The Phœnix Cement Company have mailed their new quotation on the basis of $1.95 Lehigh Valley mill base.

A. P. L. L'E.

[fol. 2015½] DEF'TS' EX. NO. D 51

W. G. Dutton

Mr. Franks: Please note.

Bath Portland Cement Co.

Phila., Pa.

December 15, 1919.

Re Price Instructions.

DEAR SIR: Taking effect immediately advance all prices 25¢ a barrel above our present market.

Do not accept any orders even for immediate shipment at any prices below this advance figure.

Very truly yours, Bath Portland Cement Co. W. G. D.,

Second Vice President.

[fol. 2016] DEF'TS' EX. NO. D 52

Mr. Franks: Please Note.

Bath Portland Cement Co.

Phila., Pa.

December 20, 1919.

Re General Instructions.

DEAR SIR: We have decided for the present to accept business at our old prices which were in effect prior to our notice of the 15th inst., provided shipment is taken before January 1, 1920.

Under no conditions, however, accept any business at this price for shipment after January 1st.

Very truly yours, Bath Portland Cement Co. W. G. Dutton,
Second Vice President.

[fol. 2016½] DEF'TS' EX. NO. D 53

Bath Portland Cement Co.

Phila., Pa.

March 2, 1920.

Re General Instructions.

Mr. F. B. Franks.

DEAR SIR: We are sending out periodical quotations to all dealers on our quotation list. We are now basing our prices as follows: $1.75 Lehigh Valley; $1.85 Hudson River, having eliminated for the present using any other mill basis outside of the two above mentioned. We are still quoting cloth sacks at 15¢ each, as heretofore.

These periodical quotations cover only a carload of cement, and cannot be construed by a customer as the price to be used when quoting for contract requirements. Should any of the trade desire a price for contract requirements, same for the present will have to be taken up with this office before quoting. There does not seem to be any immediate improvement in sight as regards manufacturing and shipping, and for that reason we are not in a position to take on any new business.

Our object of sending out these periodical quotations is to notify [fol. 2017] our trade that we are meeting competition for current business.

Should there be anything not absolutely clear to you as regards the above instructions, kindly get in touch with this office at once.

Very truly yours, Bath Portland Cement Co. W. G. Dutton, Second Vice-President.

[fol. 2017½] DEF'TS' EX. NO. D 54

Bath Portland Cement Co.

Phila., Pa.

July 15, 1920.

Re Price Instructions.

Mr. Franks: This letter was sent to all our salesmen.

DEAR SIR: Effective at once the dealer's price on Bath Portland Cement will be $3.50 per barrel f. o. b. our mill. This price includes shipment in 25¢ sacks. The price in paper will be 70¢ per barrel less.

Ten (10) cents per barrel cash discount will be allowed for payment within ten days from date of invoice instead of 5¢ as heretofore.

In figuring prices, therefore, please consider the Lehigh Valley base as $3.50 and add the freight rate to destination to this figure in order to secure the delivered price. Until we learn otherwise, we will

consider the Hudson River base as 10¢ per barrel higher, or $3.60 per barrel.

We will still quote the consumer 20¢ higher; $3.70 on the Lehigh Valley base or $3.80 on the Hudson River base.

Very truly yours, Bath Portland Cement Co. W. G. Dutton, Second Vice President.

[fol. 2018] DEF'TS' EX. NO. D 55

Bath Portland Cement Co.

Philadelphia

April 26, 1920.

Re Miscellaneous.

Mr. F. B. Franks, 1st Vice-Pres. Bath Portland Cement Co., Bath, Pa.

DEAR SIR: For your information would state that starting with our shipments of May 1st, we will endeavor to adjust everything on the basis of 25¢ sacks. We understand that one of the other manufacturers did this a week or so ago, and that some others are now arranging to do so; however, regardless as to what other manufacturers will do, we are going ahead and make this change. The price of cloth sacks on all our contracts and orders already booked, with few exceptions, are on the basis of 15¢ sacks.

Within the next day or so we will send out notices advising all our trade of this change, taking effect May 1st. Most of our contracts have a clause in them giving us the right to change the price of sacks, although there are some, especially those taken last year, that do not have this clause; however, we are going to do all we can to transfer [fol. 2018½] everything possible to a 25¢ sack. In case a few of our customers do not give us this permission we may then have to arrange to continue shipping them in the 15¢ sacks.

Just as soon as we learn about how much tonnage we will have to continue to handle in 15¢ sacks, we will advise you so that you can make your arrangements accordingly.

Very truly yours, Bath Portland Cement Co. W. G. Dutton, Second Vice-President.

[fol. 2019] DEF'TS' EX. NO. D 56

Form No. 33

June 3, 1919.

The John H. Kelter Co., Philadelphia, Penna.

GENTLEMEN: A short time ago we had shipped to you one of the new Edison Warehouse Signs, bearing your name, and we are quite anxious to know if you have received it; also, just how the sign ap-

peals to you. Personally we are quite proud of these signs and comments from our dealers to whom they have been shipped are to the effect that they are real business getters.

One of the Edison signs properly placed on your warehouse or office building, coupled with the enameled wagon signs, and the Edison Transparencies, are a big step in identifying you with the Thomas A. Edison interests. Incidentally, if you have not received a set of the wagon signs or the transparencies drop us a line and we will see that they are shipped to you at once.

Also if you can use any of the attached blotters, folders, etc., we will imprint them with your name and forward them to you post haste. These folders and blotters make mighty good enclosures and dealers will find them an exceptionally good means of keeping their [fol. 2019½] name and the material they handle before their customers, both present and prospective.

If your warehouse stock of cement is becoming low phone us on our special long distance wire, Philadelphia 358, at our expense, and if the order is received prior to twelve o'clock noon it will be shipped the same day.

Yours very truly, — ———, District Sales Manager. WLH/EML.

[fols. 2020 & 2021] DEF'TS' EX. NO. D 57

Knickerbocker Portland Cement Company, Inc.

New York City

January 28, 1921.

Albany Builders Supply Co., Inc., Albany, N. Y.

GENTLEMEN: Effective at once and until otherwise advised, the price for Knickerbocker Portland Cement in cloth sacks, carload lots is $3.39 per barrel, delivered f. o. b. cars Albany, N. Y.

The price in paper sacks is 75¢ per barrel less.

This price is subject to the terms and other conditions noted on the reverse of this sheet, with the exception that ten cents (10¢) per barrel discount will be allowed for payment within ten days from date of invoice.

Very truly yours, Knickerbocker Portland Cement Company, Inc. W. M. Floring, Sales Department.

[fol. 2021½] DEF'TS' EX. NO. D 58

CC Mr. Abbott: This is a blanket contract referred to.

May 3, 1921.

A. Lyth & Sons Co., 48 West Eagle Street, Buffalo, New York.

GENTLEMEN: We attach copy of contract covering 1,000 barrels to be used by John Haensser in concrete block work in Buffalo and

vicinity, also copy of contract covering 1,000 barrels to be used by the Seneca Cement Brick & Block Company in concrete block work.

Assuring you this business is greatly appreciated by us, we are

Very truly yours, Knickerbocker Portland Cement Company, Inc. Sales Department. CMB:HD.

Enc.

[fol. 2022] DEF'TS' EX. No. D 59

Postal Telegraph-Commercial Cables Telegram

May 10, 1920.

A. Lyth & Sons Company, Buffalo, New York:

Owing car shortage we are not in position to accept any orders.

Giant Portland Cement Company.

[fol. 2022½] DEF'TS' EX. No. D 60

Alpha Portland Cement Company

General Offices: Easton, Pa.

Helping to Get Things Started

The memorandum attached will give you an explanation for the recent reduction in the price of cement.

We desire to emphasize the statement in the memorandum which calls attention to the fact that increased volume means decreased costs. Unless such increased volume shows up promptly this company, and no doubt many others, will not only fail to make money but will lose it instead. No considerable reduction of manufacturing costs otherwise is looked for by us this year.

It has been reported by our travelers that much building is held up because the owners fear that later in the year reductions in the prices of material will be made. As a further step toward confidence, we have decided to guarantee our price for contracts against decline during the balance of the year 1919. This will insure the lower price, if any, being applied to all unshipped portions of any contract at the time the new price takes effect.

It is very much to your advantage as a dealer and ours as a manufacturer that this information be passed on to the owner so that he may arrange his contracts with builders to get advantage of this guarantee. You, we are sure, will see the logic of this suggestion.

Alpha Portland Cement Co.

April 11th, 1919.

[fol. 2023] Memorandum

Representatives of the Cement Industry conferred with the Industrial Board of the Department of Commerce at Washington during the last week in March, at the request of the Board that everything possible be done by the Industry to encourage prompt building. The Industry, through the Committee, expressed its desire to co-operate to the fullest extent possible.

Unfortunately, at the time of the conference there was a change in the policy of the Industrial Board, and therefore no definite, joint conclusion was determined; but the Industry thought it only fair to the trade that the reduction contemplated should be made, irrespective of these conditions.

The Charge for cloth sacks, of which there are four to the barrel, was reduced from 25¢ each to 15¢ each, making a reduction of 40¢ per barrel gross to the purchaser, and the charge for paper sacks was reduced from 30¢ per barrel to 25¢. These reductions were made possible by recent reductions in the cost of such sacks to the manufacturer.

Although the present cost of manufacture does not justify a reduction in the selling price of Cement, the possibility of more favorable manufacturing conditions in the future which might result in a reduction in the cost of production was anticipated and prices were named accordingly. These prices are in accordance with quotations recently sent you.

The action of the Industry was entirely voluntary, with the sole object of assisting in stabilizing building conditions, hoping that it would be appreciated by the purchaser and that increased volume will decrease cost and compensate for the reduction.

[fol. 2023½] Def'ts' Ex. No. D 61

—— —, 1919.

Let's Go!

The Alpha Portland Cement Company recently made a reduction in the price of Alpha Cement with the view of increasing the volume of immediate building.

As a further step toward confidence, we have guaranteed our price for contracts against a decline during the remainder of the year 1919. This will insure the lower price, if any, being applied to all unshipped portions of any contract at the time the new price takes effect.

In order to make this policy fully effective as to the object sought, it will be necessary for dealers to pass on to contractors the benefit of this guarantee and necessary for the contractors, in turn, to pass on this protection to property-owners. Unless this is done, it is obvious that the stimulation for immediate building activity will not be effected.

The following lines from the New York Commercial are very appropriate as applying to the present situation:

"Let's Go"

"The National Prosperity Campaign has adopted the slogan Let's Go! and is spreading its meaning broadcast.

Let's go means just what it says.

Let's go and start prosperity.

[fol. 2024] Let's go and get busy.

Let's go and do business irrespective of what the other fellow is doing.

Let's go while the going is good and not wait until the train of prosperity is under way and we have to run our fool legs off to catch up with the procession.

Let's go and be real, live, enterprising, hustling American men of business.

Let's Go and Let's Keep Going!"

Alpha Portland Cement Company.

Easton, Pa.

[fol. 2024½] DEF'TS' EX. NO. D 62

Alpha Portland Cement Company

General Offices: Easton, Pa.

To our dealer customers:

Herewith you will find Circular No. 8 of the War Industries Board, Priorities Division, to which your attention is directed. We also enclose Circular No. 4 of the War Industries Board, Priorities Division, showing rules and regulations governing Priority in Production. These circulars are self-explanatory, and in accordance with Circular No. 8, we have signed the pledge referred to, and enclose a copy of the pledge required from the dealer who sells our product.

Will you please sign this pledge of cooperation as required and file it with us by return mail in order that we may ship promptly, and without question, orders that you may place with us for cement for re-sale purposes. In due season, the form for report called for in pledge will be sent to you. Please keep such a record of your sales from September 1st as will clearly show the use of such cement in order that you may be able to properly fill out the blanks when received.

We know you will accept the small inconvenience entailed by these regulations in a spirit of loyal cooperation with our Government, which regulations are found to be vitally necessary for the [fol. 2025] conservation of labor, material, transportation and capital in the prosecution of the war.

Alpha Portland Cement Company.

September 3, 1918.

War Industries Board, Priorities Division

Circular No. 8

To all Manufacturers of Cement:

Since the conference between your representatives and the undersigned with other representatives of the War Industries Board, careful consideration has been given to the several problems then considered, and a decision has been reached that yours is in part a war industry, in view of the showing that you have made that your commodity is used in so many of the building operations carried on directly or indirectly by the war agencies of the Government. The board is further of the opinion that your industry is also in part one of national importance, in that a portion of your products is used in filling nondeferable and essential civilian requirements.

The Priorities Board will receive the application of any manufacturer of cement for a place on its Preference List. It will in [fol. 2025½] every case take into consideration the situation of such manufacturer, the amount of its direct and indirect Government business, and the uses to which the remainder of its product is being devoted.

Any plant now or in future exclusively devoted to manufacturing products being or to be absorbed directly or indirectly by the Government, or in other uses of essential importance and whose fuel requirements and output bear proper economical relationship to each other, will be placed upon the Preference List upon condition, however, that the owner of such plant shall observe its pledge of co-operation and the rulings of the Priorities Division.

With its application such manufacturer should include its pledge of co-operation in the form following:

Priorities Division, War Industries Board, Washington, D. C.

The undersigned hereby pledges itself not to use nor, so far as lies within its power, permit the use of any products of its manufacture now in or which may hereafter come into its possession or control, save (a) for essential uses as that term has been or may be defined or applied from time to time by the Priorities Division of the War Industries Board, or (b) under permits in writing signed by or under authority of such Priorities Division; that it will make no sale or delivery of such products to any customer for resale until such customer has filed with it a similar pledge in writing; and that [fol. 2026] it will use its utmost endeavor to insure that its products shall be distributed solely for essential uses.

Any manufacturer who has already made application for place on the Preference List should send in its pledge of co-operation in the foregoing form and mention the fact that application has previously been forwarded.

In addition, such manufacturer must send each month its re-

ports on forms which it will secure from the Buildings Materials Section of the War Industries Board showing the deliveries and uses made of its product during the preceding month.

Regulations Priorities Division

The pledge to be given such manufacturer by its customer who purchases for resale should be addressed to such manufacturer and be in the following form:

To —— ——, City of ——, State of ——:

The undersigned hereby pledges itself not to use, nor so far as lies within its power, permit to be used, any cement of your manufacture now in or which may hereafter come into its possession or control, save (a) for essential uses as that term has been or may be defined or applied from time to time by the Priorities Division of the War Industries Board, or (b) under permits in writing signed [fol. 2026½] by or under authority of such Priorities Division; and further that it will make no sale or delivery of such cement to any customer for resale until such customer has filed with the undersigned a similar pledge in writing, and that it will report to you monthly dispositions made during the previous month of such cement.

Manufacturers should scrutinize with great care orders which are offered them for their products for use in any construction not directly sanctioned by the Government but represented to be an indirect war requirement in caring for soldiers, seamen, and war workers. Many such projects which would normally be quite unobjectionable can and should be deferred under present conditions. Manufacturers and dealers are in a position to contribute and are expected to contribute substantially to such a result.

The United States Fuel Administrator has very recently in unequivocal terms stated that "the country needs now—and for the whole period of the war will need—more coal than it can possibly produce and transport." The necessity for conserving fuel is, therefore, imperative, and to that end it is necessary to substantially curtail the production of nonwar industries and that portion of the production of war industries devoted to nonwar uses. It is also important that no unnecessary burden be laid upon the transportation lines of the country, that they may be free to render direct and indirect war service. Labor must be released from nonwar industries to the extent that it is required for war work. As far back [fol. 2027] as March 21, 1918, the following resolution was unanimously adopted and given wide publicity by the War Industries Board:

Whereas it has come to the notice of this Board that new industrial corporations are being organized in different sections of the United States for the erection of industrial plants which can not be utilized in the prosection of the war; and

Whereas plans are being considered by certain States, counties, cities and towns for the construction of public buildings and other improvements which will not contribute toward winning the war; and

Whereas the carrying forward of these activities will involve the utilization of labor, materials, and capital urgently required for War purposes: Now, therefore, be it

Resolved by the War Industries Board, That in the public interest all new undertakings not essential to and not contributing either directly or indirectly toward winning the war, which involve the utilization of labor, material, and capital required in the production, supply, or distribution of direct or indirect war needs, will be discouraged notwithstanding they may be of local importance and of a character which should in normal times meet with every encouragement; and be it further.

Resolved, That in fairness to those interested therein notice is [fol. 2027½] hereby given that this Board will withhold from such projects priority assistance, without which new construction of the character mentioned will frequently be found impracticable, and that this notice shall be given wide publicity, that all parties interested in such undertakings may be fully apprised of the difficulties and delays to which they will be subjected and embark upon them at their peril.

It is believed that you may confidently be depended on to carry into effect the letter and the spirit of this resolution so far as concerns your industry and see to it that your products are devoted solely to those uses which can not in the public interest be deferred until after the war.

If in any given case the use proposed to be made of the product of any manufacturer shall be one which has not been defined as essential by the Priorities Division, but is one which the proposed user conceives to be in the public interest and of such essentiality that even under existing conditions it should not be deferred, then such proposed user may make a full statement of the facts in writing, under oath, to the regional representative of the Resources and Conversion Section of the War Industries Board in his district, applying to such representative for his approval of the proposed construction. Should such regional representative approve the construction project, he should promptly transmit the application for a permit, with [fol. 2028] his approval and reasons therefor, to the Building Materials Section of the War Industries Board at Washington for submission to the Priorities Division, and if approved by said division a constructon permit will be issued by the Building Materials Section.

The instructions contained in this circular shall not be so construed as to prevent the sale of small quantities of materials for repairs of or extensions to existing structures involving in the aggregate a cost not exceeding twenty-five hundred dollars ($2,500).

Yours, very truly, Edwin B. Parker, Priorities Commissioner.

Washington, D. C., August 1, 1918.

[fols. 2028½ & 2029] DEF'TS' EX. NO. D 63

Knickerbocker Portland Cement Company, Manufacturers

General Sales Office: 30 East 42nd Street, New York City

Dec. 10, 1914.

Albany Builders Supply Co., Albany, N. Y.

DEAR SIRS: Until you are further advised, we quote you $1.50 a barrel on Knickerbocker Portland cement in cloth sacks for delivery to you f. o. b. cars Albany, N. Y., in carload lots. The price in paper will be 30¢ a barrel less.

This quotation is subject to terms and sack conditions as noted on the reverse of this sheet.

Awaiting your further shipping instructions, we remain,

Yours very truly, Knickerbocker Portland Cement Company,
by H. H. Ward, Sales Manager.

[fols. 2030 & 2031] DEF'TS' EX. NO. D 64

Knickerbocker Portland Cement Company, Inc.

New York City

April 13, 1920.

Albany Builders & Supply Co., Albany, N. Y.

GENTLEMEN: Effective at once and until otherwise advised, the price for Knickerbocker Portland Cement in cloth sacks, carload lots is $2.87 per barrel, delivered f. o. b. cars. Albany or West Albany, N. Y.

The price in paper sacks is 35¢ per barrel less.

This price is subject to the terms and other conditions noted on the reverse of this sheet.

Very truly yours, Knickerbocker Portland Cement Company,
Inc. W. M. Floring, Sales Department.

[fol. 2032] DEF'TS' EX. NO. D 65

The Atlas Portland Cement Co.

New York

For the attention of Mr. D. H. MacFarland, Atlantic Beach, Fla.

New York, January 16, 1917.

I thought that you would be interested in knowing that Friday the Lehigh Company made quotations to the trade on basis of $1.35

Lehigh Valley, $1.45 Hudson, $1.45 Union Bridge and $1.45 Fordwick. We picked these quotations up Saturday over the telephone from the various dealers in Pennsylvania, New England and New York States, and Saturday we received word over the telephone from the New York City dealers that the Alpha Company had advanced their price.

I also heard that one or two of the other Companies had advanced their price, and checked this information up through reliable sources, and yesterday we issued quotations on $1.35 Lehigh Valley, $1.45 Hudson, meeting competition based on $1.45 Union Bridge and Fordwick. We have a good many quotations out and should secure some [fol. 2032½] very substantial business. We took on 60,000 bbls. Saturday and yesterday—including quite a little export. Our export is now $1.98 alongside New York in wooden barrels, and $1.93 in cloth. Our dealers' price in New York for domestic consumption is $1.97 in cloth. I thought that you would be interested in the above.

We have been after the situation in the Northwest, and I think Mr. Dowd is up there to-day, as he planned to be there Tuesday, and I presume he went. Mr. Miller is also posted, and we have been doing quite a little work in the last two weeks in the City of Detroit. I was advised last week we would get some substantial tonnage there for future delivery, but have not seen it on the summaries yet. Mr. Trenkman and Mr. Cabanis are working on the Detroit situation. If you have anything else in mind I will be glad to hear from you.

Mr. Kimball came back to the office yesterday, but I have not seen him as yet this morning, and did not see him yesterday as I was in Philadelphia all day but talked with him on the telephone. I think that his eye is practically well.

Yours very truly, L. G. M. LGM/MK.

[fol. 2033] DEF'TS' EX. NO. D 66

The Atlas Portland Cement

New York

For the attention of Mr. C. A. Kimball, Manager Sales Department.

New York, January 23, 1917.

Mr. Dowd called me on the telephone this morning from Columbus, Ohio, and stated that he had seen, had in his possession, and was sending in to me some quotations of the Universal Portland Cement Company which reached the hands of the trade yesterday, which figured back to $1.45 f. o. b. Mill Universal, Pa.

In order to protect ourselves, we had better issue quotations at once to the trade for immediate acceptance, 15 day shipment, on that basis. My understanding is that this will affect Atlas price in Western Pennsylvania, New York and some parts of West Virginia.

Yours very truly, L. G. McConnell. LGM/MK.

[fol. 2033½] DEF'TS' EX. No. D 67

The Atlas Portland Cement Co.

New York

For the attention of Mr. Heft.

New York, 3, 21, '18.

Referring to our telephone conversation over the phone regarding W. C. Abbey's salesman telling the trade he received word to advance the price of cement .40 cents per barrel, I was first told this by C. D. Wait, at Montgomery, N. Y. I did not place much stock in Mr. Wait's advise for he often says things that he cannot verify, from Wait's place I called on Harrison & Curtis and they advised also W. C. Abbey man told them that a .40 raise would be effected to day (3 21 18).

I tried to get in touch with this office, but it was nearly six o'clock and I was told the office did not answer, as I left Newburgh, at a very early hour, this morning I could not reach our office, when I got to Albany, I did not get the opportunity to call until you heard from me at three o'clock.

This letter is for your *im*formation as I knew the company wants to know of any such propositions that come to my attention.

Yours very truly, W. G. Thompson

[fol. 2034] DEF'TS' EX. No. D 68

The Atlas Portland Cement Co.

New York

For the attention of Mr. Kimball.

New York, March 21, 1918.

I was advised by J. B. Callaghan, Inc. of Newark, N. J. that they have quotations from Giant and Bath advancing the price 40¢ per barrel.

This for your information.

Yours truly, H. C. S.

[fol. 2034½] DEF'TS' EX. No. D 69

3/21/18.

MR. KIMBALL: Mr. Penny of Candee Smith & Howland Co. says Bath & Dexter have raised price 40¢ per bbl., also that he expects Alpha to raise their price but they have not done so yet.

E. J.

DEF'TS' EX. No. D 70

Giant, 40¢; Bath, 40¢; Dexter, 40¢.

[fol. 2035] DEF'TS' EX. No. D 71

Penn Allen, Security, 40¢. Phila.
Coplay, Penn Allen, Security, 40¢. Phila.

DEF'TS' EX. No. D 72

N. Y. dealers: Alpha, 40¢; Lehigh, 40¢.

[fol. 2035½] DEF'TS' EX. No. D 73

Alpha Portland Cement Company

General Offices: Easton, Pa.

Easton, Pa., Mar. 21, 1918.

R. G. Brewer, Mamaroneck, N. Y.:

We take pleasure in quoting you on Alpha Portland Cement, delivered in carload lots F. O. B. cars station named above, as follows:

In cloth sacks $2.61 per standard barrel (376 lbs. net) including four (4) sacks.

In paper bags twenty-five (25) cents per barrel less than cloth price.

Price for immediate acceptance.

This price is on a quantity to be ordered by you for shipment within fifteen days from date of your order.

[fols. 2036 & 2037] Terms of Payment: On approved credit, 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

This quotation is subject to terms, conditions and limitations on both sides hereof.

Yours very truly, Alpha Portland Cement Company.

Prices for specific work, requiring delivery beyond fifteen days, will be quoted you upon application accompanied by full information and detailed description of work. Such quotations subject to increase in freight Rates and War tax on transportation charges.

[fol. 2037½] DEFT'S' EX. No. D 74

Nassau Lbr. Co., Hemstead, L. I.:

Tell Guinn that they have an Alpha quo. 40¢ up.
3/22/18. C. A. K.

DEFT'S' EX. No. D 75

Castillo, Export

Says, Saylors	2.82	J.C.
	17	
	2.65	
Bbls.	75	
	1.90	

[fol. 2038] DEFT'S' EX. No. D 76

Phœnix, 40¢. Mass. Lime & Cement Co.

[fol. 2038½] DEFT'S' EX. No. D 77

Vulcanite Portland Cement Company

Boston

Albert Moyer, Manager of Sales

March 21, 1918.

Messrs. R. G. Brewer, Mamaroneck, N. Y.:

We quote for shipment within fifteen (15) days from date of order, in carloads, f. o. b. station named, subject to change without notice, and to terms, conditions and limitations on reverse side hereof:

Vulcanite Portland Cement in 4 cloth sacks at $2.61 per standard bbl.

Vulcanite Portland Cement in 4 paper bags at $2.36 per standard bbl.

Vulcanite White Portland Cement in 4 cloth sacks at $4.31 per standard bbl., loaded in cars with Vulcanite so as to make full carload.

[fol. 2039] This quotation is our present price and applies to immediate orders only.

Prices for specific work requiring deliveries beyond the period covered by this quotation will be quoted you on application, which

should state the name of the job, location and estimated quantity required to complete work.

Yours respectfully, Vulcanite Portland Cement Company.

F. o. b. cars Harrison or Mamaroneck, N. Y.

[fol. 2040] DEF'TS' EX. No. D 78

Alpha Portland Cement Company

Easton, Pa.

Mar. 21, 1918.

J. J. Leonard, Atlantic Highlands, N. J.:

We take pleasure in quoting you on Alpha Portland Cement delivered in carload lots f. o. b. cars station named above as follows:

In cloth sacks $2.65 per standard barrel ($376 lbs. net.) including four (4) sacks.

In paper bags twenty-five (25) cents per barrel less than cloth price.

Price for immediate acceptance.

This price is on a quantity to be ordered by you for shipment within fifteen days from date of your order.

Terms of Payment: On approved credit, 5 cents per barrel off for cash in ten days from date of invoice, or 30 days net from date of invoice.

[fol. 2040½ & 2041] This quotation is subject to terms, conditions and limitations on both sides hereof.

Yours very truly, Alpha Portland Cement Company.

[fol. 2041½] DEF'TS' EX. No. D 79

Tomkins Brothers, Newark, N. J.

March 21, 1918.

John J. Leonard, Atlantic Highlands, N. J.:

DEAR SIR: We quote on Dexter Portland Cement for immediate acceptance, for shipment within fifteen days from date of order, in carload lots, f. o. b. Atlantic Highlands, N. J. subject to change without notice, and to the terms and conditions given below:

Price: Dexter Portland Cement in cloth bags at $2.65 per barrel; Dexter White Cement in cloth bags at $— per barrel, when loaded in car with Dexter so as to make full car load.

Price in paper bags 25 cents per barrel less than in cloth.

[fol. 2042] Quantity: This quotation is on a quantity not to exceed one carload of cement.

Bags: We will repurchase from the original purchaser, Dexter

cloth bags at Ten Cents each, if returned in serviceable condition within 90 days after their purchase, to the Dexter Portland Cement Company, Nazareth, Pa., freight prepaid, subject to factory inspection and count.

Terms: 30 days net, subject to approved credit; 5 cents a barrel discount for cash payment in full within 10 days from date of invoice. The original paid freight bills to be sent to us promptly for comparison.

Prices for specific work requiring deliveries beyond 15 days will be quoted on application, stating name of the job, its location, and number of barrels required to complete the work.

Respectfully yours, Tomkins Brothers. O. B. Williams, Sales Manager.

P. S.—We will allow the War Tax of 3% on freight charge on Dexter Cement shipped direct from the Mill, until further notice.

[fol. 2042½] DEF'TS' EX. No. D 80

March 21, 1918.

John R. Morron, Castle Hot Spring Hotel, Hot Springs, Arizona:

Half dozen smaller companies prices seem to be up forty cents per barrel. No information regarding any change of others. Situation well in hand. Watching carefully. Will act if advisable.

D. H. MacFarland.

[fol. 2043] DEF'TS' EX. No. D 81

Western Union Telegram

Castle Hot Springs,
Ariz., 1918, Mar. 21.

D. H. McFarland, Atlas Portland Cement Co., 30 Broad St., New York, N. Y.:

Message received go very slow on orders and especially contracts. Stop. Confer daily with Miner regarding manufacturing and shipping prospects. Stop. Do not let them load us with business we cannot ship especially at prevailing prices. Stop. Keep me continually posted.

J. R. M

[fol. 2043½] DEF'TS' EX. No. D 82

March 21, 1918.

John R. Morron, Castle Hot Springs Hotel, Hot Springs, Arizona:

Further information from dealers indicates practically all competitors' prices increased forty cents per barrel including export.

When I am positive that this information is correct do you desire me to follow.

D. H. MacFarland.

[fol. 2044] DEF'TS' EX. NO. D 83

West Union Telegram

Castle Hot Springs,
Ariz., 1918, Mar. 22.

B. H. McFarland, care Atlas Portland Cement Co., 30 Broad St., New York, N. Y.:

Message received yes when you get definite information from trade act promptly. Stop. We cannot afford to be overloading with shipping and manufacturing conditions so uncertain. Stop. Fight shy of contracts. Stop. Keep me posted as to volume.

J. R. M.

[fol. 2044½] DEF'TS' EX. NO. D 84

March 23, 1918.

John R. Morron, Castle Hot Springs Hotel, Hot Springs, Arizona:

Our prices in hands of trade this morning forty cents advance to meet competitors' prices in hands of dealers. Closed so far about fifty thousand barrels contracts practically all dollar fifty price. Have received thirty-five thousand barrels dealers immediate shipment business. Have been able to refuse without hurting us about two hundred thousand barrels future business. Situation in hand perfectly. No developments West. McConnell Dayton Monday to watch that situation.

D. H. MacFarland.

[fol. 2045] DEF'TS' EX. NO. D 85

Western Union Telegram

Castle Hot Springs,
Ariz., 1918, Mar. 24.

D. H. McFarland, Atlas Portland Cement Co., 30 Broad St., New York, N. Y.:

Message received volume sounds about right. Stop. Keep me constantly posted of any new developments. Stop. Leaving here Thursday starting for Chicago from Phœnix Friday.

J. R. M.

[fol. 2045½] DEF'TS' EX. NO. D 86

Western Union Telegram

Castle Hot Springs,
Ariz., Mar. 24, 1918.

D. H. McFarland, Atlas Portland Cement Co., 30 Broad St., New York, N. Y.:

Don't accept any business except daily dealers until Miner notifies you of government decision on operation. Stop. We must have free cement to sell later. Stop. This applies both east and west. Stop. Please show this message to Miner.

J. R.

[fol. 2046] DEF'TS' EX. NO. D 87

Philadelphia, March 22, 1918.

McKenna:

Confirming telephone conversation of this afternoon, you will please issue quotations to dealers dated today for Pennsylvania east of the mountains; Southern New Jersey; Delaware, Maryland; District of Columbia; Virginia; basis $1.90 Lehigh Valley; $1.90 Fordwick, and 40¢ up at Union Bridge (I believe that price is now $1.68 which would make the new price $2.08), plus package and freight to destination.

We will advise you tomorrow in regard to Western Pennsylvania and West Virginia points.

CAK-MH.

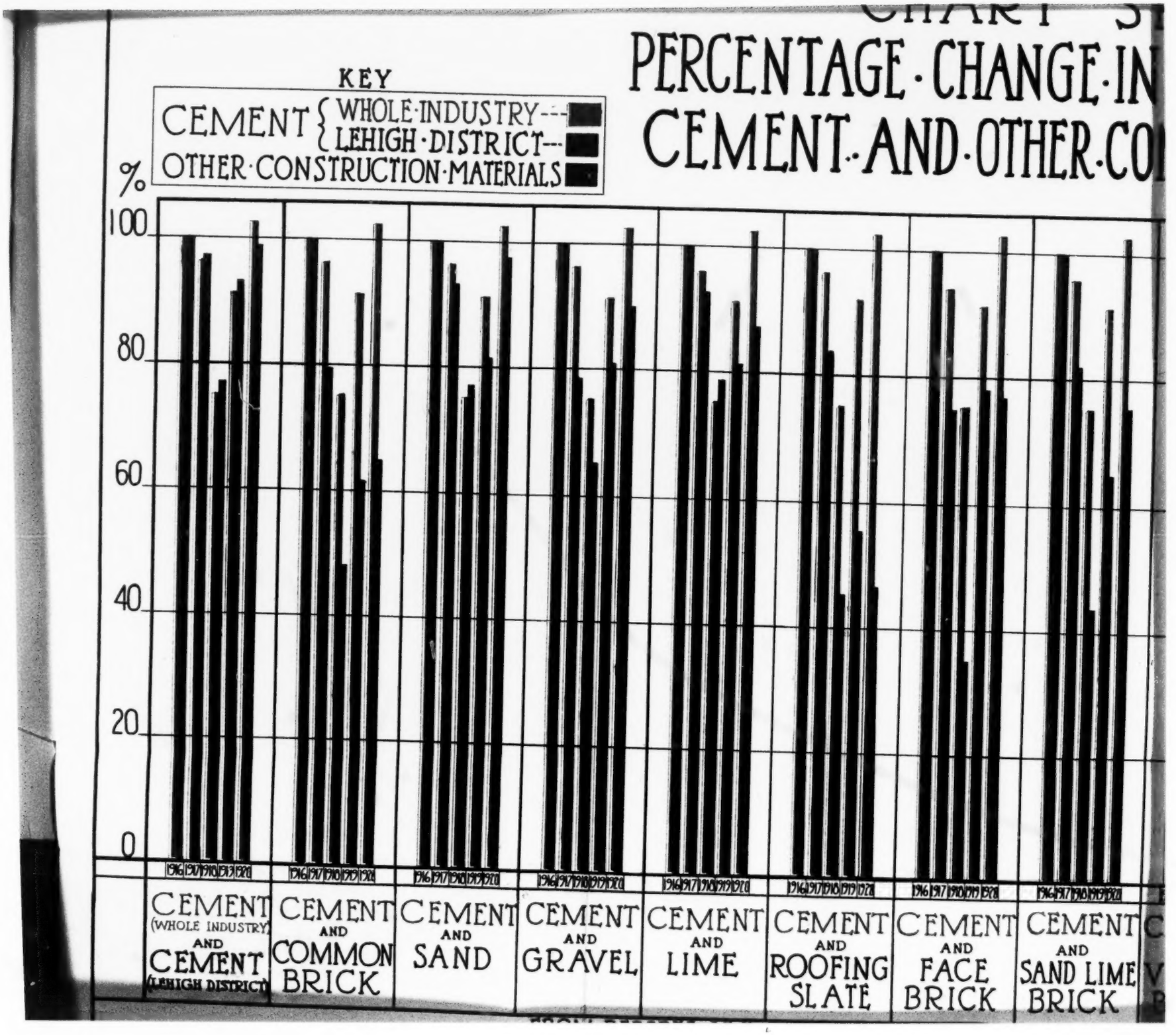
[fols. 2046½ & 2047] DEF'TS' EX. NO. D 88

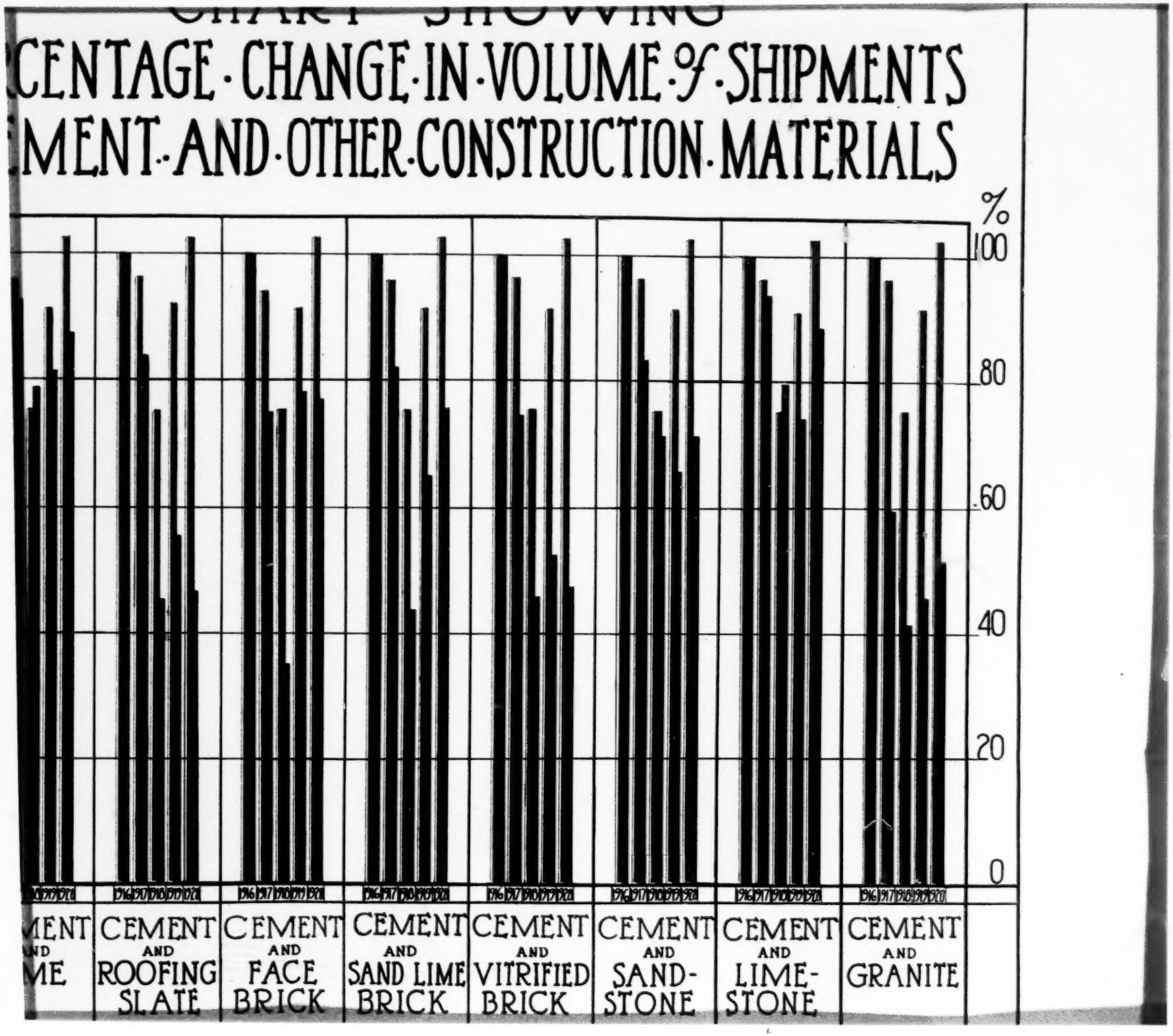
Boston Office, March 22, 1918.

Confirming telephone conversation of this afternoon—you will please issue at once quotations to dealers on basis of $1.90 bulk Lehigh Valley; $2.00 bulk Hudson. Cost of package and freight to be added in arriving at destination prices.

CAK-MH.

(Here follows Defendants' Exhibit No. D 129, marked side folio page 2048.)


CHART S
PERCENTAGE · CHANGE · IN
CEMENT · AND · OTHER · CO
KEY
CEMENT { WHOLE · INDUSTRY ---
LEHIGH · DISTRICT ---
OTHER · CONSTRUCTION · MATERIALS
%
100
80
60
40
20
0
1916 1917 1918 1919 1920
CEMENT (WHOLE INDUSTRY) AND CEMENT (LEHIGH DISTRICT)
CEMENT AND COMMON BRICK
CEMENT AND SAND
CEMENT AND GRAVEL
CEMENT AND LIME
CEMENT AND ROOFING SLATE
CEMENT AND FACE BRICK
CEMENT AND SAND LIME BRICK


CHART SHOWING
CENTAGE · CHANGE · IN · VOLUME · OF · SHIPMENTS
MENT · AND · OTHER · CONSTRUCTION · MATERIALS
%
100
80
60
40
20
0
1916 1917 1918 1919 1920
MENT AND ME
CEMENT AND ROOFING SLATE
CEMENT AND FACE BRICK
CEMENT AND SAND LIME BRICK
CEMENT AND VITRIFIED BRICK
CEMENT AND SAND-STONE
CEMENT AND LIME-STONE
CEMENT AND GRANITE

[fol. 2049] DEF'TS' EX. NO. D 130

Portland Cement Association

Chicago

Circular Letter to Member Companies

May 25, 1920.

Many companies are having difficulty in obtaining enough sacks and enough labor for packing and loading cement in sacks. As suggested in our letter of May 11 on this subject, active promotion of bulk cement shipments would be timely.

The Association booklet, Bulk Cement, has been revised and reprinted and is now ready for distribution. Members desiring copies may purchase them at three cents each. A sample copy is enclosed herewith.

Yours truly, H. G. Jacobsen, Secretary Committee on Packages.

[fol. 2049½] DEF'TS' EX. NO. D 130 A

Portland Cement Association

Washington, D. C.

Circular Letter to Member Companies

May 26, 1920.

Mr. Wooley's Talk

At a noon luncheon today of the City Club Mr. Wooley of the Interstate Commerce Commission gave a talk on the traffic situation. The principal points he made were:

1. Very strong emphasis on the extreme seriousness of the situation caused by the general car shortage.

2. That by unification of control in operation of the railroads it would be possible to alleviate the situation.

3. That the present turmoil was the direct outgrowth of lack of understanding evidenced by railroad operators. They thought they could handle the situation by individual control but who within five days after return of the railroads to them called on the Interstate Commerce Commission for help.

[fol. 2050] 4. In answer to direct question stated the Interstate Commerce Commission did not expect to resort to priorities.

Mr. Wooley was evidently laboring under very strong restraint and had more trouble as to what not to say than what he should tell.

Letter from U. S. Bureau of Public Roads

Attached is letter that is being sent to all State Highway Departments by the U. S. Bureau of Public Roads. This letter is significant as evidence of the leadership and a sense of responsibility that Mr. MacDonald, Chief of the Bureau, has taken in the road work of the country.

A. N. Johnson.

[fol. 2050½] DEF'TS' EX. No. D 131

Portland Cement Association

Washington, D. C.

Circular Letter to Member Companies

June 22nd, 1920.

General Situation

There is nothing encouraging to report. Service Orders 6 and 7 clamp the lid tight on open top car shipments of all commodities except coal East of the Mississippi River and except in the direction of empty haul to the mines. Commission on Car Service advised all Railroads that they will be held by the I. C. C. to strict compliance with these orders.

Reports from two of our member Companies indicate that their mills must soon close, due to non-receipt of materials as a result of these Orders (Nos. 6 and 7).

Mr. MacDonald of the U. S. Road Bureau has today raised the question with the Solicitor of the Dept. of Agriculture as to the legality of the delegation by Congress of the powers to the I. C. C. under the Transportation Act of 1920.

[fol. 2051] Members of the National Association of Sand and Gravel Producers are seriously considering taking the matter into Court, which seems to them to be the only solution to bring any immediate relief.

I have heard many express the opinion that the whole situation should have been handled by a Fuel Administrator and believe that one should be appointed rather than to attempt adjustments through restrictions of transportation facilities by the I. C. C.

There still continues lack of complete harmony between the Commission on Car Service of the American Railway Association and the Railway Executives, which is particularly unfortunate in the present crisis.

We are bringing the whole situation to the attention of Mr. Franklin T. Miller, Assistant to the Senate Committee on Reconstruction and Production, in the hope that the Committee may soon arrive at some constructive suggestions and give them wide publicity.

A. N. Johnson.

[fol. 2051½] DEF'TS' EX. No. D 132

A Plea for Abrogation or Modification of Service Order No. 7, Submitted by the Portland Cement Association, Represented by A. N. Johnson

To the Honorable the Interstate Commerce Commission:

The Portland Cement Association representing the cement industry joins with other construction industries in seeking this opportunity to present to the Interstate Commerce Commission certain facts and opinions regarding the traffic situation in the hope that with the new information that may thus be placed at the command of the Commission there may result:

1. Immediate relief to the construction industry through change or abrogation of Service Order No. 7;

2. The establishment of a fixed policy that will prevent in the future, except in time of war or other extreme emergency, any resort to preferential treatment of shippers or the establishment of priorities.

[fol. 2052] We are not unmindful of the complicated and grave character of the situation which confronts the Commission, in that it is called upon to guide the policy of railroads physically unable to take care of the traffic offered.

Nor are we unmindful of the fact that a serious coal situation faces the country. In certain sections the stocks of coal are low and it becomes necessary for the maintenance of industrial and domestic welfare in those sections that stocks be accumulated. But with the quantities of coal already produced this year, several million tons in excess of that produced during a similar period last year, as we are informed, there would seem to be no insurmountable difficulty to build up stocks of coal in those sections of the country reported to be in distress without general derangement of the traffic facilities of the eastern half of the country.

It hardly appears fair or logical to give priority for the transportation of all coal for all uses and to all parts of the country, when an emergency shortage exists in but a few well defined sections of the country, and for certain specific uses only.

The cement industry has a two-fold interest as regards the effect of Order No. 7. Whatever tends to curtail the construction industry has direct influence on the cement business. Also, many cement mills are dependent on open top cars for raw materials.

Since November, 1918, the construction industry, second only to agriculture, has been continuously handicapped. Governmental restrictions, increased cost, labor shortage, production shortage, lack [fol. 2052½] of transportation facilities, have all combined to prevent construction enterprises. The construction industry is basic. Whatever tends to curtail this industry is certain of far-reaching effect and if carried much further must result in great industrial depression.

The situation is rendered all the more serious as in the past

three years there has been a marked deficiency of complete structures. During this time the demand and the need have been increasingly urgent for all classes of buildings, farm structures, roads and railroad construction. There is a deficiency today of not less than one million homes.

At the present time there are actually available for highway construction over seven hundred million dollars, money that cannot be used for other purposes. These roads, if constructed, will be of great help in lessening railroad terminal congestion.

It is recognized that terminal congestion plays a far larger part in the present difficulties of the railroads than the moving of business over the roads out on the lines. Much of the terminal congestion results from the short-haul shipment of necessary food products for the daily subsistence of the people living in our large cities. Therefore not the least among the structures for which need is most pressing are improved roads, in order that motor trucks operating over such roads may in taking over a greater shart of short-haul traffic contibute in still greater degree to the relief of terminal congestion. Not only should new roads be built but those now in use must be maintained.

[fol. 2053] The country over, contractors and contracting organizations find their entire business capital jeoparized and ruin staring them in the face, due to their inability to secure necessary materials, such as sand, gravel, lime, cement and other basic construction materials.

The structures into which these materials enter add to the permanent wealth of the country. Materials and labor which go into construction work are not consumed but are transformed into a house, industrial building, county highway, or waterpower development and in this transformation become additions to the permanent, taxable wealth of the country and also become tools for production of additional wealth.

It was expected and hoped, and there was every prospect the first of the year, that construction operations would be active and real progress made in replenishing the depleted plant of the country. Without this construction increased production, a prime necessity the world over, cannot take place.

It should be borne in mind that the results are more than the immediate suspension of construction projects, disastrous as they are. Contractors with equipment lying idle and deteriorating, organizations scattered, and expenses continuing, will of necessity have to recoup and it will be the cause of a continued increase in prices. For every hazard which a contractor must should the public must pay an increased price. This is the insurance the contractors will demand. Therefore, there is seen the importance not only of some immediate relief but of the establishment of a policy that will re-

[fol. 2053½] move as far as possible such transportation hazards as have been experienced this season.

In this general disturbance to construction activity the cement industry is seriously interested. It is also directly concerned with the movement of raw materials in open top cars. Many mills are today

curtailing production because of non-receipt of raw materials, and in a few instances mills are compelled to close and remain idle, their workmen without pay.

We, therefore, take this opportunity respectfully to point out to the Commission:

1. That the arbitrary derangement of traffic facilities first, under order of the Commission on Car Service of the American Railway Association through Circular CCS-33, and later under order of the Interstate Commerce Commission known as Service Order No. 7, has not accomplished what we believe was the intent of the Commission, namely to have coal distributed where needed and to keep down prices; but has caused a most serious condition to be faced by all interested in the construction industry.

2. That the principle of giving to a single industry arbitrarily an undue proportion of the transportation facilities of the country is wrong and in practice is found to accentuate many-fold the difficulties which it was the intent to correct.

We all recognize there is a shortage of transportation facilities just as there is a shortage of many other essential factors in the industrial progress of the country. But arbitrarily to assign to any given [fol. 2054] group of shippers an undue share of the restricted facilities creates an unbalanced situation which threatens the whole industrial structure.

We strongly believe and urge that the Interstate Commerce Commission should use its great power to see that transportation facilities are furnished to all shippers, who should share and share alike. That if there is a shortage at any particular point or section of the country of a given commodity, as for example coal, that the remedy does not lie in a general derangement of transportation facilities and the curtailment of such facilities to essential industries.

In closing, we submit that to throw the entire burden and responsibility for carrying this burden, due to the shortage of transportation facilities, upon the construction industry is an unsound business policy, is unfair to the public and unjust to the contractors and material producers who now face financial ruin. And we ask that Order No. 7 be modified to correct these conditions and that a fixed policy be established that will prevent in the future priorities and discriminations against or in favor of any industry.

[fol. 2054½] DEF'TS' EX. NO. D 133

Portland Cement Association

Washington, D. C.

August 21, 1920.

Circular Letter to Member Companies

The supply of open top cars for shipment of building material should be improved by the drastic national measure taken this week

to relieve the congestion of coal which has been particularly severe at the Ports of Baltimore and Norfolk. This embargo is clamped down on the movement of all coal to tidewater except upon a definite showing that the coal, upon arrival at piers, will be unloaded into vessels with reasonable promptness.

This action, concurred in by the Railroads and the National Coal Association, followed immediately upon the revelations before the Calder Committee at its hearing in Baltimore on Wednesday, when witnesses testified that 5,000 cars were held at that port. Resulting agreement and orders were given to the press Friday by the American Railway Association. While the new regulations are directed at the conditions existing in Baltimore, where the greatest conges-
[fol. 2055] tion on the Atlantic seaboard is said to exist, the effect of the action taken will be countrywide.

"Primarily," said Mr. W. L. Andrews, Vice Pres. of the Consolidated Coal Co., "the embargo is a transportation matter and is directed against every port on the Atlantic tidewater. It is putting into effect an intelligent system of permits intended, first of all, to clear up congestion at the various terminals, and secondly, to bring quickly back into use thousands of cars now being held at terminals. After this congestion is cleared up, the permit system will be used to keep cars in motion."

George A. Ricker, District Engineer.

(Here follows Defendants' Exhibit No. D 134, marked side folio page 2056.)

[fol. 2057] DEF'TS' EX. NO. D 136

Western Union Telegram

Phœnix, Ariz., 1922, Apr. 24.

John R. Morron, 25 Broadway, New York, N. Y.:

First went to Loomis, December Nineteen Fourteen returned to New York November Nineteen Fifteen and left in one week for Arizona, returned to New York, April Nineteen Seventeen was there until August, Nineteen Nineteen then Saranac, was there three months then left for Arizona, returning New York, May, Nineteen Twenty One.

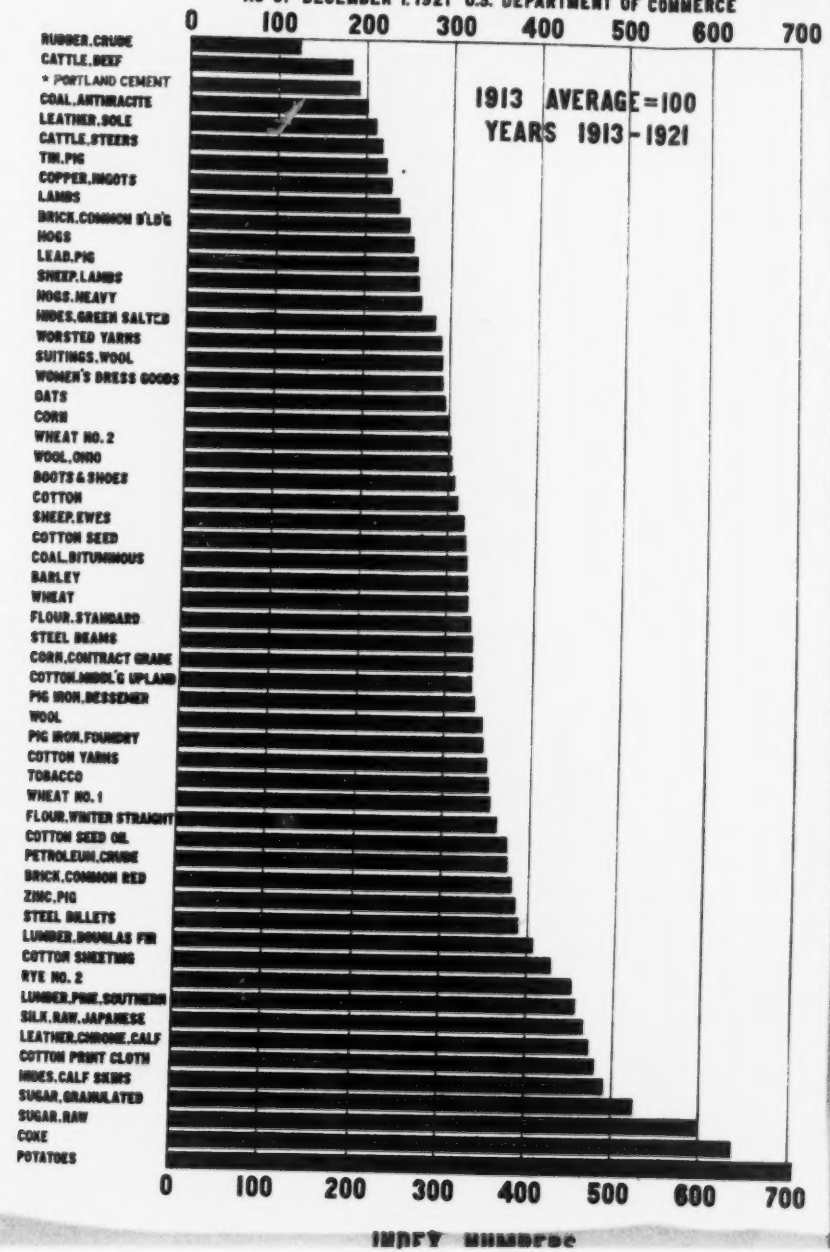
W. A. Holman.

DEFENDANTS EXHIBIT No. D 134

MAXIMUM WHOLESALE PRICES OF COMMODITIES

FROM "SURVEY OF CURRENT BUSINESS"

AS OF DECEMBER 1, 1921 U.S. DEPARTMENT OF COMMERCE



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[fol. 2057½] DEF'TS' EX. NO. D 137

Edison Portland Cement Co.

N. Y. City

Announcement

Effective June 1, 1920, the Edison Portland Cement Company will adopt the practice of quoting a uniform delivered price on Edison Cement, applicable to dealers and consumers alike.

Recognized dealers will be allowed a 10% trade discount from the delivered price, exclusive of the value of the package.

This action has been deemd advisable in fairness to dealers, who are today receiving no more remuneration for their services than formerly when prices and costs of doing business were approximately half of what they are today—and to give contractors more stable prices by the elimination of the present uncertainty prevailing on the border line between territories having various differentials.

The above in no way affects the present cash discount of 5c. per barrel for payment of invoices within ten (10) days from date of shipment.

Edison Portland Cement Company. Stephen B. Mambert, President.

[fol. 2058] DEF'TS' EX. NO. D 147

Cement Prices F. O. B. Mill

March 20, 1919.

Vulcanite Portland Cement Co., #8 West Fortieth Street, New York City.

GENTLEMEN: Your letter of March 18 in reply to ours of March 12 regarding cement prices advises that it is against the policy of your Company to name prices f. o. b. your plant, and that you have consistently declined to do so for the United States Government or anyone else.

I consider our request a perfectly reasonable one. Since we received satisfactory replies to the same letter written to a number of other companies, we shall be able to secure quite satisfactory competition with the companies that were willing to give us a positive reply to our request.

Very truly yours, —— ——, State Highway Engineer.
WGT/O'B.

[fol. 2058½] DEF'TS' EX. NO. D 148

Vulcanite Portland Cement Co.

New York

Prices of Cement f. o. b. Plant

March 11th, 1919.

Mr. Harry D. Robbins, Div. Engr. State Highway Dept., Broad St. Bank Bldg., Trenton, New Jersey.

DEAR SIR: As an assistance and guide in making up estimate as to the cost of Concrete Roads, which roads run between towns and are not City Pavements, I wish to advise you the cost of "Vulcanite" Portland Cement delivered to Contractors in your district.

The prices named are the net prices, without the bags. The bags are 25 cents each, four bags to the barrel; we pay the contractor 25 cents apiece for all bags returned to our Plant at Vulcanite, New Jersey, in good condition, freight prepaid.

[fol. 2059] Therefore, for all practical purposes, the net prices named are the prices which would be paid by the contractor if no bags were lost or damaged, of course less the amount of freight.

We would contract at these prices at the present time but do not guarantee them unless quotation for a specified piece of work is asked for. The quotation would then become a protection for such period of time as may be shown on the quotation.

From every indication I would say there would be no change in these prices during the year 1919.

Delivered,	Trenton,	New Jersey,	price	is	$2.37	per	bbl.
"	Burlington	"	"	"	2.39	"	"
"	Heightstown	"	"	"	2.39	"	"
"	Lakewood	"	"	"	2.49	"	"
"	Point Pleasant	"	"	"	2.51	"	"
"	New Brunswick	"	"	"	2.39	"	"

Very truly yours, Vulcanite Portland Cement Co. Albert Moyer, Manager of Sales. H. S.

[fol. 2059½] Vulcanite Portland Cement Co.

New York, March 11th, 1919.

Mr. J. A. Williams, Asst. Div. Engr., 503 Market St., Camden, New Jersey.

DEAR SIR: As an assistance and guide in making up estimate as to the cost of Concrete Roads, which roads run between towns, and are not City Pavements, I wish to advise you the cost of "Vulcanite" Portland Cement, delivered to Contractors in your district.

Delivered Camden, New Jersey, price is $2.39 per bbl.

The price named is net price, without the bags. The bags are 25 cents each, four bags to the barrel; we pay the contractor 25

cents apiece for all bags returned to our Plant, at Vulcanite, New Jersey, in good condition, freight prepaid.

Therefore, for all practical purposes, the net price named is the price which would be paid by the contractor if no bags are lost or [fol. 2060] damaged, of course, less the amount of freight.

We would contract at this price at the present time but do not guarantee it unless quotation for a specified price of work is asked for. The quotation would then become a protection for such period of time as may be shown on the quotation.

From every indication I would say there would be no change in this price during the year 1919.

Very truly yours, Vulcanite Portland Cement Co. Albert Moyer, Manager of Sales.

[fol. 2060½] Vulcanite Portland Cement Co.

New York, March 11, 1919.

Mr. Wm. G. Thompson, State Highway Engr., Trenton, New Jersey.

DEAR SIR: As an assistance and guide in making up estimate as to the cost of Concrete Roads, which roads run between towns, and are not City Pavements, I wish to advise you the cost of "Vulcanite" Portland Cement, delivered to Contractors in your district.

The prices named are the net prices, without the bags. The bags are 25 cents each, four bags to the barrel; we pay the contractor 25 cents apiece for all bags returned to our Plant at Vulcanite, New Jersey, in good condition, freight prepaid.

Therefore, for all practical purposes, the net prices named are the prices which would be paid by the contractor if no bags were lost or damaged, of course less the amount of freight.

We would contract at these prices at the present time but do not guarantee them unless quotations for a special piece of work are asked for. The quotations would then become a protection for such period of time as may be shown on the quotations.

From every indication I would say there would be no change in these prices during the year 1919.

[fol. 2061]

Delivered	Trenton,	New Jersey,	price	is	$2.37	Per	bbl.
"	Camden,	"	"	"	2.53	"	"
"	Atlantic City,	"	"	"	2.53	"	"
"	Cape May,	"	"	"	2.57	"	"
"	Bridgeton,	"	"	"	2.51	"	"
"	Salem,	"	"	"	2.51	"	"
"	Penns Grove,	"	"	"	2.51	"	"
"	Barnegate,	"	"	"	2.51	"	"
"	Toms River,	"	"	"	2.51	"	"
"	Lakewood,	"	"	"	2.49	"	"
"	Perth Amboy,	"	"	"	2.35	"	"
"	Rahway,	"	"	"	2.37	"	"
"	Elizabeth,	"	"	"	2.35	"	"
"	Plainfield,	"	"	"	2.37	"	"
"	Morristown,	"	"	"	2.37	"	"
"	Paterson,	"	"	"	2.37	"	"
"	Hackensack,	"	"	"	2.41	"	"
"	Butler,	"	"	"	2.37	"	"
"	Newton,	"	"	"	2.37	"	"
"	Phillipsburg,	"	"	"	2.22	"	"
"	Hackettstown,	"	"	"	2.33	"	"
"	New Brunswick,		"	"	2.39	"	"

Very truly yours, Albert Moyer, Manager of Sales.

[fol. 2061½] March 13, 1919.

Vulcanite Portland Cement Co., #8 West 40th Street, New York City.

GENTLEMEN: I thank you for the advice contained in your letter of March 11 covering prices at which cement will be delivered to contractors in various cities and localities in New Jersey.

It is understood that these are the net prices, including freight, delivered to the contractor at the railroad siding.

Very truly yours, —— ——, State Highway Engineer.
WGT/O'B.

[fol. 2062] State of New Jersey, State Highway Commission

Camden, N. J., March 14, 1919.

Mr. E. E. Reed, Asst. State Highway Engineer, Trenton, N. J.

DEAR SIR: I am sending you the attached letter for your infor-
[fol. 2062½] mation, incidental with the proposed inquiry into Cement prices.

Very truly yours, J. A. Williams, Acting Division Engineer.

March 20, 1919.

Mr. John A. Williams, Act. Div. Engr., State Highway Department. 503 Market St., Camden, N. J.

Re Cement Prices

DEAR MR. WILLIAMS: I would acknowledge with thanks your letter of the 14th instant inclosing a letter from the Vulcanite Portland Cement Company, in which they quote their latest prices.

Very truly yours, —— ——, Assistant State Highway Engineer. I.

Vulcanite Portland Cement Co.

New York, April 2, 1919.

Mr. John W. Herbert, Chm. State Hgy. Comm. of New Jersey, 31 Nassau Street, New York City.

DEAR SIR: Please refer to our letter of March 11th, 1919, and correct the prices mentioned therein to read:

Present prices f. o. b. cars as follows:

Trenton,	New	Jersey,	$2.22	Net	per	bbl.
Camden,	"	"	2.24	"	"	"
Atlantic City,	"	"	2.38	"	"	"
Cape May,	"	"	2.42	"	"	"
[fol. 2063]						
Bridgeton,	"	"	2.36	"	"	"
Salem,	"	"	2.36	"	"	"
Penns Grove,	"	"	2.36	"	"	"
Barnegat,	"	"	2.36	"	"	"
Toms River,	"	"	2.36	"	"	"
Lakewood,	"	"	2.34	"	"	"
Perth Amboy,	"	"	2.20	"	"	"
Rahway,	"	"	2.22	"	"	"
Elizabeth,	"	"	2.20	"	"	"
Plainfield,	"	"	2.22	"	"	"
Morristown,	"	"	2.22	"	"	"
Paterson,	"	"	2.22	"	"	"
Hackensack,	"	"	2.26	"	"	"
Butler,	"	"	2.22	"	"	"
Newton,	"	"	2.22	"	"	"
Phillipsburg,	"	"	2.07	"	"	"
Hackettstown,	"	"	2.18	"	"	"
New Brunswick,	"	"	2.24	"	"	"

Sacks charged and repurchased at 15¢ each.

Yours very truly, Vulcanite Portland Cement Co. Albert Moyer, Manager of Sales.

[fol. 2063½] Vulcanite Portland Cement Company

New York, April 2nd, 1919.

Mr. J. A. Williams, Asst. Div. Engr., 503 Market St., Camden, N. J.

DEAR SIR: Please refer to our letter of March 11th, 1919, and correct the price mentioned therein to read:

Present price f. o. b. cars Camden, N. J., $2.24 net per bbl.
Sacks charged and repurchased at 15¢ each.

Yours very truly, Vulcanite Portland Cement Co. Albert Moyer, Manager of Sales, by B. C. Hammond.

[fol. 2064] Vulcanite Portland Cement Co.,

New York, April 3, 1919.

Mr. Wm. C. Thompson, Highway Engineer, Trenton, N. J.

DEAR SIR: Please refer to our letter of March 11, 1919, and correct the prices mentioned therein to read as follows, Delivered:

Trenton,	New	Jersey,	$2.22	Net per	bbl.
Camden,	"	"	2.24	" "	"
Atlantic City,	"	"	2.36	" "	"
Cape May,	"	"	2.42	" "	"
Bridgeton,	"	"	2.36	" "	"
Salem,	"	"	2.36	" "	"
Penns Grove,	"	"	2.36	" "	"
Barnegat,	"	"	2.36	" "	"
Toms River,	"	"	2.36	" "	"
Lakewood,	"	"	2.34	" "	"
Perth Amboy,	"	"	2.20	" "	"
Rahway,	"	"	2.22	" "	"
Elizabeth,	"	"	2.20	" "	"
Plainfield,	"	"	2.22	" "	"
Morristown,	"	"	2.22	" "	"
[fol. 2064½]					
Paterson,	"	"	2.22	" "	"
Hackensack,	"	"	2.26	" "	"
Butler,	"	"	2.22	" "	"
Newton,	"	"	2.22	" "	"
Phillipsburg,	"	"	2.07	" "	"
Hackettstown,	"	"	2.18	" "	"
New Brunswick,	"	"	2.24	" "	"

Sacks charged and repurchased at 15¢ each.

Yours very truly, Vulvanite Portland Cement Co. Albert Moyer, Sales Manager.

[fol. 2065] April 4, 1919.

Mr. Albert Moyer, Sales Mgr. Vulcanite Portland Cement Co., 8 West 40th Street, New York City.

DEAR SIR: Receipt is acknowledged of your letter of April 3 referring to your letter of March 11, 1919, and correcting the prices mentioned in your letter of March 11 on cement delivered at different points in New Jersey.

This list of cement prices will be compared with the list given in your letter of March 11, and all necessary changes made.

Very truly yours, —— ——, State Highway Engineer.
WGT/O'B.

[fol. 2065½] State of New Jersey, State Highway Commission

Quotations

Camden, New Jersey, April 4, 1919.

Mr. E. E. Reed, Asst. State Highway Engineer, State Highway Commission, Trenton, New Jersey.

DEAR SIR: I am mailing herewith a copy of letter from the Vulcanite Portland Cement Company relative to cement prices.

Very truly yours, J. A. Williams, Acting Division Engineer.
WBW/P.

[fol. 2066] April 7, 1919.

Mr. J. A. Williams, Act. Div. Engr., State Highway Department, 503 Market St., Camden, N. J.

Re Quotations

DEAR MR. WILLIAMS: I wish to acknowledge with thanks the receipt of your letter of April 4, attaching thereto a letter from the Vulcanite Portland Cement Company quoting their latest prices.

Very truly yours, —— ——, Assistant State Highway Engineer.

Name	Address	Price per barrel f. o. b. mill
Allentown Portland Cement Co.....	Allentown, Penna....	Unwilling to quote.
Alpha Portland Cement Co.....	Easton, Penna.....	$3.00 barrel in cotton bags.
Atlas Portland Cement Co.....	New York City.....	$3.00 barrel in cotton bags.
Coplay Cement Mfg. Co.....	New York City.....	Unwilling to quote.
Crescent Portland Cement Co.....	Wampum, Pa.....	Unwilling to quote.
Dexter Portland Cement Co.....	New York City.....	$3.37 per bbl. in cloth bags.
Dixie Portland Cement Co.....	Chattanooga, Tenn...	Unwilling to quote.
Edison Portland Cement Co.....	New York City.....	$3.00 bbl. in cloth sacks, $2.30 per bbl. paper bags, $1.95 in bulk.
Giant Portland Cement Co.....	Philadelphia, Pa.....	Unwilling to quote.
Ironton Portland Cement Co.....	Ironton, Ohio.....	Unwilling to quote.
Knickerbocker Portland Cement Co...	New York City.....	Unwilling to quote.
Kosmos Portland Cement Co.....	Louisville, Ky.....	Unwilling to quote.
Lawrence Cement Co.....	New York City.....	$2.00 per bbl. plus 25¢ ea. for cloth sacks.
[fol. 2067] Lehigh Portland Cement Co.	Allentown, Pa.....	Unwilling to quote.
Louisville Cement Co.....	Louisville, Ky.....	$2.85 per bbl. at plant, Speed's Ind.
Penn-Allen Cement Co.....	Philadelphia, Pa.....	$3.00 per bbl. in cloth bags.
Phoenix Portland Cement Co.....		
Vulcanite Portland Cement Co.....	New York City.....	Unwilling to quote.
Whitehall Cement Mfg. Co.....	Philadelphia, Pa.....	Unwilling to quote.

No replies were received from the following:

Alsen's Amer. Portland Cement Works.	New York City.....	
Castalia Portland Cement Co.....	Pittsburgh, Pa.....	Sandusky Cement Co., Cleveland, Ohio.
Clinchfield Portland Cement Co.....	Kingsport, Tenn.....	Security Cement & Lime Co., Hagerstown, Md.
Coosa Portland Cement Co.....	Birmingham, Ala....	Virginia Portland Cement Co.
Diamond Portland Cement Co.....	Cleveland, Ohio.....	Allentown, Pa.
Glenn Falls Portland Cement Co.....	Glens Falls, N. Y.....	
Helderberg Cement Co.....	Albany, N. Y.....	
Pennsylvania Cement Co.....	New York City.....	

[fol. 2067½] DEF'TS' EX. NO. D 150

Materials Delivery Corporation

New York, Jan. 20th, 1920.

Atlas Portland Cement Company, #30 Broad Street, New York City.

GENTLEMEN: We wish to advise you that we have decided to expand our business. In addition to handling sand, gravel and broken stone, we are going to handle a full line of mason and builders' supplies, and it is our intention to carry a full line of these materials in our storehouse.

We shall, therefore, appreciate very much your quotation on the dealers' basis, at the earliest possible moment, for delivery, in the Borough of Manhattan and the Borough of Queens, of Portland Cement in carload and boatload quantities, as we feel we meet every requirement as a dealer as defined by the various dealers' associations.

Thanking you for an early reply, we remain,

Very truly yours, Materials Delivery Corporation. J. A. Norton, Secretary.

[fol. 2068] DEF'TS' EX. NO. D 151

January 21, 1920.

Materials Delivery Corporation, 53rd St. & East River, New York.

GENTLEMEN: We have your letter of the 20th by Mr. Norton. Our understanding is, from this letter, that you are going to be permanent dealers in building material—sand, gravel and cement—both in carload and less than carload lots; and this being so, the Atlas company will greatly appreciate an opportunity to quote whenever you are in the market.

Yours very truly, The Atlas Portland Cement Company. —— ——, Eastern Sales Manager.

[fol. 2068½] DEF'TS' EX. NO. D 152

April 5th, 1921.

Messrs. George A. Fuller Co., New York, N. Y.

GENTLEMEN:

Attention Purchasing Department

We understand that you are estimating on the proposed addition to the Bamberger Department Store building in Newark and take

the liberty of enclosing quotation on Saylor's Portland Cement for the requirements of the work.

You may recall that we furnished approximately 30,000 barrels which were used in the construction of the present building.

Mr. Louis Bamberger is one of our stockholders, and if you receive the contract for the construction of the new building, we hope to have the pleasure of supplying you with Saylor's.

If you should prefer to have the business handled by one of the local dealers in Newark, we are in a position to make favorable arrangements for so doing.

Very truly yours, Coplay Cement Mfg. Co. —— ——,
General Sales Manager.

[fol. 2069] April 5, 1921.

Messrs. George A. Fuller Co., 949 Broadway, New York, N. Y.

GENTLEMEN: Newark, N. J. 2.93. Twenty-five. * * * See below.

Requirements of addition to the Bamberger Department Store, Newark, N. J.

10c.

[fol. 2069½] DEF'TS' EX. No. D 153

The Foundation Company

120 Liberty Street, New York

November 1, 1920.

Lawrence Cement Company, 302 Broadway, New York City.

GENTLEMEN:

Attention of Mr. D. W. Demler

We are in receipt of your letter of the 30th stating that you have made shipment of 809 barrels of cement to apply on our approximate requirements of 800 barrels, as per our letter of the 27th.

We wish to express our thanks for the prompt manner in which you have made shipment of the balance of this cement. It will not be practicable at this time for us to cancel our order with you for the reason that all of the cement now in transit has not passed the test, and again we might have some cement damaged in our warehouse between now and the closing of the season, and it is barely possible we might be obliged to call upon you for cement to take care of such contingency.

[fol. 2070] We will advise you at the earliest possible moment whether we will require any additional cement. It now seems probable that none will be required.

Yours very truly, A. I. Campbell, Ass't District Manager.

November 3, 1920.

Foundation Company, 120 Liberty St., New York N. Y.

GENTLEMEN: We have your letter of the first, and want to express our appreciation for the kind sentiment which is declared therein. We have, during the entire year, faced an appalling situation so far as the manufacturing and shipping of cement is concerned. We have attempted to take care of our contract obligations, and by doing so have turned down thousands of barrels of business, all of which could have been shipped at a substantial profit above the prevailing market price. Notwithstanding these opportunities, we have steadily maintained our position of attempting to keep our contracts in operation. We have not been able, very much to our regret, to give 100% service, but we have done everything that was humanly possible, to keep our plant in operation as near capacity as possible.

Yours very truly, Smith, Sales Manager.

[fol. 2070½] DEF'TS' EX. NO. D 154

Copy to Mr. Larned.

December 3rd, 1920.

Messrs. Thompson-Starrett Co., 49 Wall Street, New York, N. Y.

GENTLEMEN:

Attention Mr. Meyer

We beg to confirm quotation given you by telephone today on Saylor's Portland Cement for the requirements of the new hotel at Providence, R. I.

In event of your placing this order with us, we shall give you the benefit of the market price of Saylor's Portland Cement in effect on the day shipment moves, in case the market price at time of shipment should be lower than the price stated in the contract.

In case you prefer to have the business handled through a local dealer, we can make arrangements with the J. C. Goff Co. of Providence to that end.

Hoping our proposition may receive your favorable consideration, we are,

Very truly yours, Coplay Cement Mfg. Co. —— ——,
General Sales Manager. JFT-AG.

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Vol. III

TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, ET AL., APPELLANTS,

vs.

THE UNITED STATES OF AMERICA

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

FILED JULY 24, 1924

(30,516)

(30,516)

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, ET AL., APPELLANTS,

vs.

THE UNITED STATES OF AMERICA

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

VOLUME III

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., AUGUST 12, 1924

J42026

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Def'ts' Exhibits Nos. D-213 and D-214—Correspondence between W. A. Holman and Archibald Cox	2109	1128
Def'ts' Exhibit No. D-215—Report from C. S. Swallow, January 5, 1916	2111	1129
Def'ts' Exhibits Nos. D-216 and D-217—Correspondence between W. F. Floring and Mr. Stinson	2111½	1129
Def'ts' Exhibit No. D-218—Letter from A. D. Naylor to Mr. White, April 25, 1921	2112½	1130
Def'ts' Exhibit No. D-219—Letter from A. D. Naylor to Mr. Abbott, April 25, 1921	2113	1130
Def'ts' Exhibit No. D-220—Letter from A. D. Naylor to Mr. White, June 8, 1921	2113½	1131
Def'ts' Exhibit No. D-221—Letter from F. H. Smith to salesman, May 16, 1916	2114	1131
Def'ts' Exhibit No. D-222—Letter from Lawrence Portland Cement Co. to F. H. Smith, May 17, 1916	2114½	1131
Def'ts' Exhibits Nos. D-223 and D-224—Letters from R. A. Pruden to J. P. Maloney	2115	1132
Def'ts' Exhibit No. D-225—Letter from F. H. Smith to J. P. Maloney, February 1, 1917	2116	1132
Def'ts' Exhibit No. D-226—Letter from R. A. Pruden to Construction Supply Co., April 19, 1919	2116½	1133
Def'ts' Exhibit No. D-227—Telegram from Construction Supply Co. to Lawrence Cement Co., April 10, 1919	2117	1133
Def'ts' Exhibit No. D-228—Letter from B. F. Stradley to J. F. Twamley, July 6, 1916	2117½	1133
Def'ts' Exhibits Nos. D-229 to D-231—Correspondence between Pennsylvania Cement Co. and G. M. Clukas.	2118	1134
Def'ts' Exhibits Nos. D-232 to D-234—Correspondence between H. B. Brewster and E. P. Alker and H. B. Brewster	2120½	1135
Def'ts' Exhibits Nos. D-235 to D-237—Correspondence between E. B. Goode and T. F. McBride	2122	1136
Def'ts' Exhibits Nos. D-238 and D-239—Correspondence between P. L. Hayden and B. W. Kessel	2123½	1137
Def'ts' Exhibit No. D-240—Letter from D. H. MacFarland to W. A. Holman, April 7, 1919	2124½	1138
Def'ts' Exhibit No. D-241—Letter from J. R. Morron to Mr. MacFarland, April 10, 1919	2126	1139
Def'ts' Exhibit No. D-242—Letter from L. Larmont to Dexter Portland Cement Co., December 21, 1920	2126½	1140
Def'ts' Exhibit No. D-243—Letter from H. Y. to H. Wales Lines Co., December 29, 1920	2127	1140

	Original	Print
Def'ts' Exhibits Nos. D-244 and D-245—Correspondence between S. J. Fehnel and J. W. Ramsay	2127½	1140
Def'ts' Exhibits Nos. D-246 to D-248—Correspondence between J. W. Ramsay and J. A. Horner	2128½	1141
Def'ts' Exhibit No. D-249—Letter from C. H. Cox to P. E. Bradlee, May 31, 1921	2130	1142
Def'ts' Exhibit No. D-250—Letter from L. R. Beach to Mr. MacFarland, June 19, 1920	2131	1143
Def'ts' Exhibits Nos. D-260A to D-260S—Shipments monthly and annually of member companies, 1913-1921	2138	1145
Def'ts' Exhibit No. D 261—Shipments of all companies, 1913-1921	2157	1164
Def'ts' Exhibit No. 262—Average price realized per barrel for all companies, 1913-1921	2158	1165
Def'ts' Exhibits Nos. D-263A to D-263R—Individual statements showing coal used by each company, 1913-1921	2159	1166
Def'ts' Exhibits Nos. D-264A to D-264S—Individual statements showing cost per barrel monthly and annually by each company, 1913-1921	2177	1184
Def'ts' Exhibits Nos. D-265A to D-265I—Labor costs per barrel, monthly and annually, for all companies, 1913-1921	2196	1203
Def'ts' Exhibit No. D-266—Production for all companies annually, 1913-1921	2205	1212
Def'ts' Exhibit No. D-267—Hourly rates of labor, monthly and annually, for Alpha Portland Cement Co., 1913-1921	2206	1213
Def'ts' Exhibits Nos. D-268A to D-268S—Individual statements of selling expense and pay-roll for member companies, 1913-1921	2207	1214
Def'ts' Exhibits Nos. D-269A to D-269I—Selling expense and pay-roll for all companies, 1913-1921	2226	1233
Def'ts' Exhibits Nos. D-270A to D-270S—Individual financial statements of member companies, 1913-1921.	2235	1224
Def'ts' Exhibits Nos. D-271A to D-271I—Financial statements of all companies, 1913-1921	2254	1261
Def'ts' Exhibits Nos. D-272A to D-272D—Individual statements of expense for Atlas, Lehigh, Penn-Allen, and Coplay Portland Cement Companies, 1913-1921.	2263	1270
Def'ts' Exhibits Nos. D-273A to D-273S—Individual statements of cost of bags for member companies, 1913-1921	2267	1273
Def'ts' Exhibit No. D-274—Annual profit or loss on bags for all companies, 1913-1921	2286	1293
Def'ts' Exhibits Nos. D-275A to D-275S—Individual statements of age of mills and rock deposit supply of member companies	2287	1294

	Original	Print
Def'ts' Exhibits Nos. D-277A to D-277S—Individual statements of working capital for member companies, 1917-1921	2306	1313
Def'ts' Exhibit No. D-278—Working capital for all companies, 1917-1921	2325	1332
Def'ts' Exhibit No. D-279—Average price realized per barrel, all companies, 1913-1921	2326	1333
Def'ts' Exhibit No. D-285—Chart showing effect of war on prices of wholesale commodities	2329	1334
Def'ts' Exhibit No. D-286—Chart showing increase in price of coal as compared with increase in price of cement, 1913-1921	2330	1335
Def'ts' Exhibit No. D-292—Chart showing percentage of increase in labor cost and price of cement per barrel based on 1913	2331	1336
Def'ts' Exhibit No. D-293—Chart showing percentage of increase in price of coal and price of cement per barrel based on 1913	2332	1337
Def'ts' Exhibit No. D-294—Chart showing average hourly rates plant service of Alpha Portland Cement Co., 1913-1921	2333	1338
Def'ts' Exhibit No. D-295—Chart showing percentage of increase in selling cost and price of cement per barrel based on 1913	2334	1339
Def'ts' Exhibits Nos. D-296 to D-304—Charts showing average net prices received per barrel, 1913-1921	2335	1340
Def'ts' Exhibit No. D-305 to D-307—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, Allentown, Alpha, and Atlas	2344	1349
Def'ts' Exhibit No. D-308—Chart showing average receipts per barrel from sale of cement at mills and expense per barrel, Atlas Company, 1913-1921	2347	1352
Def'ts' Exhibit No. D-309—Chart showing various elements of expense of the Atlas Company, 1913-1921	2348	1352*a*
Def'ts' Exhibits Nos. D-310 and D-311—Charts showing aggregate receipts from sale of cement at mills and expense for Bath and Coplay Companies, 1913-1921	2349	1353
Def'ts' Exhibit No. D-312—Chart showing average receipts per barrel from sale of cement at mills and expense per barrel, 1913-1921, Coplay Company	2351	1355
Def'ts' Exhibits Nos. D-314 to D-321—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, for Dexter, Edison, Giant, Glens Falls, Hercules, Knickerbocker, Lawrence, and Lehigh Companies	2352	1356
Def'ts' Exhibit No. D-322—Chart showing average receipts per barrel from sale of cement at mills and expense per barrel, 1913-1921, Lehigh Company	2360	1364

	Original	Print
Def'ts' Exhibits Nos. D-324 and D-325—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, Nazareth and Penn-Allen Companies	2361	1365
Def'ts' Exhibit No. D-326—Chart showing average receipts per barrel from sale of cement at mills and expense, 1913-1921, Penn-Allen Company	2363	1367
Def'ts' Exhibits Nos. D-328 to D-331—Charts showing aggregate receipts from sale of cement at mills and expense, 1913-1921, Pennsylvania, Phœnix, Security, and Vulcanite Companies	2364	1368
Def'ts' Exhibit No. D-332—Chart showing aggregate receipts from sale of cement at mills and expense, all companies, 1913-1921	2368	1372
Def'ts' Exhibit No. D-333—Chart showing percentage of profits to aggregate receipts from sale of cement at mills, 1913-1921, all companies	2369	1373
Def'ts' Exhibits Nos. D-334 to D-352—Chart for each company showing profit and invested capital, 1913-1921	2370	1374
Def'ts' Exhibit No. D-353—Chart showing profit and invested capital, 1913-1921, all companies	2389	1393
Def'ts' Exhibit No. D-354—Chart showing percentage of return on invested capital, 1913-1921, all companies	2390	1394
Def'ts' Exhibit No. D-356—Chart showing net income plus interest paid in proportion to total investment.	2391	1395
Def'ts' Exhibit No. D-364—Chart showing profits on invested capital, 1913-1921	2392	1396
Def'ts' Exhibit No. D-365—Chart showing average receipts per barrel for sale of cement at mills and average expense per barrel, 1913-1921, all companies	2393	1397
Def'ts' Exhibit No. D-366—Chart showing profit and loss on bags, 1913-1921	2394	1398
Def'ts' Exhibit No. D-367—Chart graphically illustrating Government's Exhibits Nos. 373, 374	2395	1399
Def'ts' Exhibits Nos. D-368A to D-368E—Charts graphically illustrating Government's Exhibit No. 361, 1916-1920	2396	1400
Def'ts' Exhibits Nos. D-369A to D-369H—Charts graphically illustrating Government's Exhibit No. 377	2401	1405
Def'ts' Exhibits Nos. D-370A to D-370E—Charts graphically illustrating Government's Exhibits Nos. 382, 388, 390	2409	1413
Def'ts' Exhibit No. D-371—Fundamentals of a cost system for manufacturers, published by Federal Trade Commission, July 1, 1916	2414	1417
Def'ts' Exhibit No. D-372—Letter from E. N. Hurley to C. F. Conn, August 2, 1916	2419	1420

	Original	Print
Def'ts' Exhibit No. D-375—Address by E. N. Hurley, May 10, 1916	2420	1420
Def'ts' Exhibits Nos. D-376A to D-376F—Charts showing shipments in percentage of total each year based on 1916, 1913-1921	2430	1430
Def'ts' Exhibit No. D-377—Chart showing total commitments on specific job contracts at end of each month, August, 1918, to August, 1921	2436	1430
Def'ts' Exhibit No. D-378—Chart showing dates when changes were made effective by each company in the base price used by it in figuring most of its quotations, December 1, 1919, to December 31, 1920	2438	1430
Def'ts' Exhibit No. D-379—Letter from Allentown office to H. B. Shelly, January 13, 1916	2452	1430
Def'ts' Exhibit No. D-380—Letter from B. L. Swett to H. A. Swett, May 16, 1916	2452½	1431
Def'ts' Exhibits Nos. D-381 and D-382—Letters from B. L. Swett to A. M. Houser, May 17 and 16, 1916	2453	1431
Def'ts' Exhibit No. D-383—Letter from J. W. Ramsay to F. M. Hoover, July 26, 1916	2455	1433
Def'ts' Exhibit No. D-384—Letter from W. G. Dutton to Coplay Cement Mfg. Company, September 29, 1916	2455½	1434
Def'ts' Exhibit No. D-385—Letter from S. Tredennick to Allentown Portland Cement Co., January 31, 1917	2456½	1434
Def'ts' Exhibit No. D-386—Telegram from Allentown Portland Cement Co. to H. Wales Lines Co., February 1, 1917	2457	1435
Def'ts' Exhibit No. D-387—Letter from Allentown Portland Cement Co. to H. Wales Lines Co., February 1, 1917	2457½	1435
Def'ts' Exhibit No. D-388—Letter from Wm. Kraetz to E. P. Alker, September 11, 1916	2458	1435
Def'ts' Exhibit No. D-389—Letter from Pennsylvania Cement Co. to Wm. Kraetz, September 12, 1916	2459	1436
Def'ts' Exhibit No. D-390—Letter from Albert Moyer to Edw. Nennig, June 12, 1916	2459½	1436
Def'ts' Exhibit No. D-391—Letter from vice-president to B. F. Stradley, November 14, 1916	2460	1437
Def'ts' Exhibit No. D-392—Letter from B. L. Swett to Jos. Fraker, May 16, 1916	2460½	1437
Def'ts' Exhibit No. D-393—Letter from A. K. Widenor to E. P. Alker, August 15, 1916	2461½	1438
Def'ts' Exhibit No. D-394—Letter from Pennsylvania Cement Co. to A. K. Widenor, August 16, 1916	2462½	1439
Def'ts' Exhibit No. D-395—Letter from Mr. Smith to J. J. Maloney, October 27, 1916	2436	1439
Def'ts' Exhibit No. D-396—Letter from R. M. Hoe to W. A. Fuchs, July 7, 1916	2463½	1439
Def'ts' Exhibit No. D-397—Letter from W. A. Fuchs to Fred Kunkel, July 10, 1916	**2465**	**1440**

	Original	Print
Def'ts' Exhibit No. D-398—Letter from Fred Kunkel to W. A. Fuchs, July 15, 1916	2466	1441
Def'ts' Exhibit No. D-399—Letter from B. L. Swett to G. A. Morgan, February 5, 1917	2467	1442
Def'ts' Exhibit No. D-400—Letter from G. J. Bickel to G. A. Morgan, March 1, 1917	2467½	1442
Def'ts' Exhibits Nos. D-401 and D-402—Letters from G. J. Bickel to H. A. Swett, April 16 and 21, 1917	2468	1443
Def'ts' Exhibits Nos. D-403 and D-404—Letters from Allentown office to G. A. Morgan, March 12, 29, 1917.	2469½	1444
Def'ts' Exhibit No. D-405—Letter from Lehigh Portland Cement Company to Anibal & Karg, April 30, 1917	2470½	1445
Def'ts' Exhibit No. D-406—Letter from Allentown office to G. A. Morgan, May 11, 1917	2471½	1445
Def'ts' Exhibit No. D-407—Letter from B. L. Swett to H. A. Swett, August 6, 1917	2472	1446
Def'ts' Exhibit No. D-408—Letter from Allentown office to F. E. Smith, October 23, 1917	2472½	1446
Def'ts' Exhibit No. D-409—Letter from Virginia Portland Cement Co. to A. E. Smith, July 28, 1917	2473	1446
Def'ts' Exhibit No. D-410—Letter from B. L. Swett to A. M. Houser, May 17, 1916	2474	1447
Def'ts' Exhibit No. D-411—Letter from Allentown office to H. A. Swett, July 17, 1917	2474½	1448
Def'ts' Exhibit No. D-412—Letter from B. L. Swett to H. A. Swett, October 19, 1917	2475	1448
Def'ts' Exhibit No. D-413—Letter from J. W. Ramsay to J. A. Horner	2475½	1448
Def'ts' Exhibit No. D-414—Letter from L. E. Cover to J. K. Barbour, February 26, 1918	2476	1449
Def'ts' Exhibit No. D-415—Letter from Donahue to E. H. Button, March 28, 1918	2476½	1449
Def'ts' Exhibit No. D-416—Letter from Glens Falls Portland Cement Co. to E. H. Button, March 30, 1918	2477	1450
Def'ts' Exhibit No. D-417—Telegram from Donahue to Glens Falls Cement Co.	2477½	1450
Def'ts' Exhibit No. D-418—Telegram from J. W. Ramsay to Nazareth Cement Company, April 15, 1918	2478	1450
Def'ts' Exhibit No. D-419—Telegram from Nazareth Cement Company to J. W. Ramsay, April 16, 1918	2478½	1450
Def'ts' Exhibit No. D-420—Letter from Nazareth Cement Co. to J. B. Vandever, April 23, 1918	2479	1451
Def'ts' Exhibit No. D-421—Letter from J. W. Ramsay to S. J. Fehnel, April 26, 1918	2479½	1451
Def'ts' Exhibit No. D-422—Circular from Alpha Portland Cement Co., May 1, 1918	2480	1452
Def'ts' Exhibit No. D-423—Letter from F. H. Smith to R. A. Pruden, August 22, 1917	2481	1452

	Original	Print
Def'ts' Exhibit No. D-424—Letter from L. G. McConnell to D. H. MacFarland, July 26, 1917	2481½	1453
Def'ts' Exhibit No. D-425—Letter from D. H. MacFarland to C. A. Kimball, July 31, 1917	2483	1454
Def'ts' Exhibit No. D-426—Letter from J. W. Watkins to S. J. Fehnel, May 20, 1918	2484	1455
Def'ts' Exhibit No. D-427—Letter from F. M. Hoover to S. J. Fehnel, June 6, 1918	2484½	1455
Def'ts' Exhibit No. D-428—Letter from Vulcanite Portland Cement Co. to G. J. Bickel, July 9, 1918	2485	1456
Def'ts' Exhibit No. D-429—Circular from Alpha Portland Cement Co., July 15, 1918	2485½	1456
Def'ts' Exhibit No. D-430—Letter from L. G. McConnell to Mr. Holman, January 25, 1919	2486	1457
Def'ts' Exhibit No. D-431—Letter from L. E. Browning to B. L. Swett, March 27, 1918	2487	1457
Def'ts' Exhibit No. D-435—Salesman's report, Browning, Lehigh Company	2487½	1458
Def'ts' Exhibit No. D-436—Salesman's report, E. F. Stickles, Lehigh Company, March 22, 1919	2488½	1459
Def'ts' Exhibit No. D-437—Salesman's report, A. M. Houser, Lehigh Company, December 20, 1919	2489½	1460
Def'ts' Exhibit No. D-438—Letter from E. P. Alker to H. C. Merritt, April 29, 1920	2490½	1461
Def'ts' Exhibit No. D-439—Letter from C. W. Dennistion to Knickerbocker Portland Cement Co., October 21, 1919	2491	1462
Def'ts' Exhibit No. D-440—Letter from W. M. Floring to C. W. Dennistion, October 23, 1919	2491½	1462
Def'ts' Exhibit No. D-441—Letter from Nazareth sales office to the officers, February 19, 1920	2492	1463
Def'ts' Exhibit No. D-442—Memorandum from Army Construction Division, Washington, D. C., to National Surety Company, January 25, 1920	2492½	1463
Def'ts' Exhibit No. D-443—Letter from C. H. Cox to F. L. Leach, November 3, 1919	2493½	1464
Def'ts' Exhibit No. D-444—Salesman's report, Browning, Lehigh Company, April 29, 1918	2494	1464
Def'ts' Exhibit No. D-445—Letter from F. L. Leach to C. H. Cox, October 3, 1919	2495	1466
Def'ts' Exhibits Nos. D-446 and D-447—Correspondence between P. E. Bradlee and C. H. Cox	2496	1466
Def'ts' Exhibit No. 448—Letter from J. W. Ramsay to F. M. Hoover, January 6, 1920	2497	1467
Deft's' Exhibit No. D-449—Letter from J. W. Stinson to W. M. Floring, July 30, 1919	2498	1468
Def'ts' Exhibit No. D-450—Letter from C. H. Cox to P. E. Bradlee, May 9, 1919	2499	1468
Def'ts' Exhibit No. D-451—Salesman's report, F. L. Leach, Lehigh Company, August 24, 1918	2499½	1469

	Original	Print
Def'ts' Exhibit No. D-452—Letter from Glens Falls Portland Cement Co. to Saratoga Coal Co., March 22, 1918	2500½	1470
Def'ts' Exhibit No. D-453—Salesman's report, D. A. Gray, Lehigh Co., May 7, 1921	2501	1470
Def'ts' Exhibit No. D-454—Salesman's report, P. B. Evans, Lehigh, June 25, 1921	2502	1471
Def'ts' Exhibit No. D-455—Estimate of values of defendants' properties in 1919	2502½	1472
Def'ts' Exhibit No. D-456—Chart showing net earnings of defendant companies as compared to average net earnings on similar investments, 1918-1920	2503	1472
Def'ts' Exhibit No. D-457—Chart showing profits of defendants as compared with replacement value working capital and rock deposit, 1919 and 1920	2504	1472
Def'ts' Exhibits Nos. D-458 and D-459—Salesman's reports, F. L. Leach, Lehigh Company, August 31, 1918, and January 4, 1919	2505	1472
Def'ts' Exhibit No. 460—Salesman's report, L. S. Pricher, Lehigh Company, August 24, 1918	2506½	1474
Def'ts' Exhibit No. D-461—Circular from Lehigh Portland Cement Co., October 5, 1918	2507½	1475
Def'ts' Exhibit No. D-462—Letter from J. W. Ramsay to J. A. Horner, October 15, 1918	2510	1477
Def'ts' Exhibit No. D-463—Letter from Nazareth Cement Company to F. M. Hoover, March 27, 1919	2510½	1478
Def'ts' Exhibit No. D-464—Letter from J. A. Horner to J. W. Ramsay, April 10, 1919	2511	1478
Def'ts' Exhibit No. D-465—Letter from McAllister to H. A. Moore, January 8, 1919	2511½	1478
Def'ts' Exhibit No. D-466—Letter from W. J. Grosvenor to R. L. Cope, June 7, 1919	2512½	1479
Def'ts' Exhibit No. D-467—Letter from F. W. Douglas to Lehigh Portland Cement Co., August 1, 1919	2513	1480
Def'ts' Exhibit No. D-468—Letter from C. H. Cox to P. E. Bradlee, August 7, 1919	2513½	1480
Def'ts' Exhibit No. D-469—Letter from W. M. Floring to Mr. Abbott et al., September 16, 1919	2514	1480
Def'ts' Exhibit No. D-470—Salesman's report, J. Fraser, Lehigh Company, June 28, 1919	2514½	1481
Def'ts' Exhibits Nos. D-471, D-472, D-473—Circulars from Lehigh Portland Cement Co	2516	1482
Def'ts' Exhibit No. D-474—Letter from C. H. Cox to P. E. Bradlee, January 12, 1920	2518½	1484
Def'ts' Exhibits Nos. D-475, D-476, D-477, D-478, and D-479—Circulars from Lehigh Portland Cement Co.	2519	1484
Def'ts' Exhibit No. D-480—Letter from J. W. Stinson to A. D. Naylor, January 8, 1920	2525	1490
Def'ts' Exhibit No. D-481—Letter from A. D. Naylor to Mr. Floring, January 10, 1920	2526	1491

	Original	Print
Def'ts' Exhibit No. D-482—Letter from G. M. Clukas to E. P. Alker, November 4, 1920	2527	1492
Def'ts' Exhibit No. D-483—Letter from E. P. Alker to S. G. Taylor, November 4, 1920	2527½	1492
Def'ts' Exhibit No. D-484—Night letter from Nazareth Cement Company, April 7, 1920	2528	1493
Def'ts' Exhibit No. D-485—Letter from B. F. Abbott to A. D. Naylor, October 24, 1920	2528½	1493
Def'ts' Exhibits Nos. D-486 and D-487—Letters from C. H. Cox to P. E. Bradlee, October 23, 1920, September 20, 1920	2529	1493
Def'ts' Exhibit No. D-488—Salesman's report, C. H. Kent, Lehigh Company, April 3, 1920	2530½	1494
Def'ts' Exhibit No. D-489—Salesman's report, Browning, Lehigh Company, March 6, 1920	2532	1495
Def'ts' Exhibit No. D-490—Salesman's report, C. S. Wheat, Lehigh Company, July 5, 1919	2533½	1496
Def'ts' Exhibit No. D-491—Letter from E. P. Alker to H. C. Merritt, August 27, 1920	2534½	1497
Def'ts' Exhibit No. D-492—Circular from Security Cement and Lime Co., June 3, 1920	2535	1497
Def'ts' Exhibit D-493—Letter from F. B. Ward to S. N. Peters, September 10, 1920	2536	1498
Def'ts' Exhibit No. D-494—Letter from S. N. Peters to A. J. Barnes, September 13, 1920	2537	1499
Def'ts' Exhibit No. D-495—Letter from C. S. Stitzel to Dexter Portland Cement Co., April 10, 1920	2538	1499
Def'ts' Exhibit No. D-496—Letter from Nazareth Cement Company to J. W. Ramsay, December 3, 1920	2538½	1500
Def'ts' Exhibit No. D-497—Letter from W. M. Floring to Mr. Feeks, November 18, 1920	2539	1500
Def'ts' Exhibit No. D-499—Letter from G. P. James to Mr. Dyer, June 19, 1920	2540	1501
Def'ts' Exhibit No. D-500—Letter from H. A. Moore to E. P. Alker, January 27, 1921	2540½	1501
Def'ts' Exhibit No. D-501—Letter from H. B. Warner to H. S. Rayner, February 3, 1921	2541½	1502
Def'ts' Exhibit No. D-502—Letter from H. S. Rayner to H. B. Warner, February 2, 1921	2542	1502
Def'ts' Exhibits Nos. D-503 and D-504—Letters from sales manager to salesman Lawrence Cement Company	2542½	1503
Def'ts' Exhibit No. D-505—Letter from R. A. Pruden to salesman, March 1, 1921	2543½	1503
Def'ts' Exhibit No. D-506—Letter from H. A. Meech to A. J. Stanford, February 15, 1921	2544	1504
Def'ts' Exhibit No. D-507—Letter from A. J. Stanford to H. A. Meech, February 16, 1921	2544½	1504
Def'ts' Exhibit No. D-508—Letter from W. M. Floring to Mr. Feeks, February 10, 1921	2545	1504

	Original	Print
Defts' Exhibit No. D-509—Letter from Nazareth Cement Company to J. W. Ramsay, March 8, 1921	2545½	1505
Defts' Exhibit No. D-510—Letter from B. W. Kessel to *Mr. Child, March 28, 1921*	2547	1505
Defts' Exhibit No. D-511—Letter from C. H. Cox to P. E. Bradlee, March 26, 1921	2547½	1505
Defts' Exhibit No. D-512—Letter from W. M. Floring to A. D. Naylor, May 2, 1921	2548	1506
Defts' Exhibit No. D-513—Letter from F. H. Smith to salesman, May 2, 1921	2548½	1506
Defts' Exhibit No. D-514—Letter from C. E. Tileston to G. F. Bayle, April 28, 1921	2459	1507
Defts' Exhibit No. D-515—Letter from G. F. Bayle to C. E. Tileston, April 29, 1921	2550	1507
Defts' Exhibit No. D-516—Letter from A. D. Naylor to J. W. Stinson, June 9, 1921	2551	1508
Defts' Exhibits Nos. D-517A to D-517S—Summary of files of invoices, correspondence, etc., showing trade practices of defendant companies	2551½	1508
Defts' Exhibits Nos. D-518A to D-518D—Charts illustrating Exhibits D-517A to D-517S, re trade practices	2690	1648
Defts' Exhibit No. D-538—Letter from A. De Navarro to Thorn & Hunkins Lime & Cement Co., June 3, 1901	2696	1648
Defts' Exhibit No. D-539—Letter from J. R. Morron to L. R. Burch, January 24, 1920	2696½	1648
Defts' Exhibit No. D-540—Letter from C. H. Cox to M. J. Frostholm, November 5, 1920	2697½	1649
Defts' Exhibit No. D-541—Letter from E. P. Alker to H. A. Moore, December 8, 1920	2698	1649
Defts' Exhibit No. D-542—Letter from C. H. Cox to M. J. Frostholm, November 11, 1920	2698½	1650
Defts' Exhibit No. D-543—Letter from E. P. Alker to G. M. Clukas, November 6, 1920	2699	1650
Defts' Exhibit No. D-544—Letter from L. Learmont to Dexter Portland Cement Co., December 13, 1920	2699½	1650
Defts' Exhibit No. D-545—Letter from H. F. to H. Wales Lines Co., December 18, 1920	2702½	1651
Defts' Exhibit No. D-546—Salesman's report, Henry, Lehigh Co., December 18, 1920	2703	1652
Defts' Exhibit No. D-547—Telegram from Speight to Pennsylvania Cement Co., February 3, 1921	2704	1653
Defts' Exhibits Nos. D-548 and D-549—Letters from H. A. Moses to L. R. C. Speights	2704½	1653
Defts' Exhibit No. D-550—Letter from W. L. Sperry to Lawrence Cement Co., January 28, 1921	2705½	1654
Defts' Exhibit No. D-551—Letter from R. A. Wetzler to Mr. Mathesius et al., February 8, 1921	2706	1654

	Original	Print
Def'ts' Exhibit No. D-552—Letter from H. B. Warner to H. S. Rayner, February 2, 1921	2707	1655
Def'ts' Exhibit No. D-553—Letter from H. A. Moore to E. P. Alker, January 28, 1921	2708	1656
Def'ts' Exhibit No. D-554—Salesman's report, J. L. Hall, Lehigh Company, February 5, 1921	2709	1657
Def'ts' Exhibit No. D-555—Letter from Nazareth Cement Company to J. W. Ramsay, February 8, 1921	2710½	1658
Def'ts' Exhibit No. D-556—Letter from J. W. Ramsay to S. J. Fehnel, March 7, 1921	2711	1658
Def'ts' Exhibit No. D-557—Letter from R. A. Wetzler to Messrs. Furbush et al., March 8, 1921	2711½	1658
Def'ts' Exhibit No. D-558—Letter from G. S. Stage to Dexter Portland Cement Co., March 9, 1921	2712	1659
Def'ts' Exhibit No. D-559—Letter from H. G. to Erie Contractors Supply Co., March 16, 1921	2712½	1659
Def'ts' Exhibit No. D-560—Letter from F. A. S. to Messrs. Bigbee et al., March 28, 1921	2713	1659
Def'ts' Exhibit No. D-561—Circular from Edison Portland Cement Co., March 29, 1921	2713½	1660
Def'ts' Exhibit No. D-562—Letter from R. A. Wetzler to W. B. Brigg, March 5, 1921	2716	1660
Def'ts' Exhibits Nos. D-563 and D-564—Correspondence between H. Wales Lines Co. and Dexter Portland Cement Co	2717½	1662
Def'ts' Exhibit No. D-565—Letter from A. D. Naylor to Mr. White, April 9, 1921	2719	1663
Def'ts' Exhibit No. D-566—Letter from A. D. Naylor to W. M. Floring, May 5, 1921	2720	1664
Def'ts' Exhibit No. D-567—Letter from A. D. Naylor to Mr. Stinson, May 5, 1921	2720½	1664
Def'ts' Exhibits Nos. D-568 and D-569—Letters from C. N. Apgar to J. J. Collister, December 9 and 16, 1920	2721	1664
Def'ts' Exhibit No. D-570—Letter from Atlas Portland Cement Co. to C. N. Apgar, December 13, 1920	2724	1667
Def'ts' Exhibit No. D-571—Letter from W. F. Clark to J. J. Collister, December 14, 1920	2725	1668
Def'ts' Exhibits Nos. D-572 and D-573—Correspondence between C. N. Apgar and J. J. Collister	2725½	1668
Def'ts' Exhibits Nos. D-574 and D-575—Correspondence between W. F. Clark and J. J. Collister	2727½	1669
Def'ts' Exhibit No. D-576—Letter from C. N. Apgar to J. J. Collister, January 3, 1921	2729	1671
Def'ts' Exhibits Nos. D-577 and D-578—Correspondence between W. F. Clark and J. J. Collister	2730	1671
Def'ts' Exhibits Nos. D-579 and D-580—Correspondence between W. F. Clark and G. M. Crossland	2731	1672
Def'ts' Exhibits Nos. D-581 and D-582—Letters from W. F. Clark to C. N. Apgar, August 16 and 19, 1921	2733½	1674

	Original	Print
Def'ts' Exhibit No. D-583—Summary of Coats & Burchard Company's appraisal of Lehigh's plants as of August, 1920	2734½	1675
Def'ts' Exhibit No. D-584—Letter from H. M. Scott to Robert Cope, September 16, 1919	2735	1676
Def'ts' Exhibit No. D-585—Letter from A. H. Moses to A. F. Bendel, September 18, 1919	2737½	1677
Def'ts' Exhibit No. D-586—Invoices from Security Cement and Lime Co. to Tidewater Portland Cement Co.	2738	1678
Def'ts' Exhibit No. D-587—Invoices from Hercules Cement Corporation to Bath Portland Cement Co	2741½	1685
Def'ts' Exhibits Nos. D-588 and D-589—Letters from J. F. Twamley to F. B. Franks, July 18 and 22, 1918	2743½	1686
Def'ts' Exhibit No. D-590—Letter from R. S. Weaver to C. H. Breerwood, December 22, 1919	2744½	1687
Def'ts' Exhibit No. D-591—Letter from C. H. Breerwood to Allentown Portland Cement Co., December 23, 1919	2745½	1687
Def'ts' Exhibit No. D-592—Letter from C. H. Breerwood to J. W. Fuller, August 4, 1920	2746½	1688
Def'ts' Exhibit No. D-593—Letter from A. B. Daniels to B. L. Swett, August 28, 1919	2748½	1689
Def'ts' Exhibit No. D-594—Letter from B. L. Swett to Knickerbocker Portland Cement Co., August 28, 1919	2749	1689
Def'ts' Exhibit No. D-595—Letter from J. Bowen to Knickerbocker Portland Cement Co., August 30, 1919	2750½	1691
Def'ts' Exhibit No. D-596—Letter from B. L. Swett to A. B. Daniels, September 12, 1919	2751½	1691
Def'ts' Exhibits Nos. D-597 and D-598—Correspondence between B. L. Swett and A. D. Naylor	2752½	1692
Def'ts' Exhibit No. D-599—Letter from Giant Portland Cement Co. to Sorco Pipe & Supply Co., January 9, 1920	2753½	1692
Def'ts' Exhibit No. D-600—Letter from A. H. Moses to Clarksburg Coal Sales Co., February 2, 1920	2754	1693
Def'ts' Exhibit No. D-601—Letter from Clarksburg Coal Sales Co. to Edison Portland Cement Co., January 30, 1920	2754½	1694
Def'ts' Exhibit No. D-602—Letter from A. H. Moses to Benjamin Bissell, February 4, 1920	2755	1964
Def'ts' Exhibits Nos. D-603 and D-604—Telegrams from A. H. Moses to Davis Coal Co., March 10, 1920, and February 23, 1920	2755½	1695
Def'ts' Exhibit No. D-605—Letter from Edison Portland Cement Co. to Bixler Coal & Coke Co., February 25, 1920	2756½	1696

	Original	Print
Def'ts' Exhibit No. D-606—Letter from A. H. Moses to Operators' Fuel Co., March 9, 1920	2757	1696
Def'ts' Exhibit No. D-607—Letter from A. H. Moses to Fisher Summit Coal Co., March 8, 1920	2757½	1697
Def'ts' Exhibit No. D-608—Letter from A. H. Moses to Moore & Co., Inc., March 24, 1920	2758	1697
Def'ts' Exhibit No. D-609—Letter from Giant Portland Cement Co. to P. & R. R. R. Co., February 19, 1920	2758½	1697
Def'ts' Exhibit No. D-610—Circular from Security Cement & Lime Co., February 21, 1920	2759½	1698
Def'ts' Exhibit No. D-611—Letter from Giant Portland Cement Company to American Hardware & Equipment Co., February 23, 1920	2760½	1699
Deft's Exhibit No. D-612—Letter from Phœnix Portland Cement Co. to Commonwealth Fuel Co., March 1, 1920	2761	1699
Def'ts' Exhibit No. D-613—Letter from J. E. Long to Penn-Allen Cement Co., March 1, 1920	2761½	1699
Def'ts' Exhibit No. D-614—Letter from S. N. Peters to W. P. Rogers, March 3, 1920	2762½	1700
Def'ts' Exhibit No. D-615—Letter from Giant Portland Cement Co. to Thomas Hardware Co., March 3, 1920	2763½	1700
Def'ts' Exhibit No. D-616—Letter from Phœnix Portland Cement Co .to George Paull, March 6, 1920	2764	1701
Def'ts' Exhibit No. D-617—Letter from S. N. Peters to F. T. Brinkley, March 17, 1920	2764½	1701
Def'ts' Exhibits Nos. D-618 and D-619—Correspondence between Geo. W. Pack & Son, Inc., and Bath Portland Cement Co	2765	1701
Def'ts' Exhibit No. D-620—Letter to Wm. C. Mallonee, March 18, 1920	2766	1702
Def'ts' Exhibit No. D-621—Telegram from S. N. Peters to W. C. Mallonee, March 18, 1920	2767	1703
Def'ts' Exhibits Nos. D-622 and D-623—Correspondence between Bath Portland Cement Co. and Hendrickson and Dilatush	2767½	1703
Def'ts' Exhibit No. D-624—Telegram from Bath Portland Cement Co. to C. T. Kingsbury, April 24, 1920.	2768½	1704
Def'ts' Exhibit No. D-625—Letter from Bath Portland Cement Co. to W. J. Kenlon, May 3, 1920	2769	1704
Def'ts' Exhibit No. D-626—Letter from W. J. Kenlon to W. G. Dutton, May 1, 1920	2769½	1704
Def'ts' Exhibit No. D-627—Telegram from Giant Portland Cement Company to C. R. Capps, May 3, 1920	2770	1705
Def'ts' Exhibit No. D-628—Telegram from C. R. Capps to Giant Portland Cement Co., May 4, 1920	2770½	1705
Def'ts' Exhibit No. D-629—Telegram from George Paull to L. C. Morton, May 5, 1920	2771	1705

	Original	Print
Def'ts' Exhibit No. D-630—Telegram from L. C. Morton to George Paull, May 6, 1920	2771½	1706
Def'ts' Exhibit No. D-631—Telegram from George Paull to L. C. Morton, May 6, 1920	2772	1706
Def'ts' Exhibit No. D-632—Telegram from Commonwealth Fuel Co. to L. C. Morton, May 7, 1920	2772½	1706
Def'ts' Exhibit No. D-633—Telegram from Geo. Paull to L. C. Morton, May 10, 1920	2773	1706
Def'ts' Exhibit No. D-634—Telegram from Commonwealth Fuel Co. to L. C. Morton, May 12, 1920	2773½	1707
Def'ts' Exhibit No. D-635—Letter from Bath Portland Cement Co. to Ohio Coal & Supply Co., May 18, 1920	2774	1707
Def'ts' Exhibit No. D-636—Letter from F. B. Franks to Louis Rafetto, May 22, 1920	2775	1708
Def'ts' Exhibit No. D-637—Circular from Alpha Portland Cement Co	2775½	1708
Def'ts' Exhibit No. D-638—Tabulation showing percentage of total cash dividends bear to replacement value, working capital, and rock deposit	2779	1708
Def'ts' Exhibit No. D-639—Tabulation showing percentage of dividends to total capitalization, 1913-1921	2780	1708
Def'ts' Exhibit No. D-640—Tabulation showing replacement value, working capital, rock deposit, and percentage of net earnings to total reported to Government, 1919-1920	2789	1708
Def'ts' Exhibit No. D-641—Tabulation showing some instances wherein specific job contract reports show contracts at the same delivery point at different prices on approximately the same date	2790	1708
Def'ts' Exhibit No. D-642—Telegram from Lehigh Portland Cement Co. to office, October 19, 1916	2835	1709
Def'ts' Exhibit No. D-643—Letter from R. E. Griffith to S. N. Peters, October 20, 1919	2835½	1709
Def'ts' Exhibit No. D-644—Letter from L. V. Costello to D. H. MacFarland, October 20, 1916	2836	1709
Def'ts' Exhibit No. D-645—Letter from A. L. Stark to C. A. Kimball, October 20, 1916	2836½	1710
Def'ts' Exhibits Nos. D-646 and D-647—Price memorandums, Atlas Portland Cement Co., October 20, 1916	2837	1710
Def'ts' Exhibit No. D-648—Memorandum from L. G. McConnell to Atlas Portland Cement Co., November 13, 1916	2838½	1711
Def'ts' Exhibit No. D-649—Telegram from Atlas Portland Cement Co. to Atlas Portland Cement Co., November 13, 1916	2839	1712
Def'ts' Exhibit No. D-650—Letter from F. B. M. to Atlas Portland Cement Co., November 13, 1916	2839½	1712

	Original	Print
Def'ts' Exhibit No. D-651—Letter from Coplay Cement Mfg. Co. to Mr. Dutton, November 21, 1916	2840½	1713
Def'ts' Exhibit No. D-652—Telegram from Lehigh Portland Cement Co. to L. E. Browning, January 12, 1917	2841	1713
Def'ts' Exhibit No. D-653—Price memorandum, Atlas Portland Cement Co., January 15, 1917	2841½	1714
Def'ts' Exhibit No. D-656—Telegram from R. E. Griffith to Giant Portland Cement Co., January 15, 1917	2845	1717
Def'ts' Exhibit No. D-657—Letter from Nazareth Cement Co. to J. W. Ramsay, January 16, 1917	2845½	1717
Def'ts' Exhibit No. D-658—Salesman's report, H. A. Swett, Lehigh Co., February 24, 1917	2846	1717
Def'ts' Exhibit No. D-659—Letter from F. B. M. to The Atlas Portland Cement Co., March 17, 1917	2847	1718
Def'ts' Exhibit No. D-660—Telegram from Lehigh Portland Cement Co. to Herbert Gray, March 26, 1917	2847½	1719
Def'ts' Exhibit No. D-661—Telegram from R. E. Griffith to Giant Portland Cement Co., March 27, 1917	2848	1719
Def'ts' Exhibits Nos. D-662 and D-663—Telegrams between D. H. MacFarland and L. G. McConnell	2848½	1719
Def'ts' Exhibit No. D-664—Letter from L. G. McConnell to Mr. McKenna, May 4, 1917	2849½	1720
Def'ts' Exhibit No. D-665—Telegram from W. E. Erdell to E. G. Brick, March 20, 1918	2850½	1720
Def'ts' Exhibit No. D-666—Letter from Penn-Allen to W. B. Abbey, March 20, 1918	2851	1721
Def'ts' Exhibit No. D-667—Telegram from R. E. Griffith to S. N. Peters, March 20, 1918	2851½	1721
Def'ts' Exhibit No. D-668—Letter from Alpha Portland Cement Co. to Alpha Portland Cement Co., March 21, 1918	2852	1721
Def'ts' Exhibit No. D-669—Letter from F. M. Coogan to Mr. Kent, March 21, 1918	2852½	1721
Def'ts' Exhibit No. D-670—Letter from F. M. Coogan to Mr. Santee, March 21, 1918	2853	1722
Def'ts' Exhibit No. D-671—Representatives notice No. 80, March 21, 1918	2853½	1722
Def'ts' Exhibit No. D-672—Telegram from Lehigh Portland Cement Co. to W. W. Harder, March 22, 1918	2854½	1723
Def'ts' Exhibit No. D-673—Letter from F. H. Smith to Lawrence Cement Co., March 23, 1918	2855	1723
Def'ts' Exhibit No. D-674—Letter from E. B. Goode to P. A. Holcombe, April 4, 1918	2855½	1724
Def'ts' Exhibit No. D-675—Letter from S. Tredennick to R. L. Cope, April 24, 1918	2856½	1725

	Original	Print
Def'ts' Exhibit No. D-676—Letter from R. L. Cope to H. Wales Lines Co., April 25, 1918	2858	1726
Def'ts' Exhibit No. D-677—Telegram from A. T. Reynolds to Pennsylvania Cement Co., June 13, 1918	2859	1726
Def'ts' Exhibit No. D-678—Letter from Giant Portland Cement Co. to Windsor Cement Co., April 3, 1918	2859½	1727
Def'ts' Exhibit No. D-679—Letter from J. R. Morron to cement companies, January 9, 1919	2860	1727
Def'ts' Exhibit No. D-680—Letter from R. L. Humphrey to J. R. Morron, December 19, 1918	2860½	1727
Def'ts' Exhibit No. D-681—Letter from B. M. Baruch to J. R. Morron, December 18, 1918	2861½	1728
Def'ts' Exhibit No. D-682—Letter from J. R. Morron to Mr. MacFarland, January 30, 1920	2862½	1729
Def'ts' Exhibit No. D-683—Letter to Mr. MacFarland, February 16, 1920	2863½	1730
Def'ts' Exhibit No. D-685—Circular from The Atlas Portland Cement Co., April 11, 1919	2865	1730
Def'ts' Exhibit No. D-686—Circular from The Lehigh Portland Cement Co., April 14, 1919	2866	1731
Def'ts' Exhibit No. D-687—Letter from J. R. Morron to D. H. MacFarland, June 14, 1919	2867	1732
Def't's Exhibit No. D-688—Letter from R. A. Wetzler to Mr. Whitton, December 26, 1919	2868	1733
Def'ts' Exhibits Nos. D-689 and D-690—Telegrams from Atlas Portland Cement Co. to Atlas Portland Cement Co., December 15 and 18, 1919	2869	1733
Def'ts' Exhibits Nos. D-691 and D-692—Letters from F. G. Conkling to L. G. McConnell, December 15 and 16, 1919	2870	1734
Def'ts' Exhibit No. D-693—Bulletin from Giant Portland Cement Co., December 20, 1919	2871	1735
Def'ts' Exhibit No. D-694—Letter from W. D. Cloos to Mr. Wetzler, January 9, 1920	2872	1735
Def'ts' Exhibit No. D-695—Salesman's report, Browning, Lehigh Company, December 20, 1919	2873	1736
Def'ts' Exhibits Nos. D-697 and D-698—Letters from J. R. Morron to D. H. MacFarland, January 24, and February 4, 1920	2874	1737
Def'ts' Exhibit No. D-699—Letter from J. F. Forsyth to Atlas Portland Cement Co., March 10, 1920	2876	1739
Def'ts' Exhibit No. D-700—Letter from H. F. D. to F. B. McKenna, March 13, 1920	2877	1739
Def'ts' Exhibit No. D-701—Letter from W. G. Dutton to A. E. La Roche, May 26, 1920	2878	1740
Def'ts' Exhibit No. D-702—Letter from J. H. Porter to S. N. Peters, June 1, 1920	2879	1741
Def'ts' Exhibit No. D-703—Letter from S. N. Peters to Carolina Building Material Co., June 4, 1920	2880	1741

	Original	Print
Def'ts' Exhibit No. D-704—Letter from W. G. Dutton to J. P. Stewart, June 3, 1920	2881	1742
Def'ts' Exhibit No. D-705—Letter from W. S. Dutton to Quinlan & Robertson, Inc., June 4, 1920	2882	1742
Def'ts' Exhibit No. D-706—Letter from A. E. Le Roche to Bath Portland Cement Co., June 2, 1920	2883	1743
Def'ts' Exhibit No. D-707—Letter from B. F. Abbott to Mr. Naylor, June 10, 1920	2884	1744
Def'ts' Exhibit No. D-708—Letter from A. D. Naylor to Mr. White, June 15, 1920	2885	1745
Def'ts' Exhibit No. D-709—Letter from A. D. Naylor to Mr. Wasson, June 16, 1920	2886	1745
Def'ts' Exhibit No. D-710—Letter from O. E. Wasson to Knickerbocker Portland Cement Co., Inc., June 15, 1920	2887	1746
Def'ts' Exhibit No. D-711—Letter from S. N. Peters to J. H. Wickersham, July 1, 1920	2888	1747
Def'ts' Exhibit No. D-712—Letter from F. B. Franks to Louis Rafetto, July 2, 1920	2889	1749
Def'ts' Exhibit No. D-713—Letter from W. P. Dutton to C. M. Schaeffer, July 2, 1920	2890	1748
Def'ts' Exhibit No. D-714—Letter from B. J. White to Mr. Naylor, July 2, 1920	2891	1749
Def'ts' Exhibit No. D-715—Letter from A. D. Naylor to A. R. Miller, Jr., July 6, 1920	2892	1750
Def'ts' Exhibit No. D-716—Telegram from A. R. Miller, Jr., to A. D. Naylor, July 3, 1920	2893	1750
Def'ts' Exhibit No. D-717—Letter from F. B. Franks to B. & O. R. R. Co., July 7, 1920	2893	1750
Def'ts' Exhibit No. D-718—Letter from A. N. G. to O. W. Stager, July 7, 1920	2894	1751
Def'ts' Exhibit No. D-719—Letter from A. N. G. to R. C. Morse, July 7, 1920	2895	1752
Def'ts' Exhibit No. D-720—Letter from A. D. Naylor to J. J. McCann, August 10, 1920	2896	1753
Def'ts' Exhibits Nos. D-721 and D-722—Correspondence between A. D. Naylor and Mr. Wasson	2897	1753
Def'ts' Exhibit No. D-723—Letter from J. T. Phelan to J. W. Fuller, August 20, 1920	2899	1754
Def'ts' Exhibit No. D-724—Letter from F. G. Robbins to Giant Portland Cement Co., October 9, 1920	2900	1755
Def'ts' Exhibit No. D-725—Letter from O. W. Stager to R. C. Lea, October 23, 1920	2901	1755
Def'ts' Exhibit No. D-726—Letter from R. A. Wetzler to C. M. Edwards, March 1, 1920	2902	1756
Def'ts' Exhibit No. D-727—Letter from J. A. Feeks to A. D. Naylor, March 4, 1920	2903	1756
Def'ts' Exhibit No. D-728—Letter from R. A. Wetzler to Mr. Furbush, March 30, 1920	2904	1757

	Original	Print
Def'ts' Exhibit No. D-729—Telegram from Dexter Portland Cement Co., April 7, 1920	2905	1757
Def'ts' Exhibit No. D-730—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., April 7, 1920	2906	1758
Def'ts' Exhibit No. D-731—Letters from S. N. Peters to Giant Portland Cement Co., April 7, 1920	2906	1758
Def'ts' Exhibit No. D-732—Letter from W. G. Dutton to W. J. Kenlon, April 7, 1920	2907	1758
Def'ts' Exhibit No. D-733—Telegram from Pennsylvania Cement Co. to W. H. Watson, April 7, 1920	2908	1759
Def'ts' Exhibit No. D-734—Price memorandum of The Edison Portland Cement Co., April 8, 1920	2909	1759
Def'ts' Exhibit No. D-735—Letter from W. A. M. to F. B. McKenna, April 7, 1920	2910	1760
Def'ts' Exhibit No. D-736—Letter from L. R. Burch to J. R. Morron, April 8, 1920	2910	1760
Def'ts' Exhibit No. D-737—Salesman's report, Wm. H. Jones, Atlas Company, April 8, 1920	2911	1761
Def'ts' Exhbit No. D-738—Letter from A. H. S., April 8, 1920	2911	1761
Def'ts' Exhibit No. D-739—Letter from The Atlas Portland Cement Company to dealers, April 8, 1920	2912	1761
Def'ts' Exhibit No. D-740—Letter from Atlas Portland Cement Co. to L. G. McConnell, April 9, 1920	2913	1762
Def'ts' Exhibit No. D-741—Letter from R. A. Pruden to F. H. Smith, April 8, 1920	2914	1763
Def'ts' Exhibit No. D-742—Letter from Coplay Cement Mfg. Co. to W. G. Zipp, April 9, 1920	2914	1763
Def'ts' Exhibit No. D-743—Letter from Coplay Cement Mfg. Co. to L. R. Cutler, April 9, 1920	2915	1763
Def'ts' Exhibit No. D-744—Letter from C. H. Cox to S. R. Kepner & Co., April 16, 1920	2916	1764
Def'ts' Exhibit No. D-745—Letter from S. N. Peters to Giant Portland Cement Co., April 17, 1920	2916	1764
Def'ts' Exhibit No. D-746—Letter from E. B. Goode to sales force, May 3, 1920	2917	1764
Def'ts' Exhibit No. D-747—Letter from J. W. Ramsay to J. A. Horner, May 29, 1920	2918	1765
Def'ts' Exhibit No. D-748—Letter from F. A. Weibel to salesman, June 16, 1920	2919	1765
Def'ts' Exhibit No. D-749—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., June 8, 1920	2919	1766
Def'ts' Exhibit No. D-750—Circular from Edison Portland Cement Co., June 21, 1920	2920	1766
Def'ts' Exhibit No. D-751—Letter from Atlas Portland Cement Co. to L. R. Burch, June 19, 1920	2921	1766
Def'ts' Exhibit No. D-752—Telegram from F. A. Boeye to Atlas Portland Cement Co., June 18, 1920	2922	1767

	Original	Print
Def'ts' Exhibit No. D-753—Letter from W. M. Floring to "Our Customers," June 18, 1920	2923	1767
Def'ts' Exhibit No. D-754—Letter from M. C. Wall to Mr. Van Wagner, June 21, 1920	2924	1767
Def'ts' Exhibit No. D-755—Letter from Atlas Portland Cement Co. to Mr. Burch, June 21, 1920	2924	1768
Def'ts' Exhibit No. D-756—Letter from L. G. McConnell to L. R. Burch, June 22, 1920	2925	1768
Def'ts' Exhibit No. D-757—Salesman's report, W. H. Jones, Atlas Co., June 23, 1920	2926	1768
Deft's' Exhibits Nos. D-758 and D-759—Letters from L. G. McConnell to eastern districts, June 23 and 24, 1920	2926	1769
Deft's' Exhibit No. D-760—Letter from S. N. Peters to Giant Portland Cement Co., June 22, 1920	2928	1769
Def'ts' Exhibit No. D-761—Letter from D. S. MacKenzie to C. H. Cox, June 21, 1920	2929	1770
Def'ts' Exhibit No. D-762—Letter from C. H. Cox to Donald MacKenzie, June 22, 1920	2930	1770
Def'ts' Exhibit No. D-763—Letter from E. B. Goode to sales force, June 23, 1920	2931	1771
Def'ts' Exhibit No. D-764—Letter from W. D. Cloos to Mr. Wetzler, June 26, 1920	2932	1771
Def'ts' Exhibit No. D-765—Circular from Edison Portland Cement Co., July 1, 1920	2933	1772
Def'ts' Exhibit No. D-766—Letter from R. A. Wetzler to Mr. Bigbee et al., July 1, 1920	2934	1774
Def'ts' Exhibit No. D-767—Letter from R. A. Wetzler to Mr. Whitton et al., July 16, 1920	2935	1774
Def'ts' Exhibit No. D-768—Telegram from Lehigh Portland Cement Co. to Lehigh Portland Cement Co., July 13, 1920	2936	1775
Def'ts' Exhibits Nos. D-769 to D-772—Correspondence between L. G. McConnell and Atlas Portland Cement Co.	2936	1775
Def'ts' Exhibit No. D-773—Quotation from Atlas Portland Cement Co	2939	1777
Def'ts' Exhibit No. D-775—Letter from J. W. Ramsay to J. A. Horner, July 15, 1920	2940	1777
Def'ts' Exhibit No. D-776—Letter from R. A. Wetzler to Mr. Kahn et al., July 16, 1920	2940	1778
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[fol. 2071] DEF'TS' EX. NO. D 155

April 5th, 1921.

Messrs. Thompson-Starrett Co., 49 Wall Street, New York, N. Y.

GENTLEMEN:

Attention Purchasing Department

We understand that you are figuring on the addition to the Bamberger Department Store building in Newark, and take the liberty of enclosing quotation on Saylor's Portland Cement for the requirements of the job.

We furnished approximately 30,000 barrels of Saylor's for the construction of the present building. Mr. Louis Bamberger is one of our stockholders and we hope, in case you should be successful in securing the contract for the proposed addition, we may have the pleasure of supplying you with Saylor's Portland Cement.

If you should prefer to have the business handled by one of the local dealers in Newark, we are in a position to make favorable arrangements for so doing.

Very truly yours, Coplay Cement Mfg. Co. —— ——, General Sales Manager. JFT-AG.

[fol. 2071½] DEF'TS' EX. NO. D 156

Western Union

New York, N. Y., Feb. 28, 19-.

W. E. Erdell, Prest. Penn-Allen Portland Cement, Allentown, Pa.:

Members of the War Service Committee as existing prior January first have been requested to confer with the New Industrial Board of the Department of Commerce of which George N. Peek formerly vice chairman of the War Industries Board is chairman the statement is made that the object of this conference is to stabilize market conditions and stimulate spring business you are undoubtedly familiar with the general idea as recently expressed in newspaper reports. Stop. I have stated that Mr. Morron is away and that it would be difficult to get the committee together on short notice but it is desired that as large representation as possible attends. Stop. Not for [fol. 2072] the purpose of committing the industry to any action having no authority to do so or present standing as committee but to extend to the board the courtesy of an appearance in order that we may learn from them their ideas and be in position to then confer with our industry regarding them should they desire us to do so the meeting is called for two p. m. in the Council of National Defense Building Washington Tuesday, March fourth. I think it would be desirable for the committee to meet at the Shoreham Hotel,

Tuesday morning and I hope to have your advice that you will be there.

Willard A. Holman, for the Committee.

[fol. 2072½] DEF'TS' EX. No. D 157

Chamber of Commerce of the United States of America

War Service Bulletin No. 49

March 10, 1919

Riggs Buildings, Washington, D. C.

Industrial Board of the Department of Commerce

The new Industrial Board of the Department of Commerce, which has been appointed with the approval of the President of the United States, has just issued to the press the following statement of its organization and purpose, together with a review of the conditions which have led up to its appointment at the present time. The intention of the Board to work in close co-operation with industries, and with organizations properly authorized to speak on behalf of their respective industries, is made clear by this general statement.

Preliminary conferences with certain lines of industry have already begun and in the case of two important industries this office was requested to invite the War Service Committees to attend conferences [fol. 2073] with the Board on Tuesday last. It is too early yet to forecast the extent to which these conferences will be carried and use made of War Service Committees, as the immediate plans call only for conferences with basic industries, but in view of the importance and the scope of the work of this new Board, all War Service Committees are urged to keep their organizations intact and be in readiness to answer a call promptly should one be issued.

The personnel of the new Industrial Board is as follows:

George N. Peek, Chairman; formerly Vice-president, Deere and Company, Moline, Illinois; formerly Commissioner of Finished products and Acting Vice-chairman, War Industries Board;

Samuel P. Bush, President, Buckeye Steel Casting Company, Columbus, Ohio; formerly Director of Facilities Division and Chief of Forgings, Guns, Small Arms and Ammunition Section, War Industries Board.

Anthony Caminetti, Commissioner General of Immigration, Department of Labor, Washington, D. C.;

Thomas K. Glenn, President, Atlantic Steel Company, Atlanta, Georgia;

George R. James, President, Wm. R. Moore Dry Goods Company, Memphis, Tennessee; formerly Chief of Cotton and Cotton Linters Section, War Industries Board;

[fol. 2073½] T. C. Powell, Director, Capital Expenditures, United States Railroad Administration; formerly representative of Railroad Administration on War Industries Board, and formerly Vice-President, Southern Railway Company, Cincinnati, Ohio;

William M. Ritter of West Virginia, President, W. M. Ritter Lumber Company; formerly division chief and assistant to the Commissioner of Finished Products, War Industries Board.

Joseph H. Defrees, Chairman War Service Executive Committee.

Statement of the Industrial Board

The President has authorized the appointment of a board to address post-war stagnation in commerce and industry. The condition, its cause, its remedy, the results to be expected and the objections to the course purposed are briefly analyzed below:

I. The Condition

(a) Although—

1. Commercial stocks are depleted,
2. There is plenty of money.
3. Building and construction are several years in arrears of necessity.
4. A long period of enforced economy is greatly relieved.

[fol. 2074] 5. Markets are in prospect in all parts of the world.

(b) Still—

1. Buying is timid and has been decreasing in volume.
2. Money is also timid and remains in bank.
3. Some mills and factories are idle—few are running full.
4. Construction of public and private works has not begun.
5. Non-employment is spreading.

II. The Cause

(a) War required production abnormally increased generally and abortively increased respecting certain commodities specially needed for war. This irregular increase was secured by enormously increased prices. Consequently the sudden termination of war left a highly inflated and very irregular market which is generally far above what the peace demand will support and which is not homogeneous, many prices being abortively above their place in the normal pattern.

(b) This situation was originally created by the abnormal operation of the law of supply and demand, stimulated by the great need of the European countries for war materials before this country entered the war, but after we entered the war the law of supply and demand was adjourned and was replaced by such new and powerful [fol. 2074½] forces as priority certificates, compulsory and commandeering orders, export and import restrictions, and price-fixing.

These forces worked through comprehensive agreements and co-operation between the Government and industry. Therefore, it may fairly be stated that the existing condition was not brought about by the normal operation of the law of supply and demand.

(c) The normal operation of the law of supply and demand can not cure what it did not cause, first, because it cannot operate until buying begins and, second, because buying cannot begin until we have a more normal stable and homogeneous market.

(d) Everybody knows that some prices must fall. No one dares buy until they do fall and even then everybody will wait to see how far they fall. Individual action in lowering selling prices is therefore timid unscientific, and long drawn out. It can not render the market uniform or stable, but on the contrary renders it unstable, dangerous and panicky. The law of supply and demand would cure the situation eventually, but can we afford to wait, first, through a period of suspicion and uncertainty, then through a panicky crash in all markets, and then through chaotic readjustment? By sane and temperate action all this can be avoided and the law of supply and demand helped over the gap between hold-over war prices and a stable level.

(e) Some uncertainty results from governmental accumulation [fol. 2075] of facilities and raw, finished and partly finished materials, which must be fed very carefully into the market. This situation requires the co-operation and advice of industry.

III The Remedy

(a) The condition must be cured as it was caused. It was not caused by the normal operation of the law of supply and demand but by general, comprehensive cooperation and agreement between industry and government. It must be cured by the same kind of co-operation and agreement—a consummation possible only at the instance and with the approval of government.

(b) Wholesome cooperation in American business at governmental instance was proved in the War Industries Board (W. I. B.). Governmental control as practiced by the W. I. B. is no longer necessary, but cooperation and agreement in industry at governmental instance and with governmental approval is necessary to bring the law of supply and demand back into normal operation and to let loose prosperity.

(c) To this end the President has authorized a board, largely of W. I. B. men, operating on W. I. B. ideals, minus W. I. B. control, to call industry together, group by group, and let them decide on prices to be offered to the nation as the governmentally approved judgment of assembled industry on a price scale low enough to be stable, homogeneous throughout the whole fabric, and founded so solidly on a comprehensive review of conditions as to encourage gen- [fol. 2075½] eral buying, including that of the railroads and other governmental agencies, and the resumption of normal activities.

IV. Results to be Achieved

(a) Basic commodities such as steel, building materials, textiles, and food will be considered first and brought to a stable basis. The governmental policy, as expressed by the bill to authorize purchase by the government of wheat at the guaranteed price and resale of it at the world price, is to assist in bringing prices of basic commodities to normality by bringing down the cost of living. It is hoped that these steps alone will automatically operate to reduce the price of fabricated articles. If they do not do so in any particular case, the industry affected will be invited into conference.

(b) As soon as a stable and wholesome scale of prices is achieved, the cost of living will have so far been reduced as to create automatically reductions in the price of labor without interfering with American standards and ideals for the treatment and living conditions of labor, and thus the last inflating element will have been withdrawn from prices. It is believed that industry will agree that the cost of living must be substantially reduced before labor should be asked to accept lower wages and thus industry should stand the first shock of readjustment.

(c) The assurance to the country of a market stabilized at the lowest reasonably expected level will loosen such a flood of buying for the recreation of stocks, the making up of arrears in the building [fol. 2076] program, the feeding of needs long starved by economy and the invasion of world markets, as may stand unprecedented in this country. From the stable level thus reached by cooperation, we may expect a healthy and normal condition created by the complete and unhampered operation of the law of supply and demand.

V. Objections to Governmental Purpose Shortly Answered

Objection (a) Business resents governmental interference and control which is to be avoided rather than encouraged. Let conditions alone and the law of supply and demand will cure all evils.

Answer. The war developed a new thing in government,—cooperation and mutual help between government and industry in which government appeared not as a policeman, and not as a jealous guardian of a suspicious character, but as a friend and helper. This idea proved itself. What is proposed is not governmental control. The board has no power of control. It is proposed to provide a forum in which industry can meet and agree on a policy for itself at the instance and with the approval of government, which will help the law of supply and demand over the gap between hold-over war prices and a stable level.

Objection (b). Business and industry will not come into a governmental conference unless there is a power of compulsion.

Answer. The experience of the W. I. B. utterly disproves this [fol. 2076½] criticism. It has been argued that patriotism impelled

business and industry to the W. I. B. Patriotism is not adjourned with the closing of the war.

Objection (c). War prices were fixed at such a level as to insure the production of many high-cost and inefficient producers. What is proposed would shut off this production.

Answer. This production is not needed in peace. The American people cannot be expected to support inefficiency in the enterprises that serve them with the necessaries of life or to maintain production not normally needed. Inflated production above that which would be supported by the law of supply and demand must cease, and will do so eventually, whether or not the proposed plan is adopted.

Objection (d). Such readjustment must necessarily require redistribution and readjustment of labor.

Answer. This is quite true. It is necessary. The distribution and allocation of labor to war industries has upset the normal pattern in this country for four years. What is proposed is a stimulated peace industry which will employ as much or more labor as did war industries, especially considering the loss of man-power, due to decreased immigration, loss by influenza, war and probably increased army and navy. That it will employ them in different places and at different tasks is inevitable, whether the proposed step is taken or not.

Objection (e). A general reduction in selling prices now will force industry and commerce to take a loss on products purchased at war prices.

[fol. 2077 & 2078] Answer. This is true and inevitable, whether the proposed plan is attempted or not, but under the proposed plan better adjustments are possible; buying will begin immediately, the overhead of continuing high cost operations through a period of stagnation is eliminated, and finally much of the loss will be recouped by buying at fair prices and selling in the inevitably increasing market that will result from the normal operation of the law of supply and demand under prosperous conditions.

VI. In Conclusion

It is expected that the activities of the board will be temporary and are intended only to give governmental assistance to aid the law of supply and demand in resuming its normal functions.

The splendid cooperation of American industry during the war leads to the belief that it may continue and carry us safely through the trying period of readjustment. Surely, with our fundamental conditions so sound, there is every reason to believe that we may bridge the gap between war and peace with the same courage and fortitude that always mark the American business man in his dealings with large affairs, and thus escape the unfortunate depressions which the country has suffered following previous wars.

The Industrial Board. George N. Peek, Chairman.

[Fol. 2078½] DEF'TS' EX. No. D 166

The Atlas Portland Cement Co.

New York

For the attention of Mr. Holman.

New York, June 21st, 1913.

I am off for Chicago this afternoon, and I hope you will keep right after things vigorously while I am away. I want your opinion on the Metropolitan Division when I get back, or at least within two weeks. I am not satisfied with it. I think I know myself some of the things that are wrong, but I want you to make your own deductions without me, so that I may see whether we agree. I want you to come in contact with the men in the Metropolitan Division. I want you to see that none of them are wasting time following up rainbows. I don't want too many people doing general things. I want the whole force put on to productive work intelligently distributed without playing any favorites.

[fol. 2079] I hope you had a comfortable cool time over Sunday, and I am sorry that you have not been able to get away more. When Kimball comes back you will have to get away for a week at least, as it is almost necessary for any one to have a little change. In the meantime do not fail to put snap into this thing. I am convinced that we are running down and I want to find out how and where, and when it is going to stop, although I can answer the last question pretty nearly myself.

Yours very truly, J. R. M.

[fol. 2079½] DEF'TS' EX. No. D 167

(The A. P. C. Co., N. Y.)

Holman, N. Y.

Chicago, Aug. 7th, 1913.

I have your telegram showing the light business yesterday, especially in futures. Looks as though things were dropping off a little more. We want to get busy, I don't want that to be cut down any.

Don't know whether I told you or not, but the Universal shipped 1,230,000 for July, being approximately 400,000 more than ours, and 930,000 was shipped from Chicago. I think they have drawn circles around us this year on their distribution.

Yours truly, ——. ——.

[fol. 2080] DEF'TS' EX. NO. D 168

The Atlas Portland Cement Co.

New York

For the attention of Mr. Holman.

New York, March 19, 1914.

Just for your information so that we may get busy, you will notice that the commitments as of March 15th were practically one million barrels less than commitments a year ago for the east, and commitments for Hannibal were about 70,000 more this year than last only. We must not get left on these sales now, and we want to watch them very close east and west, we are running behind decidedly, and business is such generally speaking that I don't want to wait too long to get business as I am a little bit afraid there may not be enough of it to go around later on. I want you to particularly watch the west. If anybody is getting in under us because of our advance at Hannibal, I want to have enough flexibility there to book future orders. When this spurt of shipments is over I don't want to run down, and we ought to have some future contract business to keep going on.

Yours truly, J. R. M.

[fol. 2080½] DEF'TS' EX. NO. D 169

Chicago, April 3nd, 1914.

W. A. Holman, Atlas Portland Cement Co., 30 Broad Street, New York, N. Y.:

I would like to put a little new life into our eastern men all the way through, the Metropolitan division as well as outside, so that we can get a larger percentage of the going business. I have been thinking this over and it needs more ginger and a different kind of approach. I think they are going around like mail carriers now, and I would like to have a change.

John R. Morron.

[fol. 2081] DEF'TS' EX. NO. D 170

The Atlas Portland Cement Co.

New York

For the attention of Mr. Holman.

New York, Oct. 24th, 1914.

I notice we are falling down a little on shipments from Hudson. Please bear this in mind and keep them up.

Yours truly, J. R. M.

[fol. 2081½] DEF'TS' EX. No. D 171

(The A. P. C. Co., N. Y.)

September 1, 1915.

D. H. MacFarland:

I know that you have taken up with each of our salesmen the absolute importance of our securing new dealers, and I would like very much to have you report to me on the first of each month the new dealers secured by each salesman and the amount of business done with that dealer during each succeeding month, for the period of a year. In this way it will help us to gauge the value of a salesman.

I consider that there is a big difference between a collector of orders and an ingenious salesman. The latter is what we must have. We have a good many of them, and I want to find out which they are, and I know you too. Please attend to this promptly.

Let each of the salesmen know also that the Division Chief of his particular territory is going to make a trip into that territory whenever it is necessary, and that each salesman can call upon us right along now for any specific assistance we can give—not to supply the salesman with what he ought to have himself but to revitalize any situation that requires it; and we will expect the salesman to let us know when, from his point of view, this is necessary.

Yours very truly, —— ——.

[fol. 2082] DEF'TS' EX. No. D 172

November 30, 1915.

Mr. J. C. Larimer, Bath Portland Cement Company, 1109 Finance Building, Philadelphia, Pa.

DEAR SIR: I find through the press of other matters I have delayed acknowledging receipt of your letter of the 13th.

I am at a loss to understand why this information is conveyed to me as there might be construed the thought that there is some understanding between us, and perhaps you are under a misapprehension as to the exact position of this Company with reference to its Sales Policy, and that there may be no misunderstanding we want to state that we are not interested in the details of your Company's sales any more or differently than we are interested in the sales of all or any one of our competitors.

We are, of course, always glad to know, as nearly as possible, the trade practices pursued by our competitors and their volume of sales and other statistics of past performances, but we will not under any circumstances countenance or approve of any method that in the remotest degree savors of any understanding or agreement, such as your letter may be construed to assume.

Yours very truly, —— ——, Assistant to President.
DHM/MSM.

[fol. 2082½] DEF'TS' EX. No. D 173

The Atlas Portland Cement Co.

New York

For the attention of Mr. D. H. MacFarland.

New York, January 17, 1916.

Mr. Harding is going to show you a sheet which is part of a general audit we have of this year's business, showing the falling-off or increase in shipments, by states, which I thought it would be a good thing for you to have; and, except when there are other reasons for it than ordinary trade conditions, I think it would be well for you to get more force into those states where we seem to have lost. It seems to me also that a schedule of this kind, given to the active man in charge of the district in which these states belong, would be a great stimulus to him; that is, to show him that the business has fallen off in a state or a group of states under his charge in 1915, as compared to 1914, and then watch it carefully to see how it gained.

[fol. 2083] In other words, instead of telling the man in a general way that the business is not so good in his territory, let some fellow who has charge of a state—and see that he has charge of it—know that he has fallen behind or that he is going ahead, definitely by figures. Then he will have something to work up to. McConnell, for instance; he could be given those states, and then he in turn could tell the salesman who has charge of any particular state that he fell behind in 1914 and tell him how much, so that you can watch the orders climb up this year and beat that figure.

All that intelligent information, segregated and not given in entirety to any one man, will get results.

Yours very truly, J. R. M.

[fol. 2083½] DEF'TS' EX. No. D 174

The Atlas Portland Cement Company

New York

January 24, 1916.

DEAR MR. MCFARLAND: I am very sorry that I am not going to be here to attend this year's annual Eastern Salesmen's meeting. The one which I attended in Chicago last Friday evening greatly impressed me. There you have about forty men banded into a vigorous unit, and you are going to get results, beyond question of a doubt.

I want you to keep track during this coming year, of the comparative progress between men in the east and men in the west, and I feel sure that you will be able to get the same enthusiasm and the same results out of the men whom you are going to see and talk to at the eastern meeting, as you did in the west.

We have a chance for a good year now, but every minute has to be applied; we cannot lie back on our oars a second; each day's work has to be handled as though there were no optimism in regard to the [fol. 2084] next day. If we don't we are not going to get the gain we should. Explain this to the men so that they may understand it.

It is unnecessary for me to state that the last year was not a good one for the Atlas company, but we were glad, in spite of that, to be able to recognise merit. This coming year we will watch men and conditions very closely, and what a man makes for us, net, will be the standard. Costs of selling are very important items.

Yours very truly, John R. Morron, President.

Mr. D. H. MacFarland, Office.

[fol. 2084½] DEF'TS' EX. No. D-175

The Atlas Portland Cement Co.

For the atttention of Mr. MacFarland.

New York, Nov. 15th, 1916.

I would like this letter to be shown to Mr. Kimball and Mr. McKenna, and a copy sent to each of your department heads and salesmen.

Owing to great difficulties in manufacturing which exists today, and which are likely to continue and even become worse, there will probably be a considerable scarcity of cement in the industry as a whole. The Atlas Company feels that its organization will be able to more successfully cope with these conditions than some other companies, but it is likely to result in a condition where the demand will be greater than the supply for Atlas product, and there is one thing that I want to impress upon every man who comes in contact with our customers, either dealer, contractor or user, that is of the [fol. 2085] greatest importance, and which must never be forgotten, especially under such conditions as those outlined above:

We must never show any independence or any curtness with our trade, or with those with whom we hope at some future time to do business. If it becomes necessary to advance the price, and no quotations are out, we must give particular attention to explaining to the customer who thinks he should have the cement at the price of the expired quotation that we are sorry, that we would like to give it to him, but that these conditions absolutely prevent it. Do not tell him that we cannot give it to him; that the time is up and that he will have to get it elsewhere or else pay our price.

In times of old the Atlas Company has had the reputation of being too abrupt. We have tried now for a number of years to show to the contrary. It now comes to a time when perhaps the cement manufacturers can be a little more independent, if they choose, than ever

before, because of the relationship of supply to demand, but the Atlas Company wants to do exactly the opposite thing. They want to show their dependence upon the good will of the customer. We want to take more pains in giving a man service and extending courtesy than we would if the conditions were the other way. We can build up an asset here that will be greatly in contrast to the method that some of our competitors may adopt, and I want to be sure that this policy extends clear down into every corner, and I shall watch with great care and thoroughness for any report to the contrary.

[2085½] I also want this letter shown to every one who talks over the telephone, in all the offices, to any of our customers. I want to have it made known to the men at the door; I want it to penetrate every crevice of our business, so that people may say that the Atlas Company appreciates what good it means, and consequently is going to have more of it.

Yours truly, J. R. M.

[fol. 2086] DEF'TS' EX. NO. D 176

Messrs. Clark & Conkling:

Boston, July 23, 1918.

I am very greatly worried about our selling organization here in the East.

Since the 1st of July the Lehigh Co. have sold 91,000 bbls. on contracts. We have sold 58,000. The Coplay Co. have sold 54,000—almost as much as we have with a far superior organization, as we think. The Edison Co. have sold 66,000 and our sales force is better than theirs. The Lawrence have sold 44,000 bbls.—almost as much as we have and the Pennsylvania Co. have sold 35,000.

Now it is very easy to begin to pick holes in the way some of our competitors do business, but we are just going to omit everything of that sort and get right down to brass tacks and admit that we are being licked, and the way to stop being licked is to get the business before the other fellow does. When you come to think of it it's absolutely ridiculous for us to maintain the kind of organization we are maintaining if our performance continues to be in proportion to that of our competitors as indicated by the figures I have just given you. We cannot justify any such organization as we are carrying on the basis of those results.

[fol. 2086½] I have written all of you, or talked with you in some detail regarding your organizations, but this is to again call attention to the way we are being beaten out on high-priced, desirable business by competitors to whom we think we are superior in organization and methods, but who seem to be taking business away from us without any apparent opposition on our part.

Incidentally, during the time that we have been selling 58,000 bbls. we have cancelled 101,000 bbls., so that our net commitments are less than they were when we started. This is a fine showing for a

month's work, and it's cost us a lot of money to make that kind of a showing. I understand of course all about the reasons for all of our cancellations and they are good ones, or else the cancellations would not have been made, but I am a little bit unreasonable on this business-getting proposition because I insist that if our organization is better than the other fellows' we ought to get more business than he does. Don't you think I am right?

LGM-MH.

Copy to Mr. Lewis, Chicago. Above to all Eastern dists.

[fol. 2087] DEF'TS' EX. NO. D 177

August 5, 1918.

Heft:

Shipping instructions Saturday were:

New York State	200
Metropolitan	7,800
Lehigh Valley	500
Export	2,300
Boston	700
Phila.	300
Savannah	1,300

You certainly can do better than a carload a day. You can't tell me that there isn't more business than that in the entire state of New York for the Atlas Company.

LGM—MH.

[fol. 2087½] DEF'TS' EX. NO. D 178

Copy to Mr. Conkling.

Boston, Nov. 19, 1919.

Hicks:

Our shipments for the first 15 days this month, while they look good in comparison with last year, aren't at all satisfactory as compared with the report which we have just gotten from the Association.

We show an increase of 46%. The combined figures show an increase of 56%. The Alpha Company are up 54%; the Lehigh are up 88%. The only companies which show a less increase in per cent than we do are—Dexter; Edison; Glens Falls; Knickerbocker and Nazareth.

This is a very bad situation and we must make every possible — to correct it the last 15 days this month. We must not be left so far behind.

LGM:MH.

[fol. 2088] DEF'TS' EX. No. D 179

The Atlas Portland Cement Co.

Philadelphia

For the attention of Mr. L. G. McConnell, New York City.

Philadelphia, March 13, 1919.

Your letter of March 11.

We have solicited personally or over the phone every dealer we shipped up to the end of March last year and didn't this year.

We also wrote everyone of them from here.

Again—March 7—I had this up with the salesmen telling them to go over their Black Books and make the rounds again and to double up on dealers who took one car and might stand another.

We have been taking information off our town records to write all the dealers again, and the salesmen on specific cases. We are also following up all our contracts again.

Yours very truly, F. B. McKenna.

[fol. 2088½] DEF'TS' EX. No. D 180

Jan. 21, 1920.

D. R. Long:

For the first 15 days of January the Lehigh Co. showed an increase of 202% in shipments; our increase was 191%.

We mustn't start off the year with anybody running ahead of us. I know that you are soliciting business vigorously but let's take some very strenuous measures.

Be sure and get right after your salesmen on this.

Can you stand some cars to 60th St. to ship over to Long Island and how much harbor lighterage stock can you order down from Northampton?

LGM-MH.

[fol. 2089] DEF'TS' EX. No. D 181

New York Office, Oct. 22, 1919.

McKenna:

I want to call your attention to a very serious situation which exists in Mr. Umstead's territory. I know that you have this situation in mind and are already working on it, but it's still serious.

We are selling 12 less dealers in Mr. Test's territory than we sold a year ago; in other words, we have lost 12 dealers' accounts in the highest priced territory where we are.

LGM-MH.

[fol. 2089½] DEF'TS' EX. No. D 182

October 3, 1919.

Jeynes, cc. for Mr. McKenna:

Your strongest competition in the Northern Jersey territory for the month of September seems to have been the Giant who secured 13% of the business placed there as against 37%. I am depending on you and your organization to get us 30% of the business in your territory during the month of October. The 37% for September is fine but October is a new month and your September business won't count in October.

LGM:CW.

[fol. 2090] DEF'TS' EX. No. D 183

October 3, 1919.

Long, cc. Mr. Boeye:

I have just been going over an analysis of business secured by our competitors and by ourselves in your territory for the month of September. My figures show that we took 26% of the business. Our nearest competitor seems to be Lehigh and Pennsylvania with 13% each. 26% is good. Can we make it 30 or a little better for the month of October? I want to try and get 30% in every district in the East and the way you fellows are going in your territory I expect you to beat it a little bit.

LGM:CW.

[fol. 2090½] DEF'TS' EX. No. D 184

October 3, 1919.

Mr. Spencer, cc. for Mr. Boeye; cc. Mr. Fairbairn:

I have just been checking over the various contracts reported by ourselves and by our competitors in New York State territory for the month of September.

We secured 22% of the business reported. The Phœnix Co. beat us with 34%. Our next nearest competitor was Lehigh was 11%.

I have not looked at the detail of the Phœnix orders but I presume that they consist principally of Buffalo business. I notice one 45,000 barrel order and two for 20,000 barrels each which are practically all the business the Phœnix Co. secured.

22% for Atlas as against 11% for Lehigh is about the right proportion as far as Lehigh goes but 34% for Phœnix is bad.

We want 30% of the business out of New York State for the month of October. Can we get it?

LGM:CW.

[fol. 2091] DEF'TS EX. NO. D 185

October 3, 1919.

Conkling, Boston:

I have just been looking over a pretty comprehensive analysis of business placed in Boston office territory during the month of September.

According to my figures we secured 22% of the total business. Our chief competitor was the Lehigh which secured 28% and Allentown which secured 21%. The balance of the business is pretty well distributed between Alpha, Bath, Dexter, Edison and Giant. The other Companies did not seem to do much.

I have not looked at the detail of the other fellows' orders. I presume a large percentage of their business was secured from J. P. O'Connell.

I want to talk with you Monday about this situation to see if we can't figure out something this Fall that will correct it in a large measure by early Spring. It is going to be a hard thing to figure out but I believe we can do it.

LGM:CW.

[fol. 2091½] DEF'TS' EX. NO. D 186

October 22, 1919.

John R. Morron, President:

I thought you would be interested in knowing that our various districts show a net gain in the number of dealers with whom we did business for 9 months this year as compared with 12 months last year, as follows:

Boston	18
New York State	93
Northern New Jersey	10
Metropolitan	25
Philadelphia Dist.	34
Central Dist. (Phila.)	40
Savannah	17
Total	237

Yours very truly, LGM-MH.

[fol. 2092] DEF'TS' EX. No. D 187

The Atlas Portland Cement Co.

New York

New York, October 24, 1919.

For the attention of Mr. L. G. McConnell.

I was glad to have the memorandum in regard to the net gain in the number of dealers in the various districts. That is fine and a good way to record progress.

Yours very truly, J. R. M.

[fols. 2093 & 2094] DEF'TS' EX. No. D-190

Cement Manufacturing Protective Association

Philadelphia, Penna.

Charles W. Bacon, Secretary

June 13, 1918.

Correction Notice No. 148

The following changes in the freight rate books are effective at once. These figures do not include the 20¢ per ton advance in rates on cement:

	Universal	Alsen	Hudson	Fordwick	Union Bridge	Lehigh Valley
Change Piccatinny, N. J., to read Picatinny, N. J..	57	..	..	..	..	33
Add:						
Bristol, Vt.....	73	57	57	..	..	69
Shelburne Falls, Mass....	55	35	35	..	..	45
Clarks Switch, N. Y.....	48	30	35	..	..	32
Nitro, W. Va.....	34	..	..	44	58	62

(The text of this Exhibit contains 102 pages; is not printed in full by consent.)

[fol. 2095] DEF'TS' EX. No. D-191

December 14, 1920.

Mr. W. M. Floring, Sales Department Knickerbocker Portland Cement Company, Inc., New York City.

DEAR SIR: Referring to our Order No. 1551 of December 11th from the Seth Paull Company, you will note the price on this order had a question mark against it, as we wished to have you check the

freight rate from Universal to Bristol, Rhode Island. As per your letter to us of the 13th inst., I assume that the present rate is $1.06 per barrel, we are, however, in receipt of a letter from the Seth Paull Company under even date which advises us that they are quoted by other companies a price of $3.40 per barrel, which is evidently worked up by using a freight rate of $1.05 from Universal.

In conversation with salesmen from other companies I learn there is some confusion as to how they are figuring these Universal rates. I do not question but what the Seth Paull Co. are right in [fol. 2095½] the statement they make as to the price they have been quoted. I think if other companies are in error when they quote $3.40 we can in this case well afford to make the same error.

Yours truly, Knickerbocker Portland Cement Company, Inc
J. W. Stinson, Local Manager. JWS:G.

[fol. 2096] DEF'TS' EX. NO. D-192

December 15, 1920.

DEAR MR. STINSON: We have yours of the 14th regarding your order #1551 for the Seth Paull Company, Briston, Rhode Island.

We find that a number of different quotations are being made over New England on the Universal Rate and, therefore, wish you would figure same at $1.05 per barrel. As soon as we can obtain the proper tariffs this rate will be adjusted. We will invoice the Seth Paull Company at $3.40 per barrel.

Very truly yours, —— ——, Sales Department. WMF:HD

[fol. 2096½] DEF'TS' EX. NO. D-193

Cement Mfgrs. Prot. Assn.

New York City

Jan. 28, 1919.

Mr. A. D. Naylor, Treas. Knick. Port. Cement Co., New York.

DEAR MR. NAYLOR: Your letter of January 27 relative to the monthly summary of past due accounts showing $27,378 four months old, has been received, and upon re-checking the figures we find that there was a mistake made and that the correct amount is $22,930.

We are issuing corrected summary and summary of summaries which will set this matter straight, and thank you very much indeed for calling it to our attention.

Also, we are mighty sorry that the error was made, but it seems such things will happen.

Yours very truly, H. S. Gaines, Vice-Pres.

[fol. 2097] DEF'TS' EX. NO. D-194

September 22, 1919.

Mr. M. J. Frostholm, c/o Syracuse Wall Plaster Co, Syracuse, N. Y.

DEAR FROSTHOLM: I am not just sure when I expect to get you all together in Philadelphia, but probably the early part of next month. Do not change your plans any for this, for I will let you know in plenty of time.

Conditions are getting better in the cement business, and there is much less cutting than there was. If we find it is necessary for us to employ such tactics which some of our competitors are using in order to get some of these big jobs, we will consider it at that time. I have always been very proud of the clean manner in which your business has come in. Unless we are driven to it, we do not want to have any monkey business up in New York State.

Best regards for yourself.

Very truly yours, Charles H. Cox.

[fol. 1297½] DEF'TS' EX. NO. D-195

November 23rd, 1920.

Mr. M. J. Frostholm, Syracuse, N. Y.

DEAR FROSTHOLM: I am planning to leave here Sunday, arriving in Buffalo on Monday morning, the 29th. I wish to see Hutchison about some matters, and while there will plan to go over to Niagara Falls. It might be advisable for you to meet me in Buffalo some time Monday, and we could then go to the Falls together, and also stop at Rochester on our way thru to Syracuse.

I am sorry that Universal is selling at such a low price level. I have not determined yet how to meet this competition, but will advise you later. In the meantime, you may reduce the price of Phœnix on the Oberdorfer job, future shipments, also current price at Syracuse, to $4.13 per barrel.

Looking forward to seeing you on Monday, I am,

Yours very truly, Charles H. Cox.

[fol. 2098] DEF'TS' EX. NO. D-196

Western Union Telegram

Philadelphia, Penna., October 22, 1920.

Preston E. Bradlee, #3 Strathmore Road, Brookline, Mass.:

Absorb five cents to meet Lehigh competition.

Phœnix Portland Cement Company.

[fol. 2098½] DEF'TS' EX. NO. D-197

October 22, 1920.

Mr. Preston E. Bradlee, #3 Strathmore Road, Brookline, Mass.:

DEAR BRADLEE: I wired you today to absorb five cents to meet Lehigh competition. This five cents' cheaper price of others, is undoubtedly brought about by the Hudson River base on the new freight rate. You will remember in some instances we were formerly obliged to absorb two cents per barrel and with the increase in rate, there are some points where this will be brought up to five cents.

If you reach points in New England where it will be necessary to absorb more than five cents per barrel, please take it up with this office at once, and you will be advised what to do.

Yours very truly, Charles H. Cox, General Sales Manager.

[fol. 2099] DEF'TS' EX. NO. D-198

May 27, 1921.

Mr. Preston E. Bradlee, Brookline, Mass.

DEAR BRADLEE: I received your recent reports and letter. Conditions seem to be bad in New England, but I trust they will soon be better.

I will keep after your friend, C. Bianchi & Company on that road job at Worcester. I wired you to-day to tell Harry Snider that we would sell him on our present basis on the road job about which you wrote, but that he should not sell for less than the dealer's price. I hope you can land it.

Conditions are bad to-day and competition is very keen. If it is a matter of meeting any kind of price on any job you think you have a chance to get, be sure and take it up with me. Our competitors are very aggressive, and we must ship more cement into Massachusetts. Beginning the first of the month, we will have to move about 85,000 barrels per month, so you can have some idea of what this means.

Yours very truly, Charles H. Cox.

[fol. 2099½] DEF'TS' EX. NO. D-199

Pennsylvania Cement Company

Sales Office

Boston, Mass., Dec. 27, 1917.

Pennsylvania Cement Co., 30 East 42d St., New York, N. Y.

Attention of Mr. Beach

DEAR SIR: Beg to acknowledge yours of the 26th inst. and have carefully noted contents.

I talked with Mr. Winchell again about the matter of freight rates and he showed me a letter accompanying quotations at the present market price which stated "it is understood that you are protected against any increase in freight rates during the year 1918."
[fol. 2100] Mr. Winchell said to me "of course, you will not mention the company that wrote this" and I told him that I did not think it was necessary as they have only bought from one other company except us the last two or three years.

Very truly yours, Geo. M. Clukas.

[fol. 2100½] DEF'TS' EX. NO. D-200

December 28, 1917.

Mr. G. M. Clukas, 161 Devonshire St., Boston, Mass.

DEAR SIR: I am in receipt of your letters of the 27th and note what you say. If the Vulcanite have protected Mr. Winchell on their freight advance for their sales next year, we will do likewise.

Have a talk with Mr. Clark of the Portland Stone Ware Co. and see how he stands, as I think I would be inclined to protect him also.

Anything you say to him, do not come out specifically with it until you have taken it up further with me.

Yours very truly, —— ——, President. WNB:C.

[fol. 2101] DEF'TS' EX. NO. D-201

Syracuse, N. Y., 7/11/18.

Mr. Albert Moyer:

I have your letter re amount of open market business in this territory.

I will keep going as hard as I can and if steady and consistent plugging is going to count for anything in these abnormal times I will get our share of the business.

Pennsylvania with their Cayuga Mill are raising the devil in this territory. They have a cut price of from 5 to 10 cents and are finding lots of dealers who take them up. You are of course aware of their sign board advertisement. The trade likes this. Mr. Farwell of Oswego has two cars of Cayuga on the road and he told me frankly he did less than 2.77 and not on a contract either.

I am not however, writing this for an excuse as I know you want every pound of open business that is available and I will keep going to that end.

Respectfully, Bickel.

[fol. 2101½] DEF'TS' EX. NO. D-202

October 6th, 1919.

Mr. Frank L. Leach, c/o Hotel Bond, Hartford, Conn.

DEAR LEACH: I congratulate you on landing the job from the City Coal & Wood Co., New Britain, Conn. This is a very nice order, and I believe the beginning of a large and satisfactory business in New Britain. I have often tried to sell Mr. Johnson in the past, but have never succeeded, and I am glad that you have been able to turn the trick.

I was very much interested in what you had to say about the price for the Connecticut State Highway. Of course, if they are generally being quoted at $2.92, we will have to get in line. As soon as another large job comes up, let me hear from you and we will decide what price to quote.

Yours very truly, Charles H. Cox.

[fol. 2102] DEF'TS' EX. NO. D-203

Albert Y. Gowen

Chicago, July 13, 1915.

DEAR Mr. MORRON: I have before me your letter of July 12th, and will be more than delighted to take lunch with you at 1:00 Thursday, July 22nd. The matter we are particularly anxious to talk over is one which is close to your heart, I know, viz., pertaining to the furtherance of the Association, and the people I was anxious to have there are Mr. Young, Mr. Brown, Mr. Affleck, you and myself. I talked to Mr. Affleck over the telephone this morning, when he stated that 1:30 would be agreeable to him, and if you will let us know the place where we are to meet for lunch, I will arrange to be there at the time you mention.

With kindest regards, I remain

Very truly yours, A. Y. Gowen.

Mr. John R. Morron, President Atlas Portland Cement Co., 30 Broad Street, New York City.

[fol. 2102½] DEF'TS' EX. NO. D-204

July 15, 1915.

DEAR Mr. GOWEN: I have yours of the 13th, and if you will be at the Mid-Day Club, 25 Broad Street, at one o'clock on Thursday, July 22nd, I will order a little room where we may talk over the Association matters which you refer to, and it will give me great pleasure to have you all lunch with me.

As I understand it, you will notify all the others of the time and place.

Yours very truly, —— ——.

Mr. Albert Y. Gowen, Lehigh Portland Cement Co., 220 So. State St., Chicago.

[fol. 2103] DEF'TS' EX. NO. D-205

Albert Y. Gowen

Chicago, July 16, 1915.

DEAR MR. MORRON: I am in receipt of your letter of the 15th inst., and will be delighted to meet you at the Mid-Day Club at 1:00 o'clock on Thursday. I have also told Mr. Affleck, and he will arrange to be there, and in talking with Mr. Young over the telephone this morning he said that he would also be there and he will have Mr. Brown with him.

Thanking you for your courtesy, I remain

Very truly yours, A. Y. Gowen.

Mr. John R. Morron, President Atlas Portland Cement Co., New York City.

[fol. 2103½] DEF'TS' EX. NO. D-206

Albert Y. Gowen

Consumers Building, Chicago

July 29, 1915.

DEAR MR. MORRON: I thought I would drop you a line to say that I had a very nice interview with Mr. Hagar last week, and he told me that he had no objections whatsoever to my talking to Mr. Beck relative to the Association and submitting to him the proposition which we agreed upon. I was in communication with Mr. Beck the following afternnon and closed with him on the basis authorized at the meeting. Mr. Beck has already handed in his resignation to Mr. Hagar, effective, I understand, August first, and is simply waiting to hear from you and Mr. Young, who were to get in touch with Mr. Lober. Owing to the fact that I am leaving for Maine today, on my vacation, would advise that either you or Mr. Young write Mr. Affleck direct relative to your interview with Mr. Lober, so that he can inform Mr. Beck as to when he would want him to report in Philadelphia. I would suggest his staying here in Chicago and working this proposition up in his own way until such time as his services are required in the East.

[fol. 2104] I was sorry not to see you on Monday, but when I called up your office I heard you had left. Otherwise I would have talked this all over with you personally.

Mr. Beck was employed on a basis of $5,000 a year, with the understanding that he would secure $10,000 from January 1st on.

With kindest regards, I remain

Very truly yours, A. Y. Gowen.

Mr. John R. Morron, Pres. Atlas Portland Cement Co., 30 Broad Street, New York City.

[fol. 2104½] DEF'TS' EX. No. D-207

Write Mr. E. M. Young, Allentown.

Enclosed find copy of letter received from Mr. Gowen. I am in the country and will be back Tuesday, the 10th, and am going away early the 15th to be gone for ten days. I should be glad to arrange to see Mr. Lober with you any time between the 10th and 15th. Although Mr. Gowen's letter does not say so, I presume he follows our suggestion that we could not contract that the Association would employ Mr. Beck, but that we hoped it would, and that if it did we would think the salary of $10,000 which he mentions as satisfactory. In other words, it is just as you stated, we have no right to contract for the Association, and perhaps they would suggest to Mr. Lober that Mr. Beck be put in now to work with Mr. Wilson at a lower rate salary until January 1st.

[fol. 2105] DEF'TS' EX. No. D-208

The A. P. C. Co., N. Y.

August 11, 1915.

DEAR MR. YOUNG: Mr. Lober had luncheon with me yesterday and I spent a couple of hours with him, and will relate to you, as nearly as I can recall, our conversation regarding the Association matter which we discussed some time ago..

I said to Mr. Lober that a week or two ago Mr. Gowen had wired, asking if I would meet you and Mr. Affleck and Mr. Brown, with him, to discuss as large contributors the results which were or were not being obtained by the Association of Portland Cement Manufacturers, and to see if there was any suggestion which could be made which, when in concrete form, could be submitted to him as President, as a suggestion; and that I wired Mr. Gowen that I would be glad to discuss the matter; that we had met, and that it had been decided to ask Mr. Hagar if he had any objection to our talking with Mr. Beck on the possibility of coming with the Association in case the suggestion met with the Association's approval.

I told Mr. Lober that Mr. Gowen had reported back that he had seen Mr. Beck and that Mr. Beck was agreeable, and that the pro-

[fol. 2105½] cedure now, as I understand it, would be that after

we had seen Mr. Gowen again and were sure that Mr. Beck would come if the Association wanted him, then someone—probably you—would see him and put the suggestion to him as President, as to whether it would not be a good idea to put Mr. Beck in at once, while Mr. Wilson is there, and run along with Mr. Wilson up to the time of any change, in case the Association wanted it, in January.

Mr. Lober said that he was aware that Mr. Wilson was not 100 per cent. good and that he had often criticised him, but that from his point of view, after giving all things consideration, he thought Mr. Wilson was as good a man as he knew of, but that he has always thought well of Mr. Beck.

Mr. Lober, however, did feel somewhat annoyed and thought it somewhat strange that we should have had a meeting without bringing him into it. I told him that the meeting was simply an informal talk of large contributors, which of course is the fact, and that we did not want to bother him until we could offer some positive suggestion and knew that we could get Mr. Beck in case the Association wanted him; and that of course every one of us was in thorough accord with doing nothing except through the organization and consequently through him.

I am writing this letter so that when you see Mr. Lober you may perhaps carry out my line of argument, because I think it represents our real thought and I am inclined to think is the best way to handle Mr. Lober. The next move, therefore, will be for you [fol. 2106] to see him and refer to the fact that I have told you of my talk with him, and that you are now in a position to say that we can get Mr. Beck if we want him, and that you suggest, and most of the rest of us feel, that it ought to be done at once if it meets with his approval.

Please pardon this long letter, but I thought I had better explain the situation in detail. I might also say that I have plenty of time these days to write letters, as there seem to be no orders in sight.

With kind regards believe me to be

Yours very truly, —— ——.

Mr. E. M. Young, Vice-President Lehigh Portland Cement Co., Allentown, Pa.

P. S.—Might it not be advisable for you to send a copy of this letter to Mr. Brown and Mr. Gowen? I am sending one to Mr. Affleck.

[fol. 2106½] DEF'TS' EX. NO. D-209

August 12th, 1915.

Mr. John R. Morron, President Atlas Portland Cement Co., New York City.

DEAR MR. MORRON: I beg to acknowledge receipt of your favor of August 11th, and note carefully all you say in reference to your talk with Mr. Lober in connection with the employment of Mr. Beck

in the office of the Association at Philadelphia. Mr. Gowen will be in Allentown on Monday, August 16th, and I will then finally talk over with him the details of his conversation with Mr. Beck.

During next week I will try to meet Mr. Lober and continue with him the line of talk to which you refer in your letter. Mr. Lober will probably not wish to make any move or do anything before the meeting of the Executive Committee in Atlantic City early in September. My suggestion to Mr. Lober will be that the employment of Mr. Beck should be presented to the Executive Committee at Atlantic City for its action.

[fol. 2107] Unfortunately, I will not be able to be present, as I leave for San Francisco August 23rd and will not return until September 16th. I recall your saying that possibly you would not be able to attend. It certainly would be a great help if you could be present, if only at the meeting of the Executive Committee, otherwise the advocating of Mr. Beck's employment would be left to Mr. Brown, Affleck and Gowen, who will represent me. If at all possible, I think you should try to be there.

Orders and shipments both East and West are very light with the Lehigh this month. The total movement from the East up to and including August 11th, is 81,000 barrels or an average of only 9,000 barrels for each shipping day. I understand from Mr. Brown that Alpha shipments are also very light.

If I happen to be in New York during the coming week, I will drop in for a few minutes chat with you.

Your letter will be shown to Mr. Gowen on Monday and a copy is being mailed to Mr. Brown this afternoon.

With best wishes, I am

Yours respectfully, E. M. Young.

[fol. 2107½] DEF'TS' EX. NO. D-210

August 13, 1915.

DEAR MR. YOUNG: I am very glad to have yours of the 12th, and I hope your trip west will be interesting and pleasant. If your party is going to stop in Chicago and would like to meet some of the representative people there, I should be very glad to give you a letter and put you up at the clubs.

I shall probably be unable to attend the meeting of the Executive Committee in Atlantic City, but am quite satisfied to leave the matter in the hands of Mr. Brown, Mr. Affleck and Mr. Gowen.

With kind regards,

Yours very truly, —— ——.

Mr. E. M. Young, Vice-President Lehigh Portland Cement Co., Allentown, Pa.

[fol. 2108] DEF'TS' EX. No. D-211

At a meeting of the Executive Committee, Association of American Portland Cement Manufacturers, held at Atlantic City, September 14th, 1915, the following action was taken:

"Upon motion of Mr. Brown, duly seconded, the following resolution was adopted:

'Whereas: It appears to the members of the Association that the already excellent work being accomplished may be greatly broadened;

And Whereas: It is possible at this time to secure the services of a man of executive ability and one who has had a large experience in educational, promotion and publicity work;

Therefore, Be It Resolved: That Mr. J. F. Beck be employed by the Association as an expert with full access to all the Association records, and that he be instructed to study the general conditions and to report at the December Meeting a plan to enlarge the work of the Association; and further that a committee be now appointed by the chair to secure the services of Mr. Beck.'

The Committee appointed as per the above resolution were: G. S. Brown, Chairman (Alpha); L. T. Sunderland (Ash Grove), B. F. Affleck (Universal)."

[fol. 2108½] DEF'TS' EX. No. D-212

At the Organization Meeting of the Executive Committee, Association of American Portland Cement Manufacturers, held at New York City, December 16th, 1915, the following action was taken:

"A motion was made by Mr. Brown, seconded by Mr. Block that the Executive Committee employ a General Manager to have executive charge of all the work of the Association, subject to the supervision of the President and the Executive Committee or Advisory Committee. Motion carried.

"It was moved by Mr. Brown, seconded by Mr. Dickinson, and carried that the Executive Committee employ Mr. J. P. Beck as General Manager at a monthly salary equivalent to ten thousand ($10,000.00) dollars per year, effective December 15th, 1915.

"The resignation of Mr. Percy H. Wilson as Secretary of the Association was presented.

"Upon motion of Mr. Hardy, seconded by Mr. Kelley, the resignation presented by Mr. Wilson as Secretary be accepted and that he be paid the sum of Seven Thousand ($7,000.00) dollars in recognition of his services and that the President appoint a committee to draw up appropriate resolutions expressing the regret of the committee at the severance of his connection with the Association. Motion carried.

"The President appointed Messrs. Hardy and Kelley as the Committee."

[fol. 2109] DEF'TS' EX. NO. D-213

New York, October 19, 1917.

DEAR MR. COX: It has come to my attention that statistical figures sent out from time to time by the Association office are not being considered confidential, and we have known of several instances where contractors and dealers were well posted as to figures affecting various Companies, of course having received the information from someone connected with a member Company.

I think it would be advisable if you would advise the Association office in such a manner that it could be sent to the members for their information, that such public use of figures was not to be desired from the standpoint of legal propriety. In other words, I thing that it could be stopped if it was presented to the members in a manner which would have this effect.

Yours very truly, W. A. Holman.

Mr. Archibald Cox, Woolworth Building, New York City.

[fol. 2109½] DEF'TS' EX. NO. D-214

Oct. 24, 1917.

Mr. W. A. Holman:

DEAR MR. HOLMAN: I have had difficulty in finding a way to deal with the matter of the misuse of the statistical figures of the Association, referred to in your favor of the 19th instant. I do not like to advise the members of the Association that for legal reasons the figures must be kept confidential, partly because that is not true and partly because instructions suggesting secrecy are likely to be misconstrued by the type of mind which conceives that anything kept secret must be unfit for publication. The real objection to the misuse of the figures is that it represents disloyalty to the Association, calculated to impair its usefulness by making it undesirable for it to collect the figures. The disclosure of figures might be made an offense against a regulation of the Association, but it is not illegal.

Accordingly, I think that strictly the matter is one with which the Association should deal by emphasizing the impropriety of such a practice rather than a matter to be dealt with by counsel. But, if you think it would be helpful, I might write a letter to Mr. Lober, asking him to send copies to the members, which would read somewhat as follows:

[fol. 2110] My attention has been directed to several instances where contractors and dealers have received the substance of statistical figures sent out by the Association's office and used them to the disadvantage of members of the Association. Since such disclosures can be accounted for only on the ground of misunderstanding on the part of some of the members, I venture to suggest that it might be desirable for you to send a letter to each member of the Association pointing out, in substance, the following:

The statistical information furnished by each member to the Association amounts, in substance, to a courtesy extended to the other members, giving them information which enables them to conduct their businesses more intelligently. Such information is always given upon the understanding that the confidence it implies will not be abused and that the information will not be passed on to others to use to the detriment of the company giving it. It has been intimated that unless such information is treated as confidential, companies will feel constrained to decline to give it, with the result that accurate and up-to-date statistics will not be available to the manufacturers. Moreover, the disclosure of such information to dealers and contractors and thereafter by them inevitably results in inaccuracy and contortion, which is calculated to give an erroneous impression concerning the activities of the Association and might thus lead to serious legal difficulties.

[fol. 2110½] Since the matter is in many aspects of much importance, I suggest that you might perhaps ask each person to whom you address such a letter to acknowledge it and advise you that he will see to it that, so far as his company is concerned, none of the information in such reports will be disclosed to others.

My thought is that Mr. Lober might perhaps send this out as a copy of a letter received from me. I shall be glad to have you suggest improvements in it, but it represents about as far as one can decently go towards saying that such a disclosure is illegal.

Yours very truly, —— ——.

[fol. 2111] DEF'TS' EX. NO. D-215

Copy of Report from Mr. C. S. Swallow, Dated January 5, 1916

Called on F. E. Wise & Son (Dealers) N. Y. City; J. A. Philbrick & Bro. (Dealers), N. Y. City; Murtha & Schmohl Co. (Dealers), N. Y. City.

Wise claims to have cheap cement yet to come. Will ask for prices as required for future work.

Philbrick engaged—Will call later.

Murtha & Schmohl are shopping for prices for 1916. Still have cement to come at $1.32, $1.42 and $1.52. Mr. Murtha says he expects to make arrangement for cement at from 10¢ to 15¢ per bbl. below market price.

[fol. 2111½] DEF'TS' EX. NO. D-216

February 14, 1921.

DEAR MR. STINSON: You will recall while at the office in January you asked for the percentage sheet on our shipments for 1920. We enclose copy herewith and you will note our percentage for 1920 was 6.9 per cent of all shipments made into our territory.

As explained to you at that time, the increase in our shipments was not more than the increase in the total amount shipped by all mills, and it is up to us to cut into the other fellow's shipments by at least 4 per cent this coming year. This increase depends entirely upon the quantity shipped into the territory. In order to reach our 1,250,000 barrels it may be necessary for us to secure a larger percentage of the other fellow's business.

Very truly yours, —— ——, Sales Department. WMF:HD.

[fol. 2112] DEF'TS' EX. NO. D-217

New York City, March 3, 1921.

DEAR MR. STINSON: We have very few orders for immediate shipment, and we must do something to increase our shipments this month. There are quite a number of customers in your territory who have contracts that we carried over, with the understanding that shipments would be called for during the first three months of this year. Can you not get some of this business started at once? Also try and secure orders for shipments at this time for stock. Other Cement Companies are prevailing upon their customers to take contract business at this time, and we should be able to do the same. At least, we must make a vigorous effort.

Yours very truly, —— ——, President. ADN:J.

Copy for Mr. Floring.

[fol. 2112½] DEF'TS' EX. NO. D-218

April 25, 1921.

DEAR MR. WHITE: I sent out a general letter today, addressed to all Salesmen, with regard to our dealer situation and the number of new dealers secured this year.

While I don't want to criticize unnecessarily, I find upon examining the list that you have added only two new dealers in your territory this year. I therefore hope that you will be able to considerably increase your efforts along these lines so as to establish as many new dealers as possible in your territory before the end of May. I am very anxious that we reach the three hundred mark by May 31st, and know that I will have your full cooperation in securing the results desired.

Yours very truly, —— ——, President. ADN:J.

Copy to Mr. Floring.

[fol. 2113] DEF'TS' EX. NO. D-219

April 25, 1921.

DEAR MR. ARBOTT: I sent out a general letter today, addressed to all Salesmen, with regard to our dealer situation and the number of new dealers secured this year.

While I don't want to criticize unnecessarily, I find upon examining the list that you have added only one new dealer in your territory this year. I therefore hope that you will be able to considerably increase your efforts along these lines so as to establish as many new dealers as possible in your territory before the end of May. I am very anxious that we reach the 300 mark by May 31st, and know that I will have your full cooperation in securing the results desired.

Yours very truly, —— ——, President. ADN:J.

Copy to Mr. Floring.

[fol. 2113½] DEF'TS' EX. No. D-220

June 8, 1921.

DEAR MR. WHITE: The shipments into your territory show a decrease for the first five months of this year of 8,737 barrels as compared with the same period in 1920.

I wish to urge you to make every effort to make up this loss at the earliest possible date.

Very truly yours, —— ——, President. ADN:W.

Copy to Mr. Floring.

[fol. 2114] DEF'TS' EX. No. D-221

The Lawrence Cement Company

New York City, May 16, 1916.

To Salesmen:

I find that we are the only company quoting for delivery in paper bags twenty (20) cents per barrel less than the price in cotton, and if it is necessary for you to quote a ten (10) cent lower price to meet competition you are authorized to do so until further notice.

Yours very truly, Frank H. Smith, Sales Manger.

[fol. 2114½] DEF'TS' EX. No. D-222

May 17, 1916.

Lawrence Portland Cement Co., Mr. Frank H. Smith, Sales Mgr., New York City.

GENTLEMEN: We have yours of the 16th relative to the price in paper and will be governed accordingly. We thank you for your attention as this was quite an important matter. It placed us at a disadvantage endeavoring to get 10¢ above our competitors.

We might add that we do not sell an awful lot of paper and do not think it will make very much difference, except with a few customers whom we do not care to lose.

Yours truly, Lawrence Portland Cement Company. O. G. J. Phila. Sales Agent.

[fol. 2115] DEF'TS' EX. No. D-223

June 23, 1916.

Mr. J. P. Maloney, 46 Cornhill, Boston, Mass.

DEAR SIR: We acknowledge receipt of your various favors of the 21st and 22nd.

We are interested in your remarks relative to the possibility of a settlement of labor troubles within the next ten days. We also note that you are calling daily on all contractors with work pending. We think this is an excellent idea in view of the unusual competition to business which now exists.

In regard to the job at New Milford, Conn., wish to state that our dealer confirmed his price with Bishop, and also telephoned him for his acceptance of the offer, but to date has not heard definitely from the Bishop Co.

We note your remarks relative to business conditions with some of the other Cement Companies, and you may be interested in knowing that the average shipments for the first twenty days of June this year as compared with last year is 25% lower. Our own shipments show a falling off of 32%, so you can readily understand the necessity for securing some business for immediate shipment.

Yours very truly, R. A. P., Eastern Sales Agent.

[fol. 2115½] DEF'TS' EX. No. D-224

October 16, 1916.

Mr. J. P. Maloney, 46 Cornhill, Boston, Mass.

DEAR SIR: We are very much interested in the information you have given us in regard to the advertising campaign of the Lehigh Portland Cement Company.

For our own information, we would be interested in knowing the name of the dealer who purchased the carload of Lehigh Cement on account of our inability to ship Dragon promptly.

We also note the settlement which you have arranged with Westinghouse, Kerr & Company, and this is very satisfactory to us.

We [would]* figure a price to quote Converse at Norfolk, Va. will

Yours very truly, R. A. P., Eastern Sales Agent.

[fol. 2116] DEFT'S EX. No. D-225

February 1, 1917.

Mr. J. P. Maloney, Boston, Mass.

DEAR SIR: I note the Association reports under date of January 31st that Prentiss, Brooks & Co. made two contracts with Alpha, 1,000 bbls. each, both for garages, contractor P. J. Kennedy Co.

[*Word enclosed in brackets erased in copy.]

Is there not some way in which you can force Prentiss, Brooks & Co. to stock our cement?

Yours truly, Smith, Sales Manager.

[fol. 2116½] DEF'TS' EX. No. D-226

April 19, 1919.

Construction Supply Co., Hancock & Marshall Sts., Richmond, Va.

GENTLEMEN: We received your wire asking for quotation on Seven Thousand (7,000) barrels of cement at South Boston.

As per our telegram, we very much regret to state that owing to lower freight rates, the Fordwick Mills can quote a price at South Boston which would reduce our mill price 30¢ per barrel if we should meet it. You can undoubtedly appreciate our position that we would not care to go so far below our cost of manufacture and entertain this loss. The situation in the vicinity of Richmond is different and we can handle business in your section to good advantage.

We trust that you will understand our reasons for being unable to quote you and that you will give us opportunities of quoting where we can at least secure our costs for the cement.

Thanking you for the opportunitly and hoping to hear from you again, we remain,

Yours very truly, R. A. P., Sales Manager.

[fol. 2117] DEF'TS' EX. No. D-227

Postal Telegraph-Commercial Cables Telegram

Richmond, Va., Apr. 10, 1919.

Lawrence Cement Co., 1 Broadway, New York, N. Y.:

Advise quotation seven thousand barrels cement delivered South Boston, Virginia.

Construction Supply Co.

[fol. 2117½] DEF'TS' EX. No. D-228

Newark, N. J., July 6th, 1916.

Mr. J. F. Twamley, Bath Portland Cement Co., 1182 Broadway, New York, N. Y.

DEAR SIR: Raymond Mason, salesman for the Edison Portland Cement Company, called on R. Jannarone, at his residence, Passaic Avenue, Belleville, N. J., and quoted him $1.58 per barrel for Edison Portland Cement.

Mr. Jannarone was low bidder on 10,000 yards of pavement at Belleville, N. J. and the bids were opened June 20th. Mason quoted this price on July 5th.

Our price was $1.68, and we were given the cement for this work, at that price. The Edison quotation has had the effect of making Mr. Jannarone dissatisfied with our price.

Please take the matter up with Mr. Scott.

Yours very truly, Bath Portland Cement Co. B. F. Stradley, President.

[fol. 2118] DEF'TS' EX. NO D-229

Pennsylvania Cement Company

Boston, Mass.

Feb. 11, 1916.

Pennsylvania Cement Co., 30 East 42nd St., New York, N. Y.

GENTLEMEN: I am enclosing bids received to-day for the Sewer [fol. 2118½] Dept. City of Cambridge. Please note that the Dragon Cement Co. have cut 2¢ a bbl. on the price.

Beg to acknowledge yours of the 10th inst. in relation to the New England Builders' Supply Association convention on February 24th.

I had already intended to be present and shall be, unless I am detained with Hassam at Augusta, where I expect to go on the 23rd. I have told Savory of your suggestion that he attend.

Yours truly, Geo. M. Clukas.

[fol. 2119] DEF'TS' EX. NO. D-230

Pennsylvania Cement Company

August 15, 1916.

Pennsylvania Cement Co., 30 East 42nd St., New York, N. Y.

GENTLEMEN: Beg to acknowledge your telegram of even date, [fol. 2119½] giving me price of $1.99, F. O. B. Akron, Ohio. Are you quite sure you are right on this price? I am informed that they have been quoted by the Atlas, Lehigh and other valley companies, $1.94.

The man who is to place this order is a very good friend of mine and we should have an even chance at the same prices.

Wire me the first thing in the morning whether this price is correct as the order will probably be placed to-morrow, Wednesday.

Very truly yours, Geo. M. Clukas.

[fol. 2120] DEF'TS' EX. NO. D-231

August 16, 1916.

Mr. Geo. M. Clukas, 161 Devonshire Street, Boston, Massachusetts.

DEAR SIR: We have your favor of August 15th relative to price at Akron, Ohio, and wire you this morning as follows:

"Meet price of 1.94 f. o. b. Akron if made by Atlas or Lehigh."

The rate from Lehigh Valley mills is 49¢ per barrel, which would make our price 1.99. It is possible that the Atlas or Lehigh is quoting #1.94 from one of their western mills, and we will meet this price if you are positive that same has been quoted by either of the above companies.

Yours very truly. Pennsylvania Cement Company. ——
——, Sales Manager. EPA-H.

[fol. 2120½] DEF'TS' EX. NO. D-232

Mr. E. P. Alker.

Nov. 4, 1920.

Mr. H. B. Brewter:

[We are in receipt of your letter of Nov. 3rd and note what you say relative to the Interceptic Sewer job in the city of Syracuse.

I received communication from Mr. Hansen this morning and wrote him that we would meet our competitors' price of $4.13 per bbl. figured on the Hudson Base.]

Yours very truly, Pennsylvania Cement Company. ——
——, Sales Manager.

[fol. 2121] DEF'TS' EX. NO. D-233

Pennsylvania Cement Co.

Inter-Office Letter

From H. B. Brewster.
Address: Syracuse, N. Y.
To Pennsylvania Cement Co.
Date: November 10, 1920.
Subject: ——.
Reference: ——.

[In connection with the quotation made to Richard Hopkins covering 10,000 barrels for use on road #5656 delivery Fultonville, N. Y., your quotation was $4.30, whereas I understand that price of $4.17 is being quoted and I wonder if your quotation is correct with

present prices, or that I am misinformed on the other quotations.

I plan to place this order through the Crane-Veeder Co., Schenectady, N. Y., if we are successful.

However, an advance of 13 cents would of course lose the order, and therefore would ask if you will please check this up and advise.]

Very truly yours, H. B. Brewster.

[fol. 2121½] DEF'TS' EX. No. D-234

Mr. E. P. Alker.

Nov. 11, 1920.

Mr. H. B. Brewster:

We are in receipt of your letter of Nov. 10th and note what you say in regard to price on quotation to Richard Hopkins.

Our price of $4.30 was figured on the straight Lehigh Valley Base. We will of course, have to meet quotations made on Hudson Base, of $4.17 per bbl.

Yours very truly, —— ——, Sales Manager.

[fol. 2122] DEF'TS' EX. No. D-235

Samuel H. French & Co.

Phila., Pa.

Atten. of Mr. E. B. Goode, Jr.

April 1, 1921. No. 2864.

Our salesman reports to us a new condition in Syracuse. He stated that the Alpha Mill, six miles from town, is selling to contractors who haul it themselves and save the freight, 27½¢ per barrel.

We would like to hear from you as to what you know of this condition.

McB.

[fol. 2122½] DEF'TS' EX. No. D-236

Samuel H. French & Co.

Phila., Pa.

Atten. of Mr. E. B. Goode, Jr.

July 12, 1921. No. #3025.

We have been working with Tony Bellano, 430 N. Cross St., Phila., Pa. and we find that the Edison Company have written him

a letter stating that they will give him the advantage of twenty days on invoices. In other words, they will date their invoices twenty days after date of shipment. This will give him thirty days after date of shipment in which to take advantage of the cash discount.

We presume it will be agreeable to meet this competition, but we would like to hear from you tomorrow regarding same.

McB.

[fol. 2123] DEF'TS' EX. No. D-237

c/c Philadelphia.

Tony Bellano—Discount Period

July 13, 1921.

T. F. McBride:

I have your #3025 in which you state the above gentleman has a letter from the Edison Company stating that they will give him twenty days on invoices, and also stating that you presume that it will be satisfactory for you to meet this competition.

The present policy of this company is to allow ten days for cash discount*y*, and it certainly will not be agreeable for you to meet any twenty day competition as long as our policy is as it is today.

In matters of this kind, as well as all others, you will please be guided by our instructions that you receive from time to time outlining our policy.

EBG/M.

[fol. 2123½] DEF'TS' EX. No. D-238

Edison Portland Cement Co.

From Paul L. Hayden.
Date: 6/4/21.
To Mr. Bert W. Kessel, Phila., Pa.
Subject: Rebate on warehouse cement in case of decline in price.

When I was with Allentown we had an arrangement for 1921 whereby the dealers were allowed (in event of a decline) of the market, a rebate on what cement they had in their warehouse, that was bought at the higher price and unsold at the time of the decline.

I find they are still doing this and am writing you to ask your opinion of it and if you considered it a good proposition for us. Personally I think it a good talking point for new business.

Yours very truly, Paul L. Hayden.

1137

[fol. 2124] DEF'TS' EX. NO. D-239

June 6, 1921.

Bert W. Kessel, Philadelphia Office

Mr. Paul L. Hayden:

Price

DEAR MR. HAYDEN: Replying to your letter of June the fourth, we not only guarantee our price against decline, but also give dealers the benefit of the decline on any unsold stock which they may have in their warehouses. This will be your authority to so tell the trade.

[fol. 2124½] DEF'TS' EX. NO. D-240

April 7, 1919.

Personal

W. A. H.:

Your memorandum of the 5th has been noted. I surely hope that the scrap that is on in the President's Cabinet will be settled shortly so that all of the unrest regarding building conditions will be stopped. We certainly can't assure our customers that there will be no further reduction. At the same time, if we could work out something to be put out to the trade that would be more or less reassuring without being absolutely committal it would start a buying movement. I have been thinking for some time that our basis of taking contracts, while sound theoretically, works in a very unsound way practically. By this I mean taking contracts on a firm basis. I am almost of the conclusion that it would be a good commercial practice, particularly during the present uncertain times, to make our contracts subject to invoicing the cement at the current market price if it is lower than the contract price during such period as the current market may be lower than the contract. In my experience in the cement business we have been able to hold, during a time of decline, a certain number of our contracts on the [fol. 2125] basis at which they were taken. This, however, has been principally contracts taken direct with industrial companies or direct with contractors, but very seldom have we been able to hold our contracts with dealers when the market price was below the contract price. In theory we have held our contracts with dealers, but as you know a very large number of them have ordered out other brands of cement, and even our own brand, on basis of the current market price, without applying it against the contract, and we have found later on that our contracts were not lived up to. We have never taken the position that we wanted to try out one of these contracts in court, and, therefore, to all intents and purposes our contracts with the dealers have not been firm contracts. At the present time we are selling a greater proportion of our cement through the dealers than we ever sold before. I think this question is worth considering just now as a matter of Atlas policy,

particularly during the present time, and perhaps for the future. I am sure that if we could go to the contractors and dealers with the idea in mind of making a contract on basis of present prices, with a clause in that lower prices would apply during any period that the Atlas Company made lower prices while the contract was in force, we would be able to close up a good many contracts that are now in the market and are only being supplied from time to time as the cement is required. I am, of course, mindful of the fact that all of our competitors would have to do likewise as a matter of protection, but I am not sure but that it would be better for us to look the thing squarely in the face and work out our policy along [fol. 2125½] practical lines rather than theoretical lines. What we lose in the way of invoicing at prices lower than the contract I am sure would be more than offset by what we would gain by supplying contracts through the dealers who ordinarily would buy their cement on the current prices.

It is really unfortunate but when the market price declines and we hold dealers to our contract prices for the contracts we have with them they generally order other brands of cement on basis of the current market prices, and we not only lose out on our contemplated price for these contracts, but we also lose the amount of cement that goes on them. I feel sure that this more than offsets the gain that we make by securing a price above the current market for such contracts as are taken out in accordance with the terms of purchase. Of course, on basis of the decline in price that just occurred we are handling the contracts as you and I both agreed to, and that is putting them down to the present market basis, but this doesn't put us in position to go before the contractors and dealers now on contracts to be placed and give them the assurances they require in order to close up the business. I know that this is a matter of great importance from standpoint of general policy and that you will want to discuss it pretty thoroughly. If, however you decide that this is the thing to do the sooner we settle it the better off we will be.

D. H. M. BC.

[fol. 2126] DEF'TS' EX. NO. D-241

Guarantee Against Decline

New York, April 10, 1919.

Mr. MacFarland, Chicago:

On the guarantee against decline which you know about, you must be very careful that the customer understands that it is a guarantee against Atlas decline, not the decline of any other company, otherwise some small concern might establish a price for our entire output.

Please be very careful that every salesman understands this thoroughly.

Yours truly, J. R. M.

[fol. 2126½] DEF'TS' EX. NO. D-242

The H. Wales Lines Co.

Meriden, Conn.

December 21, 1920.

The Dexter Portland Cement Co., Nazareth, Pa.

GENTLEMEN: Supplementing our letter with reference to credit of five cents per barrel on shipment car No. 23159, Dix Lumber Co., we are enclosing copy of a letter which we have this day received from them.

In connection with this same question, we wish to advise that the Standard Coal Co. deducted in settlement for car of October 8, five cents per barrel, because of the fact that they had been quoted and had been charged by other companies $4.27 at that time. We are issuing credits to both of these concerns and trust that you will see fit to send us credit memoranda at an early date.

Very truly yours, The H. Wales Lines Co., by L. Larmont.

[fol. 2127] DEF'TS' EX. NO. D-243

12-29-1920.

The H. Wales Lines Co., Meriden, Conn.

GENTLEMEN: We acknowledge receipt of your letter of the 21st in reference to a credit of 5 cents per barrel on car #23159 shipped to Dix Lumber Co., also credit for Standard Coal Co. for shipment of a car on October 8th. Under the circumstances we will allow the credit in this case but please do not issue credits upon similar cases without first taking up the matter with us. The question of reducing the price of Dexter Portland Cement is not determined by the fact that another company is selling its cement cheaper but it is only at such times when we consider it necessary for us to reduce the price of Dexter in order to meet the competition of several of the leading companies in this district.

Very truly yours, —— ——, Manager of Sales. HY:C.

[fol. 2127½] DEF'TS' EX. NO. D-244

Nazareth Cement Company

Boston Office

Date: July 10, 1916.

To Mr. S. J. Fehnel, Nazareth, Pa.:

Subject: ——.

I am in receipt of your favor of the 7th with water rates, and there are places where this may hurt us, not being able to meet the situation, as other Lehigh Companies are doing so.

While I agree with Mr. Horner that we do not want any water business, I think we should be allowed to meet this difference by rail if we want to, or have to.

I wish you would advise me in this regard promptly.

Very truly yours, John W. Ramsay.

[fol. 2128] DEF'TS' EX. NO. D-245

Nazareth Cement Company

Subject: ——.

July 11th, 1916.

To John W. Ramsay, Sales Mgr., Boston Office:

In reply to your letter of July 10th in regard to the difference between water rates and rail rates, I have again taken this up with Mr. Horner and Mr. Horner does not want to meet the water rate and absorb the difference. Would suggest that you take this up with him at the time of your meeting next Tuesday.

Very truly yours, —— ——. SJF-WFM.

[fol. 2128½] DEF'TS' EX. NO. D-246

Nazareth Cement Company

Boston Office

Subject: ——.

November 28, 1917.

To Mr. J. A. Horner, Nazareth, Pa.:

I am in receipt of your favor of the 26th, and the dealer that offered Cement to the Starrett, Fields Company at $2.20 in cloth, at Boston with the usual cash discount, was the Massachusetts Lime & Cement Company, of Cambridge. I do not know what the brand was, but have an idea that it was Phœnix and possibly some Lehigh.

It is a matter of common knowledge that such dealers as J. P. O'Connell & Company of this City, and C. H. Spring Company of Newton Lower Falls, Mass., have not this year paid the market price on any of their Cement shipments, they having enough of padded contracts to more than take care of current business.

Very truly yours, John W. Ramsay.

[fol. 2129] DEF'TS' EX. NO. D-247

John W. Ramsay

Boston, Mass.

10/19/17.

DEAR MR. HORNER: Just a line to advise our friends National Engr. Co. landed a job at Naugatuck, Conn. 8,000 brls. rush. Vulcanite direct and Edison thru a dealer cut 5¢ a barrel. I didn't have to but thought you should know this.

J. W. R.

[fol. 2129½] DEF'TS' EX. NO. D-248

Nazareth Cement Company
Boston Office

Subject: ——.

10/21/20. N-CP-25.

To Mr. J. A. Horner, Nazareth, Penna.:

Received your telegram advising that you were not coming up this week, and when you do know your plans, let me know and I will arrange to meet you on arrival.

The cement market is very peculiar up here, some people who feel we have used them well, make no objection to paying on the $3.00 bulk basis at the mill for market cement, but others are giving us no orders because they are buying cheaper from other companies. Understand most of the mills are selling dealers on the basis of $2.50 in bulk, and we are advised that the Pennsylvania is quoting on a price of $2.25 bulk, which is the highest they ever quoted up here even during the recent trouble. They are also absorbing the difference in rates between Lehigh Valley and Hudson River mills which makes the net to them about $2.20 on sales to dealers.

I feel that as long as we can get some of the higher price business we will hang on, and ship as little of the low price cement as we can.

Very truly yours, John W. Ramsay.

[fol. 2130] DEF'TS' EX. NO. D-249

May 31, 1921.

Mr. Preston E. Bradlee, Brookline, Mass.

DEAR BRADLEE: I know business is very bad in Boston, owing to the strikes, but this same condition obtains in most all our large cities. We are being obliged to get our business from the small centers and on road jobs. Watch the competition carefully and let

me know what you are up against. If price cutting becomes general, then the lower price level will become the prevailing one, and we cannot be left at the post. Keep in close touch with the situation and with me.

I have written Frank Leach asking him to go over to Westerly as soon as he can, and if he wants any additional information, to call you on the 'phone.

It seems as tho these strikes have been running so long now that they must soon be settled, and I am hoping that conditions will be much changed in the near future. It is becoming a matter of some anxiety to us because we have on hand a very large stock of clinker, altho our cement stock is low, but with our new grinding capacity, we will be able to grind the clinker much faster than we can burn, and so the stock of clinker on hand practically amounts to finished [fol. 2130½] cement, when we speak of material to be sold. It means that we must ship 85,000 barrels of cement every month the balance of this year, and this is a great deal more than we have ever done before. We will have to get the business, and if our competitors are underselling us, we must know about it, and if necessary, meet the competition as it comes. Watch your territory like a hawk and good luck to you.

Yours very truly, Charles H. Cox.

[fol. 2131] DEF'TS' EX. NO. D-250

The Atlas Portland Cement Co.

New York

For the attention of Mr. MacFarland; Mr. Lewis, Chicago.

New York, June 19, 1920.

Mr. Morron has asked me to write you about a situation here in the east that has developed this morning.

We have received word that Alpha and some of the smaller companies have increased their price 30 cents a barrel. One or two of the smaller companies first issued quotations and it is apparently growing general. We have not found any quotations yet from any of the trade of the Lehigh company.

We are not yet quite ready to make a change ourselves, but probably will have to decide it Monday or Tuesday. If we increase our price, it is our thought that we would like to go up 35 cents instead of 30, and allow 10 cents a barrel discount for cash—that is, make [fols. 2132-2137] the cash discount 10 cents instead of 5. Assuming that information we are able to develop Monday or Tuesday confirms the information that we have today of a 30 cent advance, we would then increase to 35 cents, but because if we do go up to 35 cents we will allow a 10 cent discount, our net price on discounted invoices will be the same.

While, as I have stated above, we have not yet determined on this, Mr. Morron wanted me to write you about it, so that you could consider the best way to handle the situation in the west and south, as of course if we allow a 10 cent cash discount here, we would want to do the same elsewhere.

It is Mr. Morron's thought that we would increase our Western & Southern prices 5 cents, although it need not necessarily be done by a general notice. This latter point is one on which he would like to hear from you. In fact he would like to have you write him as promptly as possible, giving your ideas of just how you would handle your end, in the event of our deciding to go to the 10 cent discount.

Yours truly, L. R. B.

Deft. Ex. No. D 260 A

ALLENTOWN PORTLAND CEMENT COMPANY.

No. 1 - (VI 2)

SHIPMENTS (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January		21 919.	35 257.	42 840.	26 874.	11 667.	12 583.	5 632.	19 240.
February	154 110.	16 914.	28 525.	24 634.	25 258.	11 957.	15 897.	8 803.	14 310.
March		38 497.	73 163.	45 194.	53 176.	42 068.	31 259.	36 543.	32 138.
April		71 351.	82 608.	75 858.	80 382.	31 712.	44 000.	52 561.	50 094.
May	227 191.	85 306.	85 551.	83 199.	79 189.	44 370.	76 174.	65 285.	51 778.
June		88 396.	90 141.	62 873.	72 666.	46 083.	82 728.	61 649.	72 343.
July		87 635.	75 455.	68 054.	64 448.	41 427.	82 015.	53 554.	80 260.
August	235 328.	93 138.	70 374.	95 182.	71 510.	49 109.	78 385.	55 945.	96 916.
September		100 355.	83 704.	86 284.	68 702.	39 807.	74 754.	65 411.	82 477.
October		93 628.	125 626.	89 466.	67 767.	47 068.	68 557.	65 288.	91 026.
November	202 236.	66 453.	87 932.	73 269.	63 243.	36 686.	61 861.	57 249.	36 151.
December		47 068.	62 717.	46 399.	22 220.	24 224.	22 426.	14 849.	23 914.
YEAR	818 865.	810 660.	901 063.	793 252.	695 435.	426 178.	650 639.	542 769.	650 647.

74—551

1145

2138

Deft. Ex. No. D 260 B

ALPHA PORTLAND CEMENT CO

No. 1(vio)

SHIPMENTS (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	209,980	204,722	143,342	167,464	173,953	66,150	56,091	155,293	59,419
February	176,676	202,924	230,683	160,745	142,842	111,631	74,275	143,688	71,303
March	401,766	257,592	431,758	222,745	326,862	235,605	152,256	262,839	191,247
April	510,398	495,644	516,201	431,788	501,047	311,596	250,463	403,044	268,187
May	577,518	579,981	536,899	501,625	555,249	394,923	253,427	399,335	280,604
June	514,241	559,609	644,212	395,284	415,112	379,001	311,736	491,029	334,646
July	536,356	605,457	456,801	397,205	398,277	334,712	305,578	474,544	322,725
August	587,836	606,520	430,485	473,434	405,585	333,827	375,667	470,498	402,840
September	603,106	640,205	505,794	560,939	438,381	341,609	472,108	478,129	372,966
October	559,896	575,855	515,753	499,404	414,729	221,123	393,629	559,600	366,447
November	402,874	382,663	457,606	430,419	321,716	167,593	285,430	338,697	163,556
December	337,024	188,351	277,765	284,456	219,403	96,840	226,435	83,320	112,611
YEAR.	5,417,661	5,299,473	5,157,294	4,525,228	4,313,106	2,994,699	3,157,096	4,260,006	2,945,851

1146

2139

Deft. Ex. No. D 260 C

THE ATLAS PORTLAND CEMENT CO. No. 1 (6a)

SHIPMENTS (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	401200	339872	280679	323379	279488	169624	211747	423824	133517
February	436031	252215	269382	318595	280012	293803	220772	179766	184023
March	570468	371199	432443	408626	529081	464406	297688	391315	311596
April	658085	561220	546107	606974	689999	602161	407232	628181	430684
May	630284	635745	555592	637284	806860	565361	506044	539615	527045
June	632062	565681	589440	586632	640917	541209	580265	716321	608699
July	626554	618246	550004	581421	626957	516707	647462	852484	526196
August	728092	663344	524195	719951	555343	559400	748841	819783	680840
September	755171	572844	538246	866912	721812	536694	977654	763800	611835
October	625300	522730	562480	781875	762409	427252	892584	749292	694347
November	545707	358578	483511	590300	557748	394250	635521	628827	297192
December	435969	209586	390257	397791	380497	236423	569444	260970	239255
TOTAL	7044923	5671260	5722336	6819740	6831123	5307290	6695254	6954178	5245229

Deft. Ex. No. D 260 D

Bark Portland Cement Company

No. 1-(11a)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	32,961	25,252	18,583	21,610	24,613	4,490	14,637	20,407	9,959
February	17,662	14,037	17,933	18,953	20,128	12,360	19,268	5,079	22,448
March	38,583	28,200	31,005	33,229	44,233	40,067	50,278	35,856	51,341
April	57,000	54,810	44,078	61,382	73,024	53,149	68,915	49,211	72,140
May	80,648	56,266	36,863	57,194	73,597	57,618	87,714	58,239	87,112
June	72,171	74,025	64,982	51,439	60,734	58,192	94,583	82,376	96,811
July	74,378	76,964	56,820	50,133	50,503	50,176	96,265	90,370	91,508
August	72,317	62,814	64,231	72,298	66,661	51,466	77,967	102,197	114,996
September	110,135	51,071	61,851	62,345	60,072	34,420	118,735	162,231	116,836
October	80,704	51,000	71,808	61,325	60,584	44,451	98,181	130,443	119,991
November	68,964	31,431	101,419	60,920	36,269	28,350	83,852	62,302	49,924
December	47,000	17,721	56,110	35,505	21,298	14,785	51,953	15,208	30,519
Year	762,730	543,442	624,684	586,293	591,654	450,038	862,213	771,919	862,624

1148

2141

Deft. Ex. No. D 260 E

Cuplay Cement Manufacturing Company

No. 1 - (via)

Shipments (barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	50,642	38,635	56,844	90,800	46,630	34,475	60,126	42,021	25,510
February	42,144	34,224	60,603	67,032	51,453	47,146	26,693	35,281	31,864
March	76,498	61,949	114,924	72,179	68,563	96,154	49,886	73,992	78,462
April	107,472	80,988	166,854	110,289	111,502	96,344	64,931	78,224	66,705
May	125,141	108,431	176,409	134,202	165,295	99,987	90,243	65,581	97,106
June	119,668	119,943	167,717	121,210	138,213	113,810	115,321	101,934	110,393
July	150,238	140,167	167,126	103,098	88,805	113,735	104,013	120,778	100,719
August	149,166	118,944	174,264	145,256	106,702	87,198	121,500	138,098	124,886
September	140,992	151,051	167,218	152,524	114,306	81,412	119,276	128,314	140,889
October	126,218	127,977	158,452	142,166	104,979	90,246	107,511	141,523	122,295
November	92,961	103,583	173,224	134,398	96,465	70,007	104,304	120,636	60,343
December	71,908	54,125	128,148	79,274	72,422	57,232	93,762	53,894	52,234
Year	1,254,146	1,130,312	1,687,708	1,357,736	1,158,315	991,740	1,037,466	1,095,341	1,004,506

1149

2142

Deft. Ex. No. D 260 F

Dexter Portland Cement Company

No. 1-(1/2)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	40,849	26,503	26,452	34,130	34,926	13,413	32,925	30,296	20,494
February	42,576	21,433	38,173	35,839	24,530	28,068	30,298	15,318	30,078
March	67,908	44,803	73,271	46,902	55,166	66,836	55,181	44,521	66,308
April	79,588	74,631	96,585	75,053	73,473	66,946	82,665	63,107	86,072
May	74,656	97,014	110,968	84,198	90,943	85,778	106,636	63,931	114,258
June	72,436	80,412	114,141	71,658	64,600	82,164	118,623	75,436	103,348
July	74,543	78,577	118,623	71,692	70,812	83,069	93,237	76,969	93,023
August	95,701	86,834	73,374	81,152	77,009	95,560	93,175	85,525	120,386
September	82,347	64,205	67,705	90,100	70,408	73,412	103,742	85,129	106,968
October	76,073	63,497	73,642	92,179	71,634	83,372	96,310	78,120	107,182
November	63,990	45,124	80,042	85,509	67,850	65,120	66,627	72,000	50,672
December	47,464	29,120	42,781	46,664	41,292	52,306	53,689	36,644	29,362
Year	798,131	717,218	918,757	805,986	726,645	798,023	930,728	708,106	928,087

1150

2143

Deft. Ex. No. D 260 G

EDISON PORTLAND CEMENT CO.

No. 1 (VI-a)

SHIPMENTS (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	60065	54361	56597	SHUT DOWN	51652	34704	25506	61233	21679
February	52539	59888	58925	" "	30893	46396	26351	28944	31539
March	101463	64657	42396	" "	100157	96517	51039	81744	75497
April	145150	124564	16960	24966	122361	118774	75722	93063	104903
May	128909	132587	10305	62781	167150	159922	98636	156238	147521
June	144982	140940	19161	89386	134926	150826	132014	167176	165790
July	130076	130396	14410	82831	103459	129442	158770	188157	174595
August	144885	148298	3640	127671	130484	129396	207170	143110	224907
September	153092	160749	1114	150486	175618	118145	245058	159862	218519
October	171044	142830	532	106605	120127	62382	253468	162697	236972
November	121355	82906	486	76017	110815	81888	146739	109236	108274
December	89873	55124	6	49919	52371	32104	85063	25863	66138
TOTAL	1443433	1297300	224532	770662	1300013	1160496	1505536	1377323	1576334

1151

2144

Deft. Ex. No. D 260 H

Giant Portland Cement Company No. 1 - (VIA)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	Began	22,608½	34,974½	42,122½	48,590½	36,246½	21,079½	51,451	32,419½
February	Operation	18,136	40,277½	42,123½	36,599	33,107½	34,549½	38,538½	39,390½
March	May 1	30,330½	57,417	54,859	62,323½	85,137½	46,095	68,256½	69,092½
April	1913	53,656	58,385½	79,747	87,965½	59,290½	91,576½	60,304½	82,776½
May	52,734½	58,942½	70,875½	96,265½	107,176½	80,016½	61,136	76,601	90,669½
June	57,602½	79,131½	82,188½	84,814	116,107½	85,250	73,017	131,791½	103,700½
July	70,473½	107,585½	80,160½	76,200½	103,202	117,330	70,697½	131,945	88,346½
August	81,606	89,367½	74,904	90,346½	130,219½	93,934½	93,311	110,606½	101,603½
September	102,408½	122,423	86,096½	105,971	121,804½	94,669	121,310½	105,234½	93,214
October	91,674½	114,503½	116,104½	146,194½	113,986½	86,239	134,040	135,932½	130,868½
November	49,305½	90,794½	94,439½	88,450	106,038	68,736½	88,144½	88,701½	60,364½
December	36,913½	69,634½	58,655½	63,242	67,864	41,285	68,612½	36,274½	50,979
Year	540,944½	839,584½	852,099	975,653	1,100,821½	862,301	893,969½	1,030,631½	943,933½

1152

2145

Deft. Ex. No. D 260 I

GLENS FALLS PORTLAND CEMENT CO. No. 6A

SHIPMENTS (BARREL)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	17855	7020	6320	24068	16353	12661	11093	10956	10050
February	11586	5719	9316	9389	9526	13351	10475	7222	9731
March	17216	15739	20161	16911	24190	23083	13176	12860	27417
April	43069	32052	35712	49892	43718	47871	30856	68628	44676
May	45341	54338	50009	56755	56347	73639	39269	55795	56411
June	61528	60507	77835	59058	56953	83599	50207	69090	72631
July	65364	68213	73597	60518	59430	75287	60829	40866	56434
August	76402	69752	101932	74609	70149	74188	58424	38792	112999
September	86312	75193	94930	86850	77622	68735	75953	29240	117169
October	67176	73059	81960	103412	73219	52785	92704	26811	101373
November	46812	32175	52477	68089	54695	34342	32708	19706	25886
December	22266	11362	55582	26584	18357	21689	22562	7552	12257
TOTAL	560927	505129	659831	636141	560559	581230	498256	387518	647040

Deft. Ex. No. D 260 J

Hercules Cement Corporation

No. 1-(11a)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January						6,153 ✓	26,900 ✓	31,168 ✓	6,187 ✓
February						20,706 ✓	15,398 ✓	16,082 ✓	8,480 ✓
March						29,229 ✓	26,233 ✓	44,384 ✓	36,689 ✓
April						27,763 ✓	40,331 ✓	36,113 ✓	40,243 ✓
May						36,449 ✓	48,632 ✓	36,829 ✓	46,264 ✓
June						44,070 ✓	64,284 ✓	51,897 ✓	48,570 ✓
July						62,176 ✓	71,331 ✓	49,933 ✓	44,341 ✓
August					23,520 ✓	41,012 ✓	68,161 ✓	67,766 ✓	49,975 ✓
September					18,989 ✓	44,986 ✓	68,479 ✓	69,682 ✓	50,540 ✓
October					28,864 ✓	47,584 ✓	67,895 ✓	63,708 ✓	50,483 ✓
November					28,130 ✓	42,896 ✓	62,214 ✓	35,492 ✓	34,715 ✓
December					14,348 ✓	41,043 ✓	42,612 ✓	21,436 ✓	26,687 ✓
Year					113,551 ✓	447,984 ✓	602,138 ✓	518,345 ✓	511,294 ✓

Began Operation August 1917

1154

2147

Deft. Ex. No. D 260 K

Knickerbocker Portland Cement Company

No. 1-(V1a)

Shipments (barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	19369	24757 1/4	11964	26566	19284	10900 1/4	20713 1/2	23979	11671 1/4
February	20554 1/4	22375 1/2	13422	19763 3/4	13664	18912 1/2	13327 3/4	9819 1/4	12436 3/4
March	20656 3/4	38678 1/2	45441 1/4	19865	43626 1/2	40828 1/2	41242 1/2	21710	61003
April	60162 1/2	93056 3/4	96544 1/2	71667 1/2	96267	77438	32289 3/4	146208	100224
May	78529 1/2	102065 1/4	107164	84434 1/4	120969 1/2	77413 1/4	42651 1/4	142294 1/2	101330 3/4
June	100029 1/2	133610	157763	81226 1/4	98990 1/2	112459 1/4	63754	114575 1/2	103848 1/4
July	117400 1/2	133529 1/4	116870 3/4	72192 3/4	100160	94097 1/2	72754	90170 1/2	122669
August	120311 1/4	128049 1/4	89749 3/4	114183	117159 1/2	106096	112953 3/4	68625 3/4	124869 1/4
September	121535 1/2	150166	77784 1/4	127627	130236 1/4	112457 1/4	161013	104171	133336
October	110624 3/4	135733 3/4	37911 1/4	135782 1/4	101541 1/4	80529 1/2	121686 3/4	118237 1/4	124816 1/4
November	76340	72080 1/4	19209 3/4	86463 3/4	72612	68060 1/2	70020	87583 1/2	51983 3/4
December	63212 3/4	44368 1/4	57690	73444	48785	30795 1/2	44336 1/2	40002 1/4	53511
YEAR	909066 3/4	1078470	831520 1/2	913215 1/2	963295 1/4	829488	796742 3/4	967376 1/2	1001699 1/4

1155

2148

Deft. Ex. No. D 260 L

Lawrence Portland Cement Company

No. 1-(V.S.)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	72,703	51,280	27,317	64,681	52,908	21,927	21,891	54,633	38,551
February	64,573	35,846	43,763	54,285	40,072	42,961	22,232	31,837	48,006
March	111,194	70,634	92,332	68,604	100,237	76,723	39,980	61,990	99,467
April	148,763	118,451	115,919	130,099	142,843	138,316	83,058	113,649	150,032
May	137,187	145,911	150,783	118,132	166,516	152,136	90,699	103,761	147,086
June	116,017	161,846	164,454	123,689	112,151	137,078	112,661	166,099	148,555
July	116,046	138,993	161,290	111,660	121,083	116,079	137,540	139,213	140,699
August	115,481	167,406	139,314	132,039	156,189	104,931	123,903	165,637	191,436
September	129,091	138,692	139,583	138,086	136,976	109,586	166,251	182,669	154,763
October	131,778	139,206	150,271	142,162	136,389	109,221	201,432	166,986	188,971
November	116,096	79,198	139,639	124,001	120,531	91,763	140,260	157,876	69,679
December	87,865	43,067	112,219	95,183	67,523	71,045	101,017	65,834	63,564
Year	1,369,434	1,320,033	1,481,874	1,306,680	1,342,252	1,105,129	1,343,296	1,471,877	1,447,318

1156

2149

Deft. Ex. No. D 260 M

Lehigh Portland Cement Company

No. 1-(VI.)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	173,986	171,019	146,495	161,394	241,163	109,948	163,269	320,504	143,658
February	146,362	103,171	263,642	185,767	214,586	164,813	143,986	234,121	184,506
March	258,756	224,425	517,812	297,940	417,853	376,942	209,365	402,171	398,517
April	380,937	465,113	636,006	486,307	522,830	486,275	397,404	414,894	531,381
May	432,345	603,826	728,691	580,217	585,834	444,796	402,928	402,213	604,400
June	451,191	657,525	737,067	541,268	541,507	588,907	491,983	638,747	698,402
July	496,986	624,639	604,708	496,644	439,315	499,681	577,151	745,417	571,110
August	494,834	659,773	480,323	692,815	486,411	492,173	683,478	628,135	726,279
September	459,631	630,311	510,672	807,433	527,928	436,906	728,475	673,572	671,977
October	436,886	561,807	494,758	695,318	468,102	407,523	625,510	693,341	775,159
November	343,309	344,575	398,045	529,127	382,091	251,334	515,913	423,838	302,047
December	210,079	165,135	249,377	319,361	215,765	229,321	391,582	139,297	258,753
Year	4,271,691	5,201,119	5,871,656	5,795,168	5,061,840	4,487,623	5,351,048	6,320,790	5,869,190

1157

2150

Deft. Ex. No. D 260 N

NAZARETH CEMENT COMPANY

1-(XII a)

SHIPMENTS - (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	25 242	51 645	44 516	41 492	42 862	17 254	15 252	56 860	26 492
February	17 701	34 416	50 264	43 175	35 791	31 336	32 186	21 502	26 356
March	41 837	52 290	80 235	54 960	77 296	54 270	55 464	56 415	51 350
April	83 725	88 583	86 892	96 893	96 065	97 191	54 102	72 517	77 986
May	94 771	107 696	82 414	117 986	117 382	104 501	64 108	61 082	96 525
June	96 350	109 000	135 552	81 524	88 890	89 070	70 236	109 200	91 821
July	81 613	124 828	103 196	103 927	87 665	92 317	66 049	138 032	78 565
August	89 810	136 303	88 460	128 629	111 813	89 351	88 655	119 780	113 076
September	106 903	137 405	99 052	114 086	104 979	76 448	98 176	135 163	112 205
October	80 377	121 065	102 257	142 845	90 550	75 356	111 897	157 876	130 205
November	68 880	93 444	127 365	126 189	92 517	66 021	71 220	130 017	48 003
December	43 288	69 876	89 553	93 600	53 147	36 422	84 836	28 926	39 161
YEAR	830 500	1126 606	1089 765	1145 309	1000 961	829 541	812 185	1087 375	891 746

Deft. Ex. No. D 260 O

PENN-ALLEN CEMENT COMPANY

No. 1 - (VI a)

SHIPMENTS (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	19227½	14246	16221	25237	38560	8622	13262	18379	15559
February	12530	11630	20755	18455	19435	27321	18587	6791	18609
March	40259	24508	41970	43041	57672	47681	26115	28892	46072
April	52930	42664	53218	67839	68955	55953	34660	40679	58464
May	80407	83982	46083	65669	73399	65639	44761	44939	57247
June	61018	89052	71759	57716	66079	59959	50092	69950	68557
July	101430	76338	59494	64283	61396	47146	62941	81045	53534
August	80854	60106	57708	85897	64963	42919	67098	102292	70139
September	66670	73164	59380	80024	57620	40053	103212	72194	79806
October	64880	57761	74584	87575	60834	43994	110217	58961	100107
November	50473	39579	66378	84818	46566	32764	74415	54951	36408
December	31112	20504	60616	40004	22929	23946	44024	16502	25706
YEAR	661790½	593534	628166	720558	638408	495997	649384	595575	630208

1159

2152

Deft. Ex. No. D 260 P

Pennsylvania Cement Company

No. 1-(vi a)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	63,986	45,849	46,117	74,065	59,685	23,847	38,060	44,545	60,352
February	47,120	26,390	37,794	45,886	44,570	29,172	31,625	27,171	41,200
March	65,292	38,215	73,976	47,666	70,275	86,722	48,005	59,400	94,565
April	85,509	70,135	91,072	92,038	115,211	109,070	70,384	81,542	126,371
May	96,444	103,483	121,599	111,232	143,371	107,697	76,193	75,610	133,282
June	95,723	141,661	120,362	100,556	97,213	111,400	99,358	114,595	151,037
July	91,833	123,294	113,367	95,164	102,382	110,599	134,270	156,760	111,865
August	89,274	118,406	101,630	130,098	97,503	121,221	148,794	158,220	123,316
September	104,090	114,169	104,904	117,675	125,316	91,408	130,287	141,834	114,488
October	87,707	109,013	107,334	118,061	141,615	78,281	136,041	145,662	110,193
November	71,237	83,625	115,507	102,180	126,102	84,182	109,505	105,899	56,652
December	73,340	70,304	98,090	86,869	59,254	80,100	82,915	100,613	63,244
Year	971,495	1,044,444	1,130,752	1,121,469	1,187,497	1,033,699	1,105,942	1,211,851	1,189,565

1160

2153

Deft. Ex. No. D 260 Q

PHOENIX PORTLAND CEMENT CO.

No. 1 (VIa)

SHIPMENTS (BARRELS)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	10,418	16,950	19,432	24,874	32,412	5,068	15,568	14,735	10,585
February	6,332	10,226	23,270	22,033	17,977	10,157	12,600	8,863	16,630
March	13,906	22,691	28,987	26,299	35,683	20,060	20,354	28,943	33,546
April	23,738	46,550	41,737	51,888	51,750	20,815	32,624	47,008	43,694
May	32,536	60,778	45,455	63,007	51,336	39,685	36,254	63,464	65,703
June	38,830	63,229	57,736	66,564	45,191	27,218	39,756	68,427	75,768
July	50,080	70,415	65,897	38,592	48,641	28,565	42,218	74,935	86,878
August	56,294	57,760	53,279	51,749	42,649	29,698	46,071	86,660	117,201
September	67,229	49,207	70,634	53,075	35,975	33,710	52,958	79,513	95,260
October	60,694	61,487	80,710	60,241	65,191	30,804	56,357	73,549	87,167
November	36,736	55,182	92,529	44,165	63,897	26,436	52,362	61,184	41,783
December	26,971	29,192	41,438	33,291	36,349	19,948	22,807	15,919	35,631
YEAR	423,764	344,167	601,134	539,771	526,951	292,164	429,776	623,200	709,796

75—551

1161

2154

Deft. Ex. No. D 260 R

SECURITY CEMENT & LIME CO. No. 6A

SHIPMENTS PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	22937	17963	14990	17685	25280	18891	12616	22421	15506
February	24665	13558	29563	19714	47170	40112	20652	28912	26693
March	44352	30220	57975	32471	41034	60304	52724	60162	51984
April	55021	45681	55748	49346	71929	60225	50491	83946	66340
May	52294	60813	65857	65503	77962	71266	65220	83286	69398
June	58008	56543	60809	55076	66287	53381	62083	67539	95823
July	61196	64440	63649	54153	59643	61215	65625	86084	83566
August	64175	69635	49471	80789	72096	54295	85102	82347	101068
September	61531	69718	52103	72857	69856	52488	87863	79944	91449
October	46506	69288	63581	80321	62483	48016	110369	76027	88149
November	48345	56657	58407	67513	59326	52410	65304	44357	60565
December	26825	18178	40983	39179	45268	27078	29787	14246	25733
TOTAL	565855	572694	613136	634607	698334	599681	707836	729271	776274

Deft. Ex. No. D 260 S

Vulcanite Portland Cement Company — No 1 (via)

Shipments (Barrels)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	69505	60631	59921	69162	59433	27028	25367	39552	30536
February	58035	30675	60957	60446	39751	43236	25217	21589	30446
March	90967	64667	76530	76099	84227	68603	46620	65175	80728
April	114561	120018	74164	138714	110563	114941	60577	105574	103727
May	120070	129413	86481	144069	119279	124561	73612	108789	106111
June	121699	117401	104462	126412	104333	109284	94327	138127	127992
July	124440	110832	112936	108684	103788	75641	98318	117832	126024
August	153121	126176	94720	130179	141437	87101	118745	114895	153555
September	143809	139893	115043	164539	93618	90169	144353	142172	155664
October	162770	136075	143127	174997	87289	64873	130272	152170	193121
November	116388	108967	137396	141533	95496	44446	106079	124069	86074
December	85353	57856	108134	101746	50364	43867	81865	34795	61477
	1366721	1202639	1179885	1439203	1089585	893753	1005410	1169743	1255469

Deft. Ex. No. D 281

ALL COMPANIES
Shipments (Barrels)

Company	1913	1914	1915	1916	1917	1918	1919	1920	1921
Allentown	818865	810660	901053	793252	695435	426178	650639	542769	650647
Alpha	5417661	5299473	5157294	4525528	4318106	2994699	3157096	4260006	2945851
Atlas	7044923	5671260	5722336	6819700	6831123	5307290	6695254	6954178	5245229
Bath	752730	543442	624689	586293	591654	450038	862213	771919	862624
Coplay	1254146	1130312	1687748	1357736	1158315	991740	1037466	1095341	1004506
Dexter	798131	717218	918757	808986	756645	795033	930728	708106	928047
Edison	1443433	1297300	224532	770662	1300013	1160496	1505536	1377323	1576334
Giant	540998	839584	152099	975653	1100821	862301	893969	1030631	943933
Glens Falls	560927	505129	659831	636141	560559	581230	498256	387518	647040
Hercules	— BEGAN	OPERATIONS	AUGUST	1917 —		113551	447984	602138	518345	511284
Knickerbocker	909066	1078470	831520	913215	963295	829988	796742	967376	1001699
Lawrence	1359934	1280421	1451879	1306520	1342252	1155279	1243296	1472477	1427314
Lehigh	4271697	5201119	5871656	5795168	5062840	4487623	5352548	5720790	5869190
Nazareth	830500	1126606	1089765	1145309	1000961	829541	812185	1087375	891746
Penn-Allen	661790	593534	628166	720558	638408	495997	649384	595575	630208
Pennsylvania	971495	1044444	1130752	1121469	1187497	1033699	1105942	1211851	1189565
Phoenix	423764	544167	621154	539771	526951	292164	429776	623200	709796
Security	565855	572694	613136	634607	698334	599681	707836	729271	776294
Vulcanite	1366721	1202634	1173885	1439203	1089585	893753	1005410	1169743	1255469
Total	29992635	29458471	30,160,253	30,889,512	29,931,345	24,634,712	28,936,411	31,223,795	29,066,757

1184

21157

Deft. Ex. No. D 262

ALL COMPANIES

Average Price Realized per Barrel

Company	1913	1914	1915	1916	1917	1918	1919	1920	1921
Allentown	0.836	0.885	0.689	0.952	1.208	1.517	1.652	1.899	1.742
Alpha	0.837	0.823	0.715	0.971	1.238	1.570	1.614	1.957	1.687
Atlas	0.840	0.843	0.722	0.920	1.228	1.510	1.610	1.831	1.696
Beth	0.834	0.831	0.693	0.951	1.220	1.557	1.667	2.218	1.723
Coplay	0.798	0.794	0.661	0.877	1.211	1.523	1.650	1.898	1.710
Dexter	0.805	0.818	0.699	0.972	1.271	1.449	1.573	1.856	1.750
Edison	0.835	0.860	No Accounting	0.806	1.166	1.531	1.606	1.922	1.639
Giant	0.857	0.853	0.740	0.939	1.238	1.454	1.515	1.734	1.594
Glens Falls	1.049	1.044	0.804	1.040	1.346	1.652	1.796	1.865	1.907
Hercules	Began	Operations	August	1917	1.260	1.395	1.649	1.763	1.689
Knickerbocker	0.903	0.904	0.711	1.002	1.264	1.561	1.705	1.828	1.776
Lawrence	0.804	0.857	0.693	0.880	1.156	1.474	1.623	1.810	1.712
Lehigh	0.826	0.883	0.750	0.984	1.239	1.587	1.680	1.945	1.716
Nazareth	0.755	0.881	0.702	0.975	1.244	1.558	1.651	1.878	1.721
Penn-Allen	0.837	0.835	0.643	0.962	1.252	1.565	1.641	2.134	1.765
Pennsylvania	0.815	0.820	0.718	0.850	1.080	1.430	1.515	1.822	1.717
Phoenix	0.827	0.836	0.679	0.895	1.214	1.602	1.693	2.202	1.695
Security	0.907	0.904	0.815	1.077	1.335	1.732	1.811	2.107	1.827
Vulcanite	0.879	0.874	0.748	0.944	1.241	1.561	1.667	2.004	1.675
Total	0.838	0.855	0.721	0.946	1.227	1.539	1.637	1.911	1.711

1165

2158

Deft. Ex. No. D 263 A

ALLENTOWN PORTLAND CEMENT COMPANY

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
64 725.	69 284.	68 437.	70.186.	* 60 045.	49 332.	56 833.	57 346.	60 356.

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
1.10.	0.974.	0.885.	1.97.	* 5.04.	* 3.19.	3.05.	6.79.	2.83.

* ESTIMATED

Deft. Ex. No. D 263 B

Alpha Portland Cement Co. No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
370 208	352 765	317 745	305 651	268 529	195 010	176 307	263 171	199 088

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.704	0.760	0.817	1.353	3.105	3.103	2.482	6.712	2.244

1167

2160

Deft. Ex. No. D 263 C

Bath Portland Cement Company

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
No Records	No Record	No Record	No Record	No Record	No Record	62,153 ¶	67,071 ¶	56,850 ¶

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
No Record	No Record	No Record	No Record	No Record	No Record	No Record	No Record	No Record

Deft. Ex. No. D 263 D

Copley Cement Manufacturing Company

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
75113	62144	99506	83939	92492	69374	57132	70769	61914

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.882	0.651	0.607	1.362	3.704	3.485	2.707	6.203	3.661

Deft. Ex. No. D 263 E

Dexter Portland Cement Company

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
65852.79	54989.01	63654.35	56363.79	54437.43	56629.30	57400.01	51334.68	54225.67

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.823	0.75	0.647	1.554	3.409	3.238	2.336	7.876	1.896

Deft. Ex. No. D 263 F

Edison Portland Cement Company No._____

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915*	1916*	1917	1918	1919	1920	1921
160 079	127 664	7568	96 612	146 831	128 264	149 723	148 362	111 472

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.62	0.62	0.90	1.01	2.25	2.63	2.10	5.61	2.22

* Shut down
† " part of Year

1171

2164

Deft. Ex. No. D 263 G

Giant Portland Cement Company No. 14

COAL

COAL (NET TONS) USED ANNUALLY (Slack Only)

1913	1914	1915	1916	1917	1918	1919	1920	1921
* 33,277.97	36,193.33	40,613.63	58,575.26	55,655.20	45,460.12	42,050.12	58,093.39	44,720.51

* Began Operation May 1 1913.

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
.842	.672	.621	1.532	3.20	3.044	1.98	6.20	2.00

Deft. Ex. No. D 263 H

GLENS FALLS PORTLAND CEMENT CO. No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
45858	44082	57656	40063	29186	22878	30914	12408	37311

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.83	0.75	0.69	1.37	2.96	3.40	2.58	5.20	2.02

Deft. Ex. No. D 263 I

Hercules Cement Corporation

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
—	—	—	—	10908	22886	27293	31324	21199

Began Operation - August 1917.

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
—	—	—	—	3.36	3.07	1.93	5.58	2.19

Began Operation - August 1917.

Deft. Ex. No. D 263 J

Knickerbocker Portland Cement Co No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
89,543	108,797	69,880	107,487	97,164	79,035	75,795	81,474	81,601

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.816	0.879	0.603	0.788	1.411	1.168	1.100	6.019	1.084

1175

2168

Deft. Ex. No. D 263 K

Lawrence Portland Cement Company

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
62,909.09	61,073.03	50,246.14	58,811.08	64,531.19	49,915.16	51,920.07	66,132.06	69,581.01

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
.65	.58	.63	1.27	2.54	2.82	1.87	6.74	2.71

Deft. Ex. No. D 263 L

Lehigh Portland Cement Company

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
410,285	506,727	551,553	490,697	544,181	505,792	458,030	584,396	541,680

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.788	0.864	0.773	1.377	3.193	3.232	2.440	3.538	2.572

Deft. Ex. No. D 263 M

Nazareth Cement Co.

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
43042	48868	50326	56517	55024	42890	44862	45997	51416

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
RECORDS LOST BY FIRE	RECORDS LOST BY FIRE	RECORDS LOST BY FIRE	1.44	4.15	2.95	2.02	6.77	2.40

1178

2171

Deft. Ex. No. D 263 N

PENN-ALLEN CEMENT COMPANY

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
94 215	87 477	90 108	110 320	165 905	17 406	23 732	26 035	27 882

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.95	076	068	1.70	3.91	3 05	2 35	7.34	2.18

1179

2172

Deft. Ex. No. D 263 O

Pennsylvania Cement Company

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
82562	78597	86722	87354	69045	50596	58956	57014	67372

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
1.06	1.00	0.90	1.87	3.73	2.63	2.21	4.85	2.30

Deft. Ex. No. D 263 P

PHOENIX PORTLAND CEMENT CO.

No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919*	1920	1921
37,665	46,492	41,116	41,973	43,814	Shut Down	11,697	57,053	40,667

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919*	1920	1921
1.13	0.90	0.95	1.87	4.03	3.40	7.57	5.74	3.98

* Last Four Months

1181

2174

Deft. Ex. No. D 263 Q

Security Cement & Lime Co. No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
25751	28308	27387	31448	36585	34104	37733	41033	42965

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
0.41	0.66	0.57	1.25	2.87	2.83	1.98	4.63	2.02

Deft. Ex. No. D 263 R

Vulcanite Portland Cement Company. No. 14

COAL

COAL (NET TONS) USED ANNUALLY

1913	1914	1915	1916	1917	1918	1919	1920	1921
53.196	52.975	43.403	59.768	44.586	36.902	39.333	49.526	59.200

AVERAGE PRICE (AT MINES) PER TON OF COAL PURCHASED

1913	1914	1915	1916	1917	1918	1919	1920	1921
.47	.64	.59	1.31	2.89	2.87	2.08	6.71	1.93

Deft. Ex. No. D 264 A

ALLENTOWN PORTLAND CEMENT COMPANY

No. 1-(III)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January							0.517.	0.447.	No Production.
February							0.379.	0.404.	0.423.
March							0.369.	0.395.	0.305.
April							0.376.	0.347.	0.297.
May							0.270.	0.313.	No Production.
June							0.203.	0.335.	0.263.
July							0.196.	0.373.	0.251.
August						0.262.	0.189.	0.341.	0.241.
September						0.317.	0.196.	0.297.	0.262.
October						0.267.	0.230.	0.308.	0.241.
November						0.442.	0.264.	0.366.	0.196.
December						0.361.	0.341.	0.446.	0.334.
YEAR	0.128.	0.129.	0.117.	0.127.	0.189.	0.315.	0.260.	0.352.	0.278.

NO ACCURATE MONTHLY FIGURES ARE AVAILABLE PRIOR TO AUGUST 1, 1918

1184

2177

Deft. Ex. No. D 264 B

Alpha Portland Cement Co. No. 1 - (111)

Labor Cost per Bbl.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.203	0.187	0.213	0.379	0.248	0.725	1.199	0.661	0.864
February	0.223	0.198	0.229	0.382	0.268	0.883	0.514	0.515	0.739
March	0.214	0.222	0.195	0.193	0.301	0.562	14.793	0.606	0.525
April	0.187	0.197	0.170	0.198	0.221	0.359	0.488	0.393	0.385
May	0.186	0.179	0.153	0.197	0.229	0.361	0.396	0.513	0.339
June	0.210	0.168	0.150	0.196	0.251	0.321	0.402	0.518	0.362
July	0.197	0.177	0.158	0.236	0.290	0.339	0.398	0.573	0.306
August	0.184	0.161	0.160	0.211	0.272	0.392	0.403	0.536	0.286
September	0.180	0.160	0.151	0.207	0.265	0.377	0.375	0.531	0.222
October	0.184	0.163	0.150	0.203	0.281	0.471	0.395	0.437	0.289
November	0.183	0.163	0.155	0.238	0.285	0.469	0.406	0.423	0.296
December	0.180	0.207	0.234	0.261	0.330	0.485	0.561	0.448	0.267
Year	0.192	0.178	0.168	0.219	0.267	0.414	0.438	0.502	0.358

1185

2178

Deft. Ex. No. D 264 C

The Atlas Portland Cement Company

No. 1-(iii)

Labor Cost per barrel.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.243	0.272	0.201	0.244	0.314	0.426	0.527	0.612	0.667
February	0.236	0.295	0.241	0.254	0.316	0.406	0.522	0.609	0.555
March	0.231	0.280	0.223	0.308	0.308	0.390	0.486	0.612	0.489
April	0.227	0.249	0.230	0.251	0.302	0.401	0.495	0.513	0.420
May	0.229	0.237	0.221	0.284	0.322	0.376	0.483	0.506	0.396
June	0.254	0.244	0.220	0.295	0.334	0.370	0.490	0.566	0.397
July	0.301	0.288	0.232	0.284	0.362	0.398	0.475	0.571	0.413
August	0.279	0.253	0.230	0.305	0.387	0.409	0.431	0.553	0.383
September	0.262	0.286	0.225	0.295	0.386	0.436	0.474	0.577	0.352
October	0.263	0.259	0.217	0.269	0.410	0.461	0.465	0.559	0.337
November	0.254	0.310	0.227	0.246	0.402	0.510	0.474	0.580	0.378
December	0.259	0.316	0.231	0.286	0.445	0.529	0.536	0.606	0.406
Year	0.249	0.268	0.229	0.280	0.350	0.420	0.483	0.565	0.404

Deft. Ex. No. D 264 D

Both Portland Cement Company

No. 1-(111)

Labor Cost

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January									0.514 M
February									0.549 M
March									0.869 M
April									0.262 M
May									0.343 M
June				No Records Kept					0.345 M
July									0.294 M
August									0.331 M
September									0.311 M
October									0.364 M
November									0.393 M
December									0.375 M
Year									0.378 M

1187

2180

Deft. Ex. No. D 264 E

Coplay Cement Manufacturing Company

No. 1-(iii)

Labor Cost per barrel

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.250	0.230	0.260	0.230	0.360	0.730	0.890	0.820	0.550
February	0.220	0.340	0.210	0.270	0.320	0.890	0.810	0.710	0.540
March	0.230	0.410	0.190	0.260	0.420	0.660	0.830	0.670	0.550
April	0.230	0.210	0.200	0.260	0.460	0.660	0.690	0.800	0.740
May	0.260	0.200	0.180	0.230	0.360	0.670	0.540	0.730	1.020
June	0.240	0.230	0.200	0.230	0.370	0.630	0.560	0.660	0.340
July	0.260	0.190	0.200	0.290	0.420	0.610	0.670	0.530	0.470
August	0.240	0.180	0.210	0.380	0.470	0.340	0.630	0.660	0.300
September	0.200	0.220	0.190	0.290	0.540	0.600	0.580	0.650	0.300
October	0.210	0.200	0.200	0.290	0.420	0.630	0.610	0.660	0.290
November	0.190	0.200	0.170	0.280	0.720	1.100	0.580	0.630	0.360
December	0.240	0.240	0.200	0.340	0.170	0.690	0.800	0.870	0.300
Year	0.220	0.210	0.190	0.260	0.440	0.650	0.670	0.660	0.420

Deft. Ex. No. D 264 F

Dexter Portland Cement Company

No. 1-(111)

Labor Cost

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.078	0.088	0.142	0.090	0.115	0.190	0.210	0.243	0.284
February	0.072	0.094	0.110	0.093	0.106	0.222	0.210	0.352	0.254
March	0.079	0.106	0.076	0.122	0.097	0.259	0.190	0.366	0.212
April	0.074	0.076	0.072	0.083	0.085	0.174	0.167	0.254	0.191
May	0.078	0.070	0.074	0.084	0.103	0.118	0.184	0.245	0.325
June	0.086	0.068	0.078	0.079	0.095	0.144	0.174	0.270	0.172
July	0.090	0.073	0.076	0.090	0.119	0.148	0.172	0.203	0.177
August	0.073	0.072	0.070	0.094	0.114	0.135	0.181	0.198	0.167
September	0.077	0.083	0.075	0.090	0.135	0.150	0.199	0.211	0.158
October	0.076	0.092	0.074	0.096	0.104	0.150	0.173	0.214	0.150
November	0.077	0.095	0.076	0.081	0.118	0.148	0.234	0.206	0.181
December	0.085	0.114	0.090	0.093	0.146	0.173	0.324	0.229	0.211
Year	0.078	0.083	0.080	0.090	0.109	0.153	0.195	0.238	0.197

Deft. Ex. No. D 264 G

EDISON PORTLAND CEMENT CO.

No. 1 (m)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January							0.48	0.45	SHUT DOWN
February							0.40	0.65	SHUT DOWN
March							0.42	0.89	0.47
April							0.34	0.52	0.35
May							0.31	0.47	0.36
June							0.27	0.49	0.36
July							0.32	0.48	0.34
August							0.31	0.52	0.36
September							0.33	0.53	0.31
October							0.32	0.52	0.34
November							0.85	0.45	0.26
December							0.76	0.46	0.30
YEAR AVERAGE	0.29	0.29	SHUT DOWN	0.35	0.39	0.51	0.55	0.57	0.34

NO MONTHLY FIGURES AVAILABLE

1190

2183

Deft. Ex. No. D 264 H

Giant Portland Cement Company

No. 1-(iii)

Labor Cost per barrel. (Mill)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	Began	0.102	0.064	0.062	0.099	0.124	No Production	0.129	No Production
February	Operation	0.119	0.062	0.056	0.103	0.105	0.118	0.140	0.167
March	May 1	0.206	0.083	0.077	0.140	0.106	0.122	0.142	0.133
April	1913	0.100	0.061	0.068	0.100	0.139	0.093	0.187	0.119
May	0.088	0.078	0.069	0.065	0.102	0.143	0.101	0.169	0.135
June	0.082	0.067	0.062	0.074	0.121	0.165	0.096	0.169	0.130
July	0.089	0.069	0.059	0.077	0.122	0.210	0.098	0.175	0.147
August	0.077	0.059	0.059	0.086	0.131	0.189	0.099	0.150	0.131
September	0.078	0.059	0.058	0.101	0.132	0.095	0.092	0.165	0.106
October	0.073	0.062	0.058	0.094	0.129	0.109	0.090	0.183	0.103
November	0.075	0.060	0.066	0.088	0.141	0.108	0.095	0.166	0.100
December	0.075	0.061	0.062	0.107	0.124	0.121	0.119	0.207	0.109
Year	0.079	0.069	0.062	0.082	0.119	0.146	0.100	0.170	0.126

1191

2184

Deft. Ex. No. D 264 I

GLENS FALLS PORTLAND CEMENT Co. No. 1 (III)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.277	0.240	0.106	0.143	0.203	0.522	0.357	1.234	0.546
February	0.232	0.328	0.226	0.197	0.289	0.394	0.300	STRIKE	0.538
March	0.305	0.286	0.365	0.238	0.550	0.338	0.337	STRIKE	0.600
April	0.364	0.632	0.148	0.299	0.380	0.278	0.305	0.374	0.470
May	0.250	0.243	0.137	0.224	0.192	0.250	0.353	0.345	0.405
June	0.260	0.195	0.189	0.161	0.237	0.247	0.300	0.344	0.430
July	0.241	0.273	0.137	0.163	0.189	0.297	0.318	STRIKE	0.443
August	0.237	0.161	0.135	0.194	0.212	0.296	0.283	STRIKE	0.443
September	0.264	0.214	0.205	0.148	0.212	0.294	0.287	2.026	0.460
October	0.293	0.169	0.153	0.141	0.256	0.327	0.296	1.531	0.480
November	0.255	0.188	0.160	0.210	0.242	0.335	0.351	0.677	0.468
December	0.395	0.236	0.242	0.271	0.363	0.363	0.544	0.604	0.448
YEAR AVERAGE	0.283	0.242	0.174	0.190	0.244	0.319	0.347	0.636	0.396

Deft. Ex. No. D 264 J — Hercules Cement Corporation — No. 1-(ii)

Labor Cost per barrel

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January						No Production	0.464	0.417	No Production
February						No Production	0.415	0.889	No Production
March						0.227	0.431	0.803	0.247
April						0.429	0.259	0.443	0.313
May						0.296	0.304	0.497	0.274
June						0.231	0.259	0.441	0.266
July					0.353	0.237	0.293	0.376	0.269
August					0.471	0.283	0.261	0.401	0.296
September					0.296	0.307	0.253	0.352	0.247
October					0.279	0.319	0.263	0.481	0.169
November					0.304	0.255	0.291	0.519	0.279
December					0.386	0.452	0.341	0.493	0.433
Year					0.382	0.306	0.311	0.466	0.293

47—551

1193

2186

Deft. Ex. No. D 264 K — KNICKERBOCKER PORTLAND CEMENT CO — No. 1 (iii)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January		0.754	0.711	0.196	0.748	0.327	0.787	0.398	0.754
February		0.767	No Production	0.193	0.469	0.304	0.796	0.417	No Production
March		0.431	-	0.317	0.615	0.363	No Production	0.449	0.764
April		0.719	0.138	0.756	0.194	0.779	-	0.373	0.747
May		0.171	0.179	0.716	0.707	0.704	0.789	0.367	0.741
June		0.163	0.178	0.774	0.191	0.191	0.745	0.297	0.763
July		0.167	0.130	0.193	0.183	0.177	0.753	0.315	0.304
August		0.169	No Production	0.171	0.770	0.718	0.377	0.378	No Production
September		0.169	-	0.174	0.777	0.707	0.785	0.746	0.786
October		0.165	-	0.168	0.707	0.773	0.747	0.749	0.765
November		0.188	-	0.766	0.758	0.307	0.755	0.773	0.707
December		0.179	0.161	0.767	0.758	0.314	0.378	0.303	0.777
YEAR	0.701	0.196	0.146	0.716	0.778	0.747	0.787	0.318	0.771

No Monthly Data Available

1194

2187

Deft. Ex. No. D 264 L

Lawrence Portland Cement Company

No. 1-(m)

Labor Cost per barrel

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.149	0.141	0.100	0.145	0.202	1.936	0.352	0.500	0.496
February	0.135	0.147	0.092	0.107	0.300	0.161	0.791	0.830	0.334
March	0.141	0.137	0.093	0.116	0.221	0.280	0.364	0.338	0.410
April	0.143	0.116	0.089	0.161	0.170	0.174	0.348	0.305	0.411
May	0.133	0.093	0.085	0.136	0.162	0.185	0.364	0.329	0.365
June	0.107	0.097	0.081	0.135	0.161	0.168	0.338	0.343	0.317
July	0.140	0.093	0.081	0.165	0.182	0.171	0.182	0.281	0.329
August	0.163	0.100	0.084	0.148	0.187	0.176	0.258	0.303	0.350
September	0.146	0.094	0.083	0.134	0.189	0.216	0.256	0.265	0.346
October	0.136	0.101	0.078	0.151	0.172	0.248	0.194	0.256	0.355
November	0.133	0.112	0.077	0.131	0.193	0.214	0.191	0.296	0.260
December	0.119	0.134	0.082	0.170	0.232	0.231	0.248	0.279	0.350
Year	0.161	0.136	0.109	0.199	0.237	0.284	0.303	0.389	0.393

1195

2188

Deft. Ex. No. D 264 M

Lehigh Portland Cement Company

No. 1-(iii)

Labor Cost per barrel

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.147	0.284	0.213	0.237	0290	0.394	0.303	0.418	0.648
February	0.143	0.208	0.214	0.256	0.241	0.364	0.322	0.425	0.546
March	0.132	0.192	0.181	0.220	0.247	0.432	0.335	0.501	0.377
April	0.150	0.172	0.161	0.196	0.233	0.379	0.339	0.402	0.347
May	0.148	0.166	0.204	0.197	0.255	0.318	0.324	0.463	0.283
June	0.148	0.162	0.156	0.190	0.272	0.314	0.348	0.434	0.269
July	0.147	0.163	0.162	0.217	0.269	0.328	0.371	0.681	0.304
August	0.141	0.152	0.150	0.201	0.281	0.333	0.378	0.439	0.274
September	0.140	0.161	0.148	0.193	0.292	0.349	0.362	0.444	0.286
October	0.156	0.156	0.180	0.205	0.309	0.407	0.350	0.444	0.271
November	0.134	0.163	0.163	0.207	0.336	0.390	0.346	0.463	0.271
December	0.137	0.176	0.132	0.226	0.393	0.346	0.335	0.447	0.321
Year.	Data not Available				0.290	0.361	0.355	0.456	0.315

1196

2189

Deft. Ex. No. D 264 N NAZARETH CEMENT COMPANY No. 1 (III)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.107	0.108	No Production	No Production	No Production	No Production	No Production	No Production	0.248
February	0.098	0.127	No Production	No Production	0.110	No Production	0.191	0.297	0.179
March	0.133	0.150	0.099	0.082	0.110	0.105	0.204	0.260	0.155
April	0.126	0.126	0.068	0.075	0.103	0.160	0.235	0.295	0.155
May	0.099	0.130	0.066	0.078	0.109	0.154	0.196	0.220	0.170
June	0.102	0.096	0.065	0.075	0.112	0.160	0.187	0.274	0.168
July	0.126	0.095	0.085	0.113	0.130	0.138	0.210	0.266	0.243
August	0.113	0.088	0.061	0.085	0.112	0.169	0.200	0.214	0.219
September	0.108	0.087	0.058	0.080	0.101	0.163	0.207	0.198	0.215
October	0.115	0.083	0.061	0.088	0.109	0.143	0.209	0.183	0.206
November	0.103	0.088	0.062	0.084	0.132	0.173	0.219	0.188	0.205
December	0.143	No Production	No Production	No Production	No Production	No Production	No Production	No Production	No Production
YEAR	0.112	0.101	0.073	0.093	0.134	0.189	0.213	0.244	0.195

1197

2190

Deft. Ex. No. D 264 O

PENN-ALLEN CEMENT COMPANY

No. 1 (III)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	No Production	No Production	No Production	0.220	0.250	No Production	No Production	0.294	0.333
February	0.194	0.167	0.158	0.161	0.203	No Production	0.264	0.370	0.251
March	0.160	0.189	0.134	0.202	0.197	No Production	0.232	0.349	0.213
April	0.164	0.189	0.132	0.165	0.182	0.251	0.235	0.288	0.211
May	0.159	0.159	0.129	0.181	0.190	0.211	0.264	0.305	0.209
June	0.159	0.161	0.135	0.187	0.201	0.211	0.239	0.315	0.220
July	0.162	0.160	0.133	0.191	0.200	0.224	0.239	0.539	0.220
August	0.164	0.159	0.140	0.183	0.202	0.227	0.209	0.338	0.199
September	0.164	0.159	0.149	0.187	0.213	0.263	0.259	0.304	0.209
October	0.160	0.160	0.145	0.182	0.221	0.305	0.244	0.289	0.181
November	0.162	0.153	0.148	0.180	0.221	0.308	0.253	0.284	0.257
December	0.181	0.148	0.244	0.195	0.300	0.334	0.506	0.469	0.230
YEAR	0.170	0.180	0.158	0.178	0.213	0.312	0.274	0.324	0.231

Deft. Ex. No. D 264 P

Pennsylvania Cement Company

No. 1-(m)

Labor Cost per barrel.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.195	0.165	0.175	0.121	0.201	0.230	0.223	0.216	0.266
February	0.168	0.178	0.197	0.137	0.161	0.211	0.239	0.401	0.241
March	0.169	0.162	0.166	0.128	0.192	0.216	0.269	0.278	0.246
April	0.162	0.146	0.126	0.130	0.163	0.190	0.244	0.260	0.196
May	0.146	0.142	0.134	0.151	0.150	0.189	0.194	0.228	0.196
June	0.139	0.141	0.129	0.148	0.170	0.178	0.176	0.240	0.180
July	0.153	0.137	0.124	0.155	0.197	0.195	0.199	0.240	0.179
August	0.157	0.123	0.113	0.175	0.175	0.216	0.196	0251	0.187
September	0.171	0.125	0.114	0.158	0.168	0.394	0.218	0.276	0.197
October	0.141	0.135	0.135	0.152	0.179	0.326	0.217	0.220	0.164
November	0.167	0.179	0.140	0.168	0.179	0.238	0.224	0.274	0.154
December	0.171	0.161	0.142	0.167	0.221	0.364	0.280	0.331	0.115
Year	0.164	0.145	0.136	0.149	0.178	0.231	0220	0.260	0.191

1199

2192

Deft. Ex. No. D 264 Q

PHOENIX PORTLAND CEMENT COMPANY.

No. 1 (III)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	No Production	0.388	No Production	0.239	0.294			0.384	0.462
February	No Production	0.212	0.244	0.250	0.299			0.483	No Production
March	0.694	0.231	0.177	0.276	0.307			0.481	1.108
April	0.333	0.224	0.212	0.218	0.275			0.541	0.421
May	0.217	0.218	0.193	0.258	0.260			0.407	0.377
June	0.198	0.208	0.190	0.207	0.283			0.370	0.242
July	0.203	0.232	0.199	0.264	0.311			0.348	0.223
August	0.258	0.252	0.181	0.253	0.275			0.401	0.204
September	0.295	0.205	0.194	0.231	0.275	SHUT DOWN (BOUGHT CEMENT FROM DEXTER)	0.629	0.311	0.219
October	0.267	0.202	0.190	0.306	0.263		0.326	0.343	0.197
November	0.225	0.180.	0.181	0.232	0.290		0.391	0.340	0.254
December	0.233	0.248	0.192	0.308	0.275		No Production	0.674	0.317
YEAR	0.289	0.228	0.199	0.250	0.280		0.520	0.401	0.287

1200

2193

Deft. Ex. No. D 264 R SECURITY CEMENT & LIME CO. No. 1(III)

LABOR COST PER BARREL

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.356	0.796	N. Production	N. Production	0.267	1.002	1.498	1.502	N. Production
February	0.231	0.210	N. Production	0.294	0.255	0.488	0.754	0.669	N. Production
March	0.245	0.254	0.182	0.194	0.308	0.288	0.354	0.441	0.378
April	0.233	0.187	0.160	0.188	0.223	0.351	0.360	0.387	0.411
May	0.202	0.192	0.151	0.206	0.226	0.383	0.394	0.408	0.374
June	0.237	0.174	0.194	0.250	0.237	0.378	0.392	0.447	0.411
July	0.187	0.170	0.157	0.207	0.268	0.417	0.375	0.439	0.336
August	0.206	0.169	0.166	0.212	0.256	0.404	0.402	0.440	0.317
September	0.274	0.188	0.166	0.198	0.290	0.391	0.379	0.476	0.361
October	0.161	0.157	0.167	0.205	0.281	0.474	0.348	0.433	0.322
November	0.233	0.173	0.198	0.202	0.277	0.426	0.408	0.425	0.279
December	0.283	0.158	0.233	0.229	0.341	0.581	0.742	0.425	0.333
AVERAGE	0.225	0.190	0.186	0.224	0.265	0.418	0.422	0.462	0.398

Deft. Ex. No. D 264 S

Vulcanite Portland Cement Company

No. 1 - (iii)

Labor Cost per barrel

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	0.239	0.225	No Production	0.198	0.287	0.469	No Production	0.560	No Production
February	0.218	0.241	0.314	0.227	0.281	0.370	0.713	0.517	No Production
March	0.216	0.262	0.200	0.204	0.317	0.364	0.516	1.033	0.441
April	0.208	0.215	0.182	0.213	0.216	0.363	0.319	0.594	0.375
May	0.214	0.135	0.198	0.224	0.272	0.333	0.371	0.464	0.351
June	0.200	0.189	0.207	0.228	0.331	0.364	0.362	0.438	0.366
July	0.207	0.136	0.224	0.269	0.362	0.390	0.336	0.733	0.382
August	0.196	0.175	0.190	0.299	0.336	0.387	0.398	0.472	0.362
September	0.205	0.168	0.175	0.330	0.322	0.454	0.393	0.575	0.343
October	0.218	0.174	0.208	0.240	0.412	0.336	0.350	0.479	0.346
November	0.248	0.198	0.201	0.246	0.470	0.560	0.368	0.509	0.334
December	0.216	0.245	0.233	0.300	0.606	0.772	0.587	0.643	0.317
Year	0.213	0.195	0.201	0.248	0.333	0.433	0.401	0.581	0.354

1202

2195

Deft. Ex. No. D 265 A

ALL COMPANIES

YEAR 1913

No. 1 (m)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	———	———	———	NO ACCURATE MONTHLY FIGURES AVAILABLE PRIOR AUGUST 1, 1918					———	———	———	———	0.128
Alpha	0.203	0.223	0.214	0.187	0.186	0.210	0.197	0.184	0.180	0.184	0.183	0.180	0.192
Atlas	0.243	0.236	0.231	0.227	0.229	0.254	0.301	0.279	0.262	0.263	0.254	0.259	0.249
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.230	0.220	0.230	0.230	0.250	0.240	0.250	0.240	0.200	0.210	0.190	0.240	0.220
Dexter	0.078	0.072	0.079	0.074	0.078	0.086	0.090	0.073	0.077	0.076	0.077	0.085	0.078
Edison	———	———	———	NO MONTHLY FIGURES AVAILABLE				———	———	———	———	———	0.29
Giant	BEGAN OPERATION MAY 1 1913				0.088	0.082	0.089	0.077	0.075	0.073	0.075	0.075	0.079
Glens Falls	0.277	0.232	0.305	0.364	0.250	0.260	0.297	0.237	0.264	0.293	0.255	0.395	0.283
Hercules	———	———	———	———	———	BEGAN OPERATIONS AUGUST 1917		———	———	———	———	———	———
Knickerbocker	———	———	———	NO MONTHLY DATA AVAILABLE				———	———	———	———	———	0.201
Lawrence	0.149	0.138	0.141	0.143	0.133	0.147	0.140	0.153	0.146	0.136	0.133	0.119	0.161
Lehigh	0.147	0.148	0.152	0.150	0.148	0.149	0.147	0.151	0.140	0.156	0.154	0.197	DATA NOT AVAILABLE
Nazareth	0.107	0.098	0.133	0.126	0.099	0.102	0.126	0.113	0.108	0.115	0.103	0.143	0.112
Penn-Allen	NO PRODUCTION	0.194	0.160	0.164	0.159	0.159	0.162	0.164	0.164	0.160	0.162	0.181	0.170
Pennsylvania	0.195	0.168	0.169	0.162	0.146	0.139	0.153	0.157	0.171	0.141	0.147	0.171	0.154
Phoenix	NO PRODUCTION	NO PRODUCTION	0.694	0.333	0.217	0.198	0.203	0.258	0.295	0.267	0.225	0.233	0.289
Security	0.356	0.231	0.245	0.233	0.202	0.237	0.187	0.206	0.274	0.161	0.233	0.283	0.235
Vulcanite	0.239	0.218	0.216	0.208	0.214	0.200	0.207	0.196	0.205	0.218	0.248	0.215	0.213
Total	0.203	0.196	0.203	0.195	0.185	0.191	0.193	0.192	0.185	0.185	0.186	0.205	0.198

2190

Deft. Ex. No. D 265 B

ALL COMPANIES

YEAR 1914

No. 1(III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	———	———	———	NO ACCURATE MONTHLY FIGURES AVAILABLE PRIOR AUGUST 1. 1914							———	———	0.129
Alpha	0.187	0.198	0.222	0.197	0.179	0.168	0.177	0.161	0.160	0.163	0.163	0.207	0.178
Atlas	0.272	0.295	0.280	0.248	0.237	0.244	0.248	0.253	0.286	0.289	0.310	0.316	0.268
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.230	0.380	0.410	0.210	0.200	0.230	0.190	0.180	0.220	0.200	0.200	0.240	0.210
Dexter	0.088	0.094	0.106	0.076	0.070	0.068	0.073	0.072	0.083	0.092	0.095	0.114	0.083
Edison	———	———	———	NO MONTHLY FIGURES AVAILABLE									0.23
Giant	0.102	0.119	0.206	0.100	0.070	0.067	0.069	0.059	0.059	0.062	0.060	0.068	0.069
Glens Falls	0.240	0.328	0.286	0.632	0.243	0.195	0.273	0.161	0.214	0.169	0.188	0.236	0.242
Hercules	———	———	———	———	BEGAN OPERATIONS AUGUST 1917			———	———	———	———	———	———
Knickerbocker	0.254	0.262	0.431	0.219	0.171	0.163	0.167	0.168	0.169	0.165	0.188	0.179	0.196
Lawrence	0.141	0.147	0.137	0.115	0.093	0.097	0.097	0.100	0.094	0.101	0.112	0.124	0.135
Lehigh	0.084	0.168	0.192	0.172	0.166	0.162	0.163	0.152	0.161	0.156	0.163	0.176	DATA NOT AVAILABLE
Nazareth	0.108	0.127	0.150	0.126	0.130	0.096	0.095	0.088	0.087	0.083	0.088	NO PRODUCTION	0.101
Penn-Allen	NO PRODUCTION	0.167	0.189	0.189	0.159	0.161	0.160	0.159	0.159	0.160	0.153	0.148	0.180
Pennsylvania	0.165	0.178	0.162	0.146	0.142	0.141	0.137	0.123	0.125	0.135	0.179	0.141	0.145
Phoenix	0.388	0.212	0.231	0.224	0.218	0.208	0.232	0.252	0.205	0.202	0.180	0.248	0.228
Security	0.796	0.210	0.254	0.187	0.192	0.174	0.170	0.169	0.188	0.157	0.173	0.158	0.190
Vulcanite	0.225	0.241	0.262	0.215	0.185	0.189	0.186	0.175	0.168	0.174	0.198	0.245	0.195
Total	0.198	0.219	0.244	0.202	0.179	0.175	0.177	0.165	0.169	0.166	0.178	0.207	0.190

Deft. Ex. No. D 265 C

ALL COMPANIES

YEAR 1915

No. 1 (III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	———	———	———	NO ACCURATE MONTHLY FIGURES AVAILABLE PRIOR AUGUST 1, 1918							———	———	0.117
Alpha	0.213	0.229	0.195	0.170	0.153	0.150	0.158	0.160	0.151	0.150	0.155	0.234	0.168
Atlas	0.301	0.241	0.223	0.230	0.221	0.220	0.232	0.220	0.225	0.217	0.227	0.221	0.229
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.250	0.210	0.190	0.200	0.180	0.200	0.200	0.210	0.190	0.200	0.170	0.200	0.190
Dexter	0.142	0.110	0.076	0.072	0.074	0.078	0.076	0.070	0.075	0.074	0.076	0.090	0.080
Edison	———	———	———	NO MONTHLY FIGURES AVAILABLE				———	———	———	———	———	SHUT DOWN
Giant	0.064	0.062	0.083	0.061	0.069	0.062	0.059	0.059	0.058	0.058	0.066	0.062	0.062
Glens Falls	0.106	0.226	0.365	0.148	0.137	0.189	0.137	0.135	0.205	0.153	0.160	0.242	0.174
Hercules	———	———	———	———	BEGAN OPERATIONS AUGUST 1917				———	———	———	———	———
Knickerbocker	0.211	NO PRODUCTION	NO PRODUCTION	0.138	0.129	0.128	0.130	NO PRODUCTION	NO PRODUCTION	NO PRODUCTION	NO PRODUCTION	0.161	0.146
Lawrence	0.100	0.097	0.092	0.089	0.085	0.081	0.081	0.084	0.083	0.078	0.077	0.082	0.109
Lehigh	0.212	0.214	0.181	0.162	0.154	0.156	0.162	0.150	0.149	0.154	0.148	0.184	DATA NOT AVAILABLE
Nazareth	NO PRODUCTION	NO PRODUCTION	0.099	0.068	0.066	0.065	0.085	0.061	0.058	0.061	0.062	NO PRODUCTION	0.073
Penn-Allen	NO PRODUCTION	0.158	0.134	0.132	0.129	0.135	0.133	0.140	0.149	0.145	0.148	0.244	0.158
Pennsylvania	0.175	0.197	0.166	0.126	0.134	0.129	0.124	0.113	0.114	0.135	0.140	0.142	0.136
Phoenix	NO PRODUCTION	0.244	0.177	0.212	0.193	0.190	0.199	0.181	0.194	0.190	0.181	0.192	0.199
Security	NO PRODUCTION	NO PRODUCTION	0.182	0.160	0.151	0.194	0.157	0.166	0.166	0.167	0.198	0.233	0.186
Vulcanite	NO PRODUCTION	0.314	0.200	0.182	0.188	0.207	0.234	0.190	0.175	0.208	0.201	0.233	0.201
Total	0.226	0.210	0.182	0.166	0.157	0.158	0.162	0.159	0.160	0.160	0.268	0.192	0.169

1205

2198

Deft. Ex. No. D 265 D

ALL COMPANIES

YEAR 1916

No. 1(III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	— — —	— — —	— — —	NO ACCURATE MONTHLY FIGURES AVAILABLE PRIOR AUGUST 1, 1918							— — —	— — —	0.127
Alpha	0.379	0.382	0.193	0.198	0.197	0.196	0.236	0.211	0.207	0.203	0.238	0.261	0.219
Atlas	0.244	0.254	0.308	0.281	0.284	0.295	0.284	0.308	0.295	0.269	0.266	0.286	0.280
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.230	0.270	0.250	0.250	0.230	0.230	0.290	0.350	0.290	0.290	0.280	0.340	0.260
Dexter	0.090	0.093	0.122	0.083	0.084	0.079	0.090	0.094	0.090	0.096	0.081	0.093	0.090
Edison	— — —	— — —	— — —	NO MONTHLY FIGURES AVAILABLE				— — —	— — —	— — —	— — —	— — —	0.35
Giant	0.062	0.056	0.077	0.068	0.065	0.074	0.077	0.086	0.101	0.092	0.088	0.107	0.082
Glens Falls	0.143	0.197	0.238	0.299	0.224	0.161	0.163	0.194	0.148	0.141	0.210	0.271	0.190
Hercules	— — —	— — —	— — —	— — —	BEGAN OPERATIONS AUGUST 1917			— — —	— — —	— — —	— — —	— — —	— — —
Knickerbocker	0.196	0.193	0.312	0.256	0.216	0.274	0.193	0.171	0.174	0.168	0.266	0.267	0.216
Lawrence	0.145	0.157	0.216	0.151	0.136	0.135	0.165	0.148	0.134	0.151	0.131	0.170	0.199
Lehigh	0.237	0.256	0.220	0.186	0.197	0.190	0.227	0.201	0.193	0.205	0.207	0.226	DATA NOT AVAILABLE
Nazareth	NO PRODUCTION	NO PRODUCTION	0.082	0.075	0.078	0.075	0.113	0.085	0.080	0.088	0.084	NO PRODUCTION	0.093
Penn-Allen	0.220	0.161	0.202	0.165	0.181	0.187	0.191	0.183	0.187	0.182	0.180	0.195	0.178
Pennsylvania	0.121	0.137	0.128	0.130	0.151	0.148	0.155	0.175	0.158	0.152	0.168	0.167	0.149
Phoenix	0.239	0.250	0.276	0.218	0.258	0.207	0.264	0.253	0.231	0.306	0.232	0.308	0.250
Security	NO PRODUCTION	0.294	0.194	0.188	0.206	0.250	0.207	0.212	0.198	0.205	0.202	0.229	0.224
Vulcanite	0.194	0.227	0.204	0.213	0.224	0.228	0.289	0.299	0.330	0.240	0.246	0.300	0.248
Total	0.216	0.230	0.219	0.200	0.200	0.198	0.221	0.216	0.208	0.205	0.213	0.247	0.216

1206

2199

Deft. Ex. No. D 265 E

ALL COMPANIES

YEAR 1917

No. 1 (III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown				NO ACCURATE MONTHLY FIGURES AVAILABLE PRIOR AUGUST 1, 1918									0.189
Alpha	0.248	0.268	0.301	0.221	0.229	0.251	0.290	0.272	0.265	0.281	0.285	0.330	0.267
Atlas	0.314	0.316	0.308	0.302	0.322	0.334	0.362	0.387	0.386	0.410	0.402	0.445	0.350
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Conley	0.360	0.820	0.430	0.460	0.360	0.370	0.420	0.470	0.520	0.420	0.720	0.170	0.480
Dexter	0.115	0.106	0.097	0.085	0.103	0.095	0.119	0.114	0.135	0.104	0.118	0.146	0.109
Edison				NO MONTHLY FIGURES AVAILABLE									0.39
Giant	0.099	0.103	0.140	0.100	0.102	0.121	0.122	0.131	0.132	0.129	0.141	0.120	0.119
Glens Falls	0.203	0.289	0.550	0.380	0.192	0.237	0.189	0.212	0.212	0.256	0.242	0.363	0.244
Hercules	BEGAN OPERATIONS AUGUST 1917						0.388	0.471	0.296	0.279	0.304	0.386	0.382
Knickerbocker	0.248	0.469	0.615	0.194	0.202	0.191	0.183	0.220	0.222	0.207	0.258	0.258	0.228
Lawrence	0.202	0.300	0.233	0.170	0.142	0.152	0.182	0.187	0.189	0.172	0.193	0.232	0.237
Lehigh	0.230	0.241	0.247	0.233	0.255	0.272	0.289	0.281	0.292	0.309	0.336	0.393	0.264
Nazareth	NO PRODUCTION	0.110	0.110	0.103	0.109	0.112	0.130	0.112	0.101	0.109	0.132	NO PRODUCTION	0.134
Penn-Allen	0.250	0.203	0.197	0.182	0.190	0.201	0.200	0.202	0.213	0.221	0.221	0.300	0.213
Pennsylvania	0.201	0.161	0.192	0.163	0.150	0.170	0.197	0.175	0.168	0.179	0.179	0.221	0.178
Phoenix	0.294	0.299	0.307	0.275	0.260	0.283	0.311	0.275	0.275	0.263	0.290	0.275	0.280
Security	0.267	0.255	0.308	0.223	0.226	0.237	0.268	0.256	0.290	0.281	0.277	0.341	0.265
Vulcanite	0.387	0.251	0.317	0.266	0.272	0.331	0.352	0.336	0.322	0.412	0.470	0.606	0.333
Total	0.263	0.270	0.277	0.240	0.242	0.254	0.280	0.280	0.279	0.285	0.305	0.344	0.279

1207

2200

Deft. Ex. No. D 265 F

ALL COMPANIES

YEAR 1918

No. 1 (III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	NO ACCURATE MONTHLY FIGURES AVAILABLE PRIOR AUGUST 1, 1918							0.262	0.317	0.267	0.442	0.361	0.315
Alpha	0.725	0.883	0.552	0.359	0.361	0.321	0.339	0.392	0.377	0.471	0.469	0.485	0.414
Atlas	0.426	0.406	0.380	0.401	0.375	0.370	0.398	0.409	0.434	0.461	0.510	0.528	0.420
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.730	0.890	0.660	0.640	0.670	0.530	0.510	0.340	0.600	0.690	1.100	0.690	0.650
Dexter	0.190	0.222	0.259	0.174	0.118	0.144	0.148	0.135	0.150	0.150	0.148	0.173	0.153
Edison	— — —	— — —	— — —	NO MONTHLY FIGURES AVAILABLE				— — —	— — —	— — —	— — —	— — —	0.51
Giant	0.104	0.105	0.105	0.189	0.143	0.165	0.210	0.189	0.095	0.109	0.108	0.121	0.146
Glens Falls	0.522	0.394	0.338	0.278	0.250	0.247	0.297	0.296	0.294	0.327	0.335	0.363	0.319
Hercules	NO PRODUCTION	NO PRODUCTION	0.227	0.429	0.296	0.231	0.237	0.283	0.307	0.319	0.255	0.452	0.306
Knickerbocker	0.327	0.304	0.363	0.229	0.204	0.191	0.177	0.218	0.207	0.223	0.302	0.314	0.242
Lawrence	1.576	0.263	0.280	0.174	0.185	0.165	0.171	0.185	0.216	0.248	0.224	0.231	0.284
Lehigh	0.394	0.364	0.422	0.379	0.318	0.324	0.328	0.333	0.349	0.407	0.395	0.346	0.357
Nazareth	NO PRODUCTION	NO PRODUCTION	0.105	0.160	0.154	0.160	0.138	0.169	0.163	0.143	0.173	NO PRODUCTION	0.189
Penn-Allen	NO PRODUCTION	NO PRODUCTION	NO PRODUCTION	0.251	0.211	0.211	0.224	0.227	0.263	0.305	0.308	0.334	0.312
Pennsylvania	0.230	0.211	0.216	0.190	0.189	0.178	0.195	0.216	0.394	0.326	0.238	0.364	0.231
Phoenix			SHUT DOWN UNTIL SEPT. 1919 BOUGHT CEMENT FROM DEXTER										
Security	1.002	0.488	0.288	0.351	0.383	0.378	0.417	0.404	0.391	0.474	0.426	0.581	0.418
Vulcanite	0.469	0.370	0.364	0.368	0.383	0.354	0.390	0.387	0.454	0.776	0.560	0.772	0.423
Total	0.468	0.414	0.365	0.344	0.315	0.301	0.317	0.325	0.352	0.388	0.405	0.429	0.368

1208

2201

Deft. Ex. No. D 265 G

ALL COMPANIES

YEAR 1919

No. 1 (III)

78—551

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	0.517	0.379	0.369	0.376	0.270	0.203	0.196	0.189	0.196	0.230	0.264	0.341	0.260
Alpha	1.199	0.514	14.793	0.488	0.396	0.402	0.398	0.403	0.375	0.395	0.406	0.561	0.438
Atlas	0.527	0.522	0.486	0.495	0.483	0.490	0.475	0.431	0.474	0.465	0.474	0.524	0.482
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.890	0.810	0.390	0.690	0.540	0.560	0.580	0.570	0.530	0.510	0.580	0.800	0.580
Dexter	0.210	0.210	0.190	0.167	0.184	0.174	0.172	0.181	0.199	0.173	0.234	0.324	0.185
Edison	0.48	0.40	0.42	0.39	0.31	0.27	0.32	0.31	0.33	0.32	0.85	0.76	0.58
Giant	NO PRODUCTION	0.118	0.122	0.098	0.101	0.096	0.098	0.099	0.092	0.090	0.095	0.119	0.100
Glens Falls	0.357	0.300	0.337	0.305	0.353	0.300	0.318	0.283	0.287	0.296	0.351	0.544	0.347
Hercules	0.464	0.415	0.431	0.359	0.304	0.259	0.293	0.261	0.253	0.263	0.291	0.341	0.311
Knickerbocker	0.282	0.296	NO PRODUCTION	NO PRODUCTION	0.289	0.245	0.253	0.327	0.285	0.247	0.255	0.378	0.282
Lawrence	0.282	0.791	0.364	0.245	0.244	0.228	0.192	0.228	0.206	0.184	0.191	0.249	0.303
Lehigh	0.353	0.322	0.335	0.339	0.329	0.349	0.378	0.370	0.362	0.380	0.346	0.335	0.355
Nazareth	NO PRODUCTION	0.191	0.204	0.235	0.196	0.187	0.210	0.200	0.207	0.209	0.219	NO PRODUCTION	0.213
Penn-Allen	NO PRODUCTION	0.264	0.232	0.235	0.264	0.239	0.239	0.209	0.259	0.244	0.253	0.506	0.274
Pennsylvania	0.223	0.239	0.269	0.244	0.194	0.176	0.199	0.196	0.218	0.217	0.224	0.280	0.220
Phoenix	SHUT DOWN UNTIL SEPT. 1919 BOUGHT CEMENT FROM DEXTER							———	0.629	0.326	0.391	NO PRODUCTION	0.520
Security	1.498	0.754	0.354	0.360	0.394	0.392	0.375	0.402	0.379	0.348	0.408	0.742	0.422
Vulcanite	NO PRODUCTION	0.718	0.516	0.389	0.371	0.362	0.386	0.392	0.393	0.350	0.368	0.587	0.401
Total	0.446	0.405	0.418	0.377	0.347	0.340	0.353	0.349	0.358	0.349	0.369	0.441	0.384

22022

Deft. Ex. No. D 265 H

ALL COMPANIES

YEAR 1920

No. 1 (III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	0.447	0.404	0.395	0.347	0.313	0.335	0.373	0.341	0.297	0.308	0.366	0.446	0.352
Alpha	0.661	0.515	0.606	0.393	0.513	0.518	0.573	0.536	0.531	0.437	0.423	0.448	0.502
Atlas	0.512	0.609	0.612	0.533	0.506	0.566	0.571	0.553	0.577	0.568	0.580	0.606	0.565
Bath	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS	NO RECORDS
Coplay	0.820	0.710	0.870	0.800	0.790	0.640	0.530	0.640	0.650	0.560	0.590	0.870	0.660
Dexter	0.243	0.352	0.366	0.254	0.245	0.270	0.203	0.198	0.211	0.214	0.206	0.229	0.238
Edison	0.45	0.65	0.89	0.52	0.47	0.49	0.48	0.52	0.53	0.52	0.45	0.46	0.57
Giant	0.129	0.140	0.142	0.187	0.168	0.169	0.175	0.180	0.165	0.183	0.166	0.207	0.170
Glens Falls	1.234	STRIKE	STRIKE	0.374	0.345	0.344	STRIKE	STRIKE	2.026	1.531	0.677	0.604	0.675
Hercules	0.412	0.889	0.803	0.443	0.497	0.441	0.376	0.401	0.352	0.481	0.519	0.493	0.466
Knickerbocker	0.398	0.417	0.449	0.323	0.367	0.297	0.385	0.328	0.246	0.249	0.273	0.303	0.318
Lawrence	0.304	0.574	0.389	0.305	0.349	0.263	0.282	0.303	0.265	0.256	0.286	0.279	0.389
Lehigh	0.415	0.495	0.501	0.462	0.453	0.439	0.688	0.439	0.444	0.444	0.466	0.497	0.456
Nazareth	NO PRODUCTION	0.297	0.260	0.295	0.220	0.274	0.266	0.214	0.198	0.183	0.188	NO PRODUCTION	0.244
Penn-Allen	0.294	0.370	0.349	0.288	0.305	0.315	0.539	0.338	0.304	0.289	0.284	0.469	0.324
Pennsylvania	0.216	0.401	0.278	0.260	0.228	0.240	0.240	0.251	0.276	0.220	0.274	0.331	0.260
Phoenix	0.384	0.483	0.481	0.541	0.407	0.370	0348	0.401	0.311	0.343	0.340	0.679	0.401
Security	1.502	0.669	0.441	0.387	0.408	0.447	0.439	0.440	0.476	0.433	0.425	0.425	0.462
Vulcanite	0.560	0.517	1.033	0.592	0.462	0.498	0.783	0.472	0.575	0.479	0.508	0.548	0.541
Total	0.467	0.530	0.542	0.442	0.440	0.439	0.484	0.442	0.442	0.422	0.432	0.491	0.464

2203

Dert. Ex. No. D 265 I

ALL COMPANIES

YEAR 1921

No. 1 (III)

LABOR COST PER BARREL

Company	January	February	March	April	May	June	July	August	September	October	November	December	Year
Allentown	NO PRODUCTION	0.423	0.305	0.297	NO PRODUCTION	0.263	0.251	0.241	0.262	0.241	0.196	0.334	0.278
Alpha	0.864	0.739	0.525	0.385	0.339	0.362	0.306	0.286	0.222	0.289	0.296	0.267	0.358
Atlas	0.667	0.555	0.489	0.420	0.396	0.397	0.413	0.383	0.352	0.337	0.378	0.405	0.404
Bath	0.584	0.549	0.869	0.362	0.343	0.345	0.294	0.331	0.311	0.364	0.393	0.375	0.378
Coplay	0.550	0.540	0.500	0.740	1.020	0.340	0.470	0.300	0.300	0.290	0.320	0.300	0.420
Dexter	0.284	0.254	0.212	0.191	0.325	0.172	0.177	0.167	0.158	0.150	0.181	0.211	0.192
Edison	SHUT DOWN	SHUT DOWN	0.47	0.35	0.36	0.36	0.34	0.36	0.31	0.34	0.26	0.30	0.34
Giant	NO PRODUCTION	0.167	0.133	0.119	0.138	0.130	0.147	0.131	0.106	0.103	0.100	0.109	0.126
Glens Falls	0.546	0.538	0.600	0.470	0.405	0.430	0.443	0.443	0.460	0.480	0.468	0.448	0.396
Hercules	NO PRODUCTION	NO PRODUCTION	0.247	0.313	0.274	0.266	0.269	0.296	0.247	0.168	0.279	0.433	0.293
Knickerbocker	0.254	NO PRODUCTION	0.264	0.242	0.241	0.263	0.304	NO PRODUCTION	0.286	0.205	0.207	0.277	0.271
Lawrence	0.595	0.334	0.414	0.422	0.265	0.227	0.239	0.250	0.246	0.255	0.240	0.250	0.283
Lehigh	0.668	0.546	0.377	0.347	0.288	0.299	0.304	0.279	0.286	0.271	0.271	0.321	0.315
Nazareth	0.248	0.179	0.155	0.155	0.170	0.168	0.243	0.219	0.215	0.206	0.205	NO PRODUCTION	0.195
Penn-Allen	0.333	0.251	0.213	0.211	0.209	0.220	0.220	0.199	0.209	0.181	0.257	0.230	0.231
Pennsylvania	0.266	0.241	0.216	0.186	0.186	0.180	0.179	0.187	0.197	0.149	0.154	0.185	0.191
Phoenix	0.462	NO PRODUCTION	1.108	0.421	0.377	0.242	0.223	0.204	0.219	0.197	0.254	0.317	0.287
Security	NO PRODUCTION	NO PRODUCTION	0.378	0.411	0.374	0.411	0.336	0.317	0.361	0.322	0.279	0.333	0.398
Vulcanite	NO PRODUCTION	NO PRODUCTION	0.441	0.375	0.358	0.366	0.382	0.362	0.343	0.346	0.334	0.317	0.354
Total	0.492	0.425	0.340	0.349	0.314	0.308	0.309	0.292	0.281	0.279	0.284	0.317	0.322

Deft. Ex. No. D 266

ALL COMPANIES

PRODUCTION (BARRELS)

Company	1913	1914	1915	1916	1917	1918	1919	1920	1921	
Allentown	771816	855324	863966	820834	739857	411231	607046	573991	664431	
Alpha	5348918	5453915	5178534	4276866	4342517	3086584	2929077	4331516	3058944	
Atlas	6437821	5662495	6458617	6120813	6499903	5650141	6266034	7312360	5468262	
Bath	762177	546863	643998	588845	570450	496265	806170	827800	875800	
Copley	1304635	1103168	1722577	1323423	1161586	999031	958970	1102866	1035673	
Dexter	826124	742802	874195	790032	747400	747500	837700	715400	802900	
Edison	1649976	1296674	SHUT DOWN	870585	1383481	1159045	1408758	1500000	1571479	
Giant	631197½	756987	828158	1012885½	1021830½	821723½	847709½	1012315½	906255½	1918
Glens Falls	572253	588241	720612	679440	552714	509847	544309	233590	697590	
Hercules	— BEGAN OPERATIONS		AUGUST	1917 —		160394	402123	597312	534765	520401
Knickerbocker	1004306	1139670	655944	1004014	958538	834801	790727	948951	1025473	
Lawrence	1379886	1353450	1352499	1350151	1391785	1089695	1249500	1464930	1524100	
Lehigh	4545790	5386749	5923789	5295085	5050250	4759717	4922283	5854644	5923291	
Nazareth	435050	948040	1017645	1214497	984530	805795	922510	948470	1068030	
Penn-Allen	650000	634600	643000	681000	690500	448000	594000	620000	660000	
Pennsylvania	907300	970900	1128800	1158500	1158500	968300	1122100	1159000	1394000	
Phoenix	406254	558560	597939	541290	554475	3863	127876	647993	738246	
Security	568313	592244	591392	625533	715048	591131	697286	774021	769241	
Vulcanite	1323188	1313664	1084684½	1443710	1066395	912192	976427	1207164	1261866	
Total	30524570½	29887346	30292599½	29798011½	29797695	24726992½	27237344½	31840143½	29966282½	

2205

Deft. Ex. No. D 267

Alpha Portland Cement Company

Hourly Rates of Labor.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
January	.1982	.2025	.2052	.2180	.2734	.3211	.4434	.4337	.4442
February	.1997	.2029	.2088	.2238	.2748	.3331	.4404	.4703	.4390
March	.1998	.2023	.2033	.2228	.2775	.3239	.3980	.4666	.4285
April	.2025	.2006	.2035	.2245	.2865	.3480	.3922	.4749	.4184
May	.2014	.2000	.2013	.2420	.2963	.3617	.3892	.5149	.4159
June	.2012	.1998	.2017	.2420	.2951	.3617	.3941	.5160	.4196
July	.1985	.2035	.2032	.2445	.2934	.3650	.3977	.5177	.4202
August	.1995	.1998	.2028	.2463	.2941	.4025	.4322	.5143	.4006
September	.2008	.1995	.2066	.2545	.2967	.4070	.4320	.5161	.3805
October	.2000	.2012	.2075	.2544	.3180	.4381	.4320	.5218	.3757
November	.2003	.2018	.2053	.2557	.3182	.4351	.4369	.5174	.3412
December	.2023	.2045	.2037	.2775	.3226	.4430	.4431	.5186	.3365
	.2003	.2013	.2041	.2416	.2958	.3784	.4192	.4998	.4029

1213

9022

Deft. Ex. No. D 268 A

Allentown Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	142987.43.	51809.55.	6.	0.0603.	
1914	139738.04.	67260.13.	6.	0.0830.	
1915	130806.68.	63132.93.	7.	0.0695.	
1916	124819.14.	69050.10.	12.	0.0865.	
1917	160699.95.	66157.03.	12.	0.0952.	
1918	161339.71.	47882.25.	13.	0.1130.	
1919	207307.56.	98028.98.	13.	0.1506.	
1920	259925.04.	83054.34.	11.	0.1527.	
1921	236432.08.	82073.98.	11.	0.1262.	

1214

2207

Deft. Ex. No. D 268 B

Alpha Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	1135992.55	194 460.68	32	0.0359	
1914	1200640.14	235 352.44	32	0.0444	
1915	855 359.51	267 672.83	34	0.0519	
1916	961 254.09	293 309.46	37	0.0648	
1917	1106 339.31	278 399.15	39	0.0645	
1918	1219026.19	244 700.51	34	0.0817	
1919	1149990.15	263 340.71	41	0.0834	
1920	2015616.97	312 200.90	39	0.0732	
1921	1083663.09	381 420.08	35	0.1305	

1215

8022

Deft. Ex. No. D 268 C

The Ohio Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE * (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF * Salesman Employed	SELLING EXPENSE * per Barrel shipped	
1913	# 2029000.75	234182.73	26	0.0332	
1914	# 1800657.39	251449.20	25	0.0443	
1915	# 1615042.53	278260.27	27	0.0486	
1916	# 1865277.20	500140.88	38	0.0733	
1917	# 2608751.23	554841.72	39	0.0812	
1918	● 3104799.17	514352.90	36	0.0969	
1919	● 3626943.34	803255.57	51	0.1200	
1920	● 4884230.23	684348.87	42	0.0984	
1921	● 2671760.38	777336.65	50	0.1482	

Fiscal Year Ending Oct. 31
● For Fourteen Months
* Calendar Year

1216

2209

Deft. Ex. No. D 268 D

Bath Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	154244.30	No Records	No Records	No Records	
1914	118110.74	No Records	No Records	No Records	
1915	110815.26	No Records	No Records	No Records	
1916	137844.43	No Records	No Records	No Records	
1917	176882.71	No Records	No Records	No Records	
1918	181272.30	No Records	No Records	No Records	
1919	291321.84	95575.51	11	0.1108	
1920	370275.44	106837.90	10	0.1384	
1921	326305.36	123228.30	14	0.1429	

1217

22210

Deft. Ex. No. D 268 E

Coplay Cement Manufacturing Co.

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	291,566.81	37 020.03	8	0.028	
1914	236 806.31	60 508.62	12	0.045	
1915	329 240.89	69 820.61	19	0.052	
1916	362 280.74	123. 714 02	17	0 093	
1917	568 470.71	137 492.02	16	0.104	
1918	650 277.03	101 180.30	14	0.101	
1919	578 297.24	93. 929.21	14	0.094	
1920	737 251.76	88 862.89	13	0 081	
1921	436 709.37	87 442.76	13	0.084	

1218

2211

Deft. Ex. No. D 268 F

Dexter Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL - that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	140203.42	59370.21	Output sold thru Selling Agents.	0.0703	
1914	124079.93	60553.34	as above	0.0811	
1915	119229.08	80368.48	9	0.0874	
1916	126255.41	79397.54	10	0.0981	
1917	140999.34	77641.63	8	0.1026	
1918	186424.71	82487.37	8	0.1038	
1919	249700.36	119035.78	9	0.1279	
1920	299817.39	86956.71	8	0.1228	
1921	270215.27	114208.28	8	0.1231	

1219

2212

Deft. Ex. No. D 268 G

Edison Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	468703.39	133325.70	Data not Available	0.09	
1914	357707.38	174670.25		0.14	
1915†	93960.19	40205.08		0.18	
1916*	327379.95	134247.31		0.18	
1917	586920.67	180906.60		0.15	
1918	739488.54	216507.94		0.19	
1919	898432.85	254336.34	30	0.19	
1920	1054620.54	232717.23	23	0.17	
1921	676761.41	271888.61	22	0.17	

† Shut Down

* Shut Down First Three Months

1220

2213

Deft. Ex. No. D 268 H

Giant Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	* 150 040.76	43 693.19	15	0.080	
1914	163 341.20	64 299.82	15	0.077	
1915	159 156.40	63 359.93	17	0.074	
1916	274 693.46	84 339.60	19	0.086	
1917	340 797.33	81 004.63	21	0.075	
1918	323 722.65	62 162.17	16	0.07[illegible]	
1919	[illegible] 056.80	88 327.76	23	0.094	
1920	471 863.60	79 904.00	18	0.078	
1921	198 124.04	104 711.32	26	0.122	

* Eight months

1221

2214

Glens Falls Portland Cement Company

Deft. Ex. No. D 268 I

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesmen Employed	SELLING EXPENSE per Barrel shipped	
1913	174 531.27	10906.32	2	0.020	
1914	168421.33	13147.55	2	0.026	
1915	173 313.53	16 469.03	3	0.025	
1916	169 767.34	22138.40	3	0.035	
1917	185 903.59	28 140.95	4	0.041	
1918	219 323.63	21 173.09	4	0.036	
1919	248 186.57	27 464.56	4	0.055	
1920	204 275.93	28 599.32	4	0.074	
1921	360 463.98	31 406.47	4	0.059	

1922

2215

Hercules Cement Corporation

Deft. Ex. No. D 268 J

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesmen Employed	SELLING EXPENSE per Barrel shipped	
1913					
1914					
1915					
1916					
1917*	66924.61	31293.47	9	0.276	
1918	134318.52	51111.88	10	0.116	
1919	214882.92	74496.18	8	0.123	
1920	288976.03	83959.63	11	0.162	
1921	197602.69	89071.79	10	0.174	

*Began Operation-August

1223

2216

Knickerbocker Portland Cement Company

Deft. Ex. No. D 268 K

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	281 763.86	47 510.81	3	0.1073	
1914	261 036.46	112 990.25	6	0.1047	
1915	209 143.89	107 755.86	6	0.1290	
1916	254 780.06	131 412.85	6	0.1439	
1917	266 597.44	166 235.84	6	0.1726	
1918	255 416.30	171 596.18	6	0.2068	
1919	325 239.63	180 435.55	7	0.2264	
1920	412 345.20	197 686.37	9	0.2043	
1921	366 284.86	242 212.70	10	0.2419	

1224

2217

Deft. Ex. No. D 268 L

LAWRENCE PORTLAND CEMENT CO

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesmen Employed	SELLING EXPENSE per Barrel shipped	
1913	$32421.15.	101423.04.	10.	0.075.	
1914	24681.68.	102454.30.	10.	0.080.	
1915	20565.65.	111791.88.	9.	0.077.	
1916	27013.74	122680.36.	11.	0.087.	
1917	34521.69.	149796.12.	12.	0.111.	
1918	29964.39.	135444.75.	11.	0.117.	
1919	36026.44.	167530.98.	11.	0.135	
1920	35619.38.	148867.44.	12.	0.101.	
1921	43096.71.	224787.12.	14	0.141.	

Deft. Ex. No. D 268 M

Lehigh Portland Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesmen Employed	SELLING EXPENSE per Barrel shipped	
1913	943.371.06	288 880.40	31	0.062	
1914	1.176.462.71	438.133.14	41	0.080	
1915	1.290.814.62	472 604 28	44	0.082	
1916	1.484 003.42	437.241.71	41	0.076	
1917	1.940 716.42	420 594 73	39	0081	
1918	2.349 908.18	493 493.64	33	0.110	
1919	2.502 686.45	667 767.06	51	0.129	
1920	1.604 178.46	680 984 42	49	0.114	
1921	1.534 695.08	696 483.00	50	0.121	

1226

2219

Nazareth Cement Company

Deft. Ex. No. D 268 N

SELLING EXPENSE & PAYROLL

Year	PAYROLL (that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesmen Employed	SELLING EXPENSE per Barrel shipped	
1913	168762.25	72289.40	8	0.074	
1914	174176.57	72073.13	10	0.075	
1915	149351.72	93595.82	10	0.088	
1916	151861.47	94270.91	12	0.082	
1917	177212.22	98231.01	10	0.098	
1918	206662.16	76758.34	7	0.093	
1919	247780.47	96787.02	15	0.119	
1920	308227.93	91717.83	12	0.084	
1921	272322.45	109101.86	12	0.122	

1227

2220

Penn Allen Cement Company

Deft. Ex. No. D 268 O

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	147295.25	31691.64	---	0.048	
1914	148320.32	31219.50	1	0.053	
1915	139151.53	37146.74	7	0.052	
1916	165996.10	43645.55	8	0.061	
1917	200900.13	45051.52	6	0.069	
1918	202119.78	60414.54	7	0.119	
1919	246344.17	81259.70	8	0.141	
1920	282607.89	90467.40	9	0.161	
1921	233006.03	86989.78	8	0.134	

Deft. Ex. No. D 268 P

Pennsylvania Cement Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	190 059.22	51025.72	11	0.0526	
1914	201 622.45	55 258.12	12	0.0529	
1915	209 749.45	77 472.12	15	0.0685	
1916	233 204.30	109 837.63	18	0.0979	
1917	265 535.80	143 410.62	19	0.1207	
1918	274 988.45	153 470.32	23	0.1484	
1919	327 533.25	198 132.71	24	0.1791	
1920	364 079.85	249 507.76	23	0.2058	
1921	322 873.85	229 704.45	24	0.1932	

1229

2222

Phoenix Portland Cement Company

Deft. Ex. No. D 268 Q

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	116 917.15	16.924.86	Product sold by Agents	0.040	
1914	125 952.47	21, 879.52	" " "	0.040	
1915	19 500.00	22 167.37	" " "	0.036	
1916	135 024.77	24, 747.57	" " "	0.046	
1917	155 268.29	31, 128.09	5	0.060	
1918	Shut Down	20, 532.32	6	0.070	
1919	* 66.556.50	64 907.00	9	0 151	
1920	259 960.68	78, 827.42	7	0 126	
1921	212,077 84	79, 835 39	8	0 111	

* Last Four Months

1230

2223

Deft. Ex. No. D 268 R

Security Cement & Lime Company

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesmen Employed	SELLING EXPENSE per Barrel shipped	
1913	127 879.74	32,041.64	9	0.057	
1914	105 404.06	37 537.66	9	0.065	
1915	103 001.23	37, 888.53	10	0.062	
1916	121. 723.76	45, 265 18	10	0.071	
1917	153 330.74	31, 486.12	10	0.046	
1918	208 747 01	30, 123 94	9	0.050	
1919	262, 266.33	50, 569.06	9	0.071	
1920	318, 481.05	44, 684.11	8	0.061	
1921	276,094.34	53, 689.05	8	0.069	

1231

2224

Volcanite Portland Cement Company

Deft. Ex. No. D 288 S

SELLING EXPENSE & PAYROLL

Year	PAYROLL that is Wages excluding Salaries	TOTAL SELLING EXPENSE (Salesmen Salaries and Expenses, Sales Offices, etc.)	NUMBER OF Salesman Employed	SELLING EXPENSE per Barrel shipped	
1913	278.719.20	70.197.47	9	0.053	
1914	250.158.00	84.261.40	11	0.064	
1915	158.183.04	82.802.33	14	0.066	
1916	331.966.74	95.987.57	13	0.066	
1917	344 871.92	84 983 17	12	0.080	
1918	370.618.99	95.946.52	9	0.105	
1919	394 966.66	128.987.87	14	0.132	
1920	661.806.56	143.129.89	13	0.119	
1921	474 774.43	158.183.15	13	0.125	

1282

2225

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1913

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 142,987.43	$ 51,809.55	6	0.0603
Alpha	$ 1,135,982.55	$ 194,460.68	32	0.0359
Atlas	* 2,029,000.75	Δ 234,182.78	Δ 26	Δ 0.0332
Bath	154,244.30	No Records	No Records	No Records
Coplay	292,566.51	37,020.03	9	0.028
Dexter	140,203.42	59,370.21	OUTPUT SOLD THRU SELLING AGENTS	0.0703
Edison	468,703.39	133,325.70	DATA NOT AVAILABLE	0.09
Giant	* 159,040.76	43,493.19	15	0.080
Glens Falls	174,521.27	10,906.32	2	0.020
Hercules				
Knickerbocker	281,763.86	97,570.81	3	0.1073
Lawrence	332,421.15	101,423.04	10	0.075
Lehigh	942,371.06	288,850.40	31	0.062
Nazareth	168,762.25	72,289.40	8	0.074
Penn-Allen	147,295.25	31,691.64	---	0.048
Pennsylvania	190,059.22	51,025.72	11	0.0525
Phoenix	116,912.18	16,924.86	PRODUCTS SOLD BY AGENTS	0.040
Security	127,879.74	32,041.64	9	0.057
Vulcanite	278,719.20	70,197.47	- 9	0.053
Total	7283,434.59	1,526,523.39	170	0.0506

* EIGHT MONTHS
* FISCAL YEAR ENDING OCT. 31ST
Δ CALENDAR YEAR

Deft. Ex. No. D 269 B

2227

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1914

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 139,738.04	$ 67,260.13	6	0.0830
Alpha	$ 1,200,640.14	$ 135,852.44	32	0.0444
Atlas	* 1,800,657.39	Δ 251,449.20	Δ 25	Δ 0.0443
Bath	118,110.74	No Records	No Records	No Records
Coplay	236,806.31	50,508.62	12	0.045
Dexter	124,079.93	60,553.34	Output Sold from Selling Agents	0.0811
Edison	357,707.38	174,670.25	Data not available.	0.14
Giant	165,541.20	64,299.82	15	0.077
Glens Falls	168,421.33	13,147.55	2	0.026
Hercules				
Knickerbocker	261,036.46	112,990.28	6	0.1047
Lawrence	246,081.68	102,454.30	10	0.080
Lehigh	1,175,962.71	438,123.14	43	0.080
Nazareth	174,176.57	72,073.13	10	0.075
Penn-Allen	148,830.32	31,219.50	1	0.053
Pennsylvania	201,622.45	55,258 12	12	0.0529
Phoenix	125,952.47	21,879.52	Product Sold by Agents.	0.040
Security	108,454.06	37,537.66	9	0.065
Vulcanite	250,158.00	84,261.40	11	0.064
Total	7,003,967.18	1,873,038.40	194	0.0639

* FISCAL YEAR ENDING DEC 31st.
Δ CALENDAR YEAR.

Deft. Ex. No. D 269 C

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1915

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 130,804.18	$ 63,132.93	7	0.0695
Alpha	$ 255,359.51	$ 267,672.83	34	0.0519
Atlas	* 1,115,442.53	Δ 278,260.27	Δ 27	Δ 0.0486
Bath	110,815.26	No Records	No Records	No Records
Coplay	329,240.89	89,820.51	19	0.052
Dexter	119,239.08	80,368.48	9	0.0874
Edison ⇦	93,960.19	40,205.05	DATA NOT AVAILABLE	0.18
Giant	159,256.40	63,359.93	17	0.074
Glens Falls	173,313.53	16,469.03	3	0.025
Hercules				
Knickerbocker	209,143.89	107,255.86	6	0.1290
Lawrence	205,651.65	111,791.88	9	0.077
Lehigh	1,280,814.62	472,604.28	44	0.082
Nazareth	149,351.72	93,595.82	10	0.088
Penn-Allen	139,151.53	37,146.74	7	0.052
Pennsylvania	209,749.45	77,472.12	15	0.0685
Phoenix	119,500.00	25,167.37	PRODUCT SOLD BY AGENTS.	0.036
Security	103,001.23	37,888.53	10	0.062
Vulcanite	188,183.04	82,802.33	14	0.066
Total	6,191,571.20	1,942,013.99	231	0.0649

* FISCAL YEAR ENDING OCTOBER.

⇦ SHUT DOWN.

Δ CALENDAR YEAR.

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1916

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 124,819.14	$ 69,050.10	12	0.0865
Alpha	$ 961,254.09	$ 293,309.46	37	0.0648
Atlas	* 1865,277.20	Δ 500,140.88	Δ 38	Δ 0.0733
Bath	137,844.43	No Records	No Records	No Records
Coplay	352,280.74	123,714.02	17	0.093
Dexter	126,255.41	79,397.54	10	0.0981
Edison ◊	327,379.95	134,247.31	DATA NOT AVAILABLE	0.18
Giant	274,698.46	84,339.40	19	0.086
Glens Falls	169,767.34	22,138.40	3	0.035
Hercules				
Knickerbocker	254,980.06	131,412.85	6	0.1439
Lawrence	270,138.74	122,680.36	11	0.087
Lehigh	1,484,003.42	427,241.71	41	0.075
Nazareth	151,861.47	94,270.91	12	0.082
Penn-Allen	165,996.10	43,645.55	8	0.061
Pennsylvania	233,204.30	109,837.63	18	0.0979
Phoenix	135,024.77	24,747.57	PRODUCT SOLD BY AGENTS.	0.046
Security	121,723.76	45,255.18	10	0.071
Vulcanite	331,965.79	95,987.57	13	0.066
Total	7,488,475.17	2,401,416.44	255	0.0777

* FISCAL YEAR ENDING OCT. 31ST
Δ CALENDAR YEAR
◊ SHUT DOWN FIRST THREE MONTHS.

Deft. Ex. No. D 269 E 1237

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1918

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$161,339.71	$47,882.25	13	0.1130
Alpha	$1,219,026.19	$244,700.51	34	0.0817
Atlas	X 3,104,799.17	Δ 514,352.90	Δ 36	Δ 0.0469
Bath	181,272.30	No Records	No Records	No Records
Coplay	650,277.03	101,180.30	14	0.101
Dexter	186,424.71	82,487.37	8	0.1038
Edison	739,488.54	216,509.94	Data not available	0.19
Giant	323,732.45	62,162.17	15	0.072
Glens Falls	219,323.63	21,173.09	4	0.036
Hercules	139,315.52	51,111.88	10	0.116
Knickerbocker	255,416.30	171,596.18	6	0.2068
Lawrence	299,664.39	135,444.75	11	0.117
Lehigh	2299,905.18	493,492.64	33	0.110
Nazareth	206,662.16	76,788.34	7	0.093
Penn-Allen	202,119.78	60,414.54	7	0.119
Pennsylvania	274,988.45	153,470.32	23	0.1484
Phoenix	Shut Down.	20,532.32	6	0.070
Security	208,747.01	30,123.94	9	0.050
Vulcanite	370,518.99	95,946.82	9	0.105
Total	11,043,024.51	2,579,368.26	245	0.1047

X For fourteen months.
Δ Calender Year.

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1917

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 160,699.95	$ 66,157.03	12	0.0952
Alpha	$ 1,106,889.31	$ 278,399.15	39	0.0645
Atlas	* 2,608,751.23	Δ 554,841.72	Δ 39	Δ 0.0812
Bath	176,882.71	No Records	No Records	No Records
Coplay	568,470.71	127,492.02	16	0.109
Dexter	140,999.34	77,641.63	8	0.1026
Edison	586,920.67	180,906.60	DATA NOT AVAILABLE	0.15
Giant	349,797.33	82,049.63	21	0.075
Glens Falls	185,903.59	28,140.95	4	0.041
Hercules *	66,924.61	31,293.47	9	0.276
Knickerbocker	265,597.44	166,235.84	6	0.1726
Lawrence	348,241.69	149,796.12	12	0.111
Lehigh	1,940,715.47	420,594.73	39	0.081
Nazareth	177,212.22	98,231.01	10	0.098
Penn-Allen	200,900.13	45,051.52	6	0.069
Pennsylvania	265,535.80	143,410.62	14	0.1207
Phoenix	155,268.29	31,128.09	5	0.060
Security	153,330.74	31,486.12	10	0.045
Vulcanite	344,871.92	84,983.17	12	0.080
Total	9803,913.15	2,597,839.42	267	0.0868

* Began Operation - August
* Fiscal Year Ending Oct 31st.
Δ Calendar Year

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1919

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 207,307.56	$ 98,028.08	13	0.506
Alpha	$ 1,149,990.15	$ 263,340.71	41	0.083.1
Atlas	Δ 3,626,943.34	Δ 803,255.27	Δ 51	Δ 0.120
Bath	291,321.84	95,575.51	11	0.1108
Coplay	578,297.24	93,929.21	14	0.094
Dexter	249,700.36	119,035.78	9	0.1279
Edison	898,432.85	284,336.34	30	0.19
Giant	254,456.84	88,397.70	23	0.049
Glens Falls	248,186.57	27,454.56	4	0.055
Hercules	214,882.92	74,496.18	8	0.123
Knickerbocker	325,239.53	180,435.55	7	0.2264
Lawrence	360,265.42	167,530.98	11	0.135
Lehigh	2,503,656.35	667,757.06	51	0.129
Nazareth	247,780.47	96,787.02	15	0.119
Penn-Allen	246,324.17	81,259.70	8	0.141
Pennsylvania	327,533.25	198,132.71	24	0.1791
Phoenix	* 66,556.50	64,907.00	9	0.151
Security	262,266.28	50,569.06	9	0.071
Vulcanite	394,966.66	128,987.87	14	0.132
Total	12,454,127.32	3,584,217.49	352	0.1239

Δ CALENDAR YEAR.
* LAST FOUR MONTHS.

Deft. Ex. No. D 269 H

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1920

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 259,925.04	$ 83,054.34	11	0.1527
Alpha	$ 2,015,616.97	$ 312,200.90	39	0.0732
Atlas	Δ 4,884,230.23	Δ 684,348.87	Δ 42	Δ 0.0984
Bath	370,275.44	106,837.90	10	0.1384
Coplay	737,251.76	88,862.84	13	0.081
Dexter	299,817.39	86,956.71	8	0.1228
Edison	1,054,620.54	232,717.23	23	0.17
Giant	471,868.80	79954.00	18	0.078
Glens Falls	204,275.93	28,599.32	4	0.074
Hercules	588,976.03	83,959.63	11	0.162
Knickerbocker	412,345.20	197,686.37	9	0.2043
Lawrence	556,169.38	128,857.44	12	0.101
Lehigh	3604,278.46	680,984.22	49	0.114
Nazareth	308,227.93	91,717.83	12	0.081
Penn-Allen	282,607.89	90,467.40	9	0.161
Pennsylvania	364,079.85	249,507.76	23	0.2058
Phoenix	259,960.68	78,827.42	7	0.126
Security	318,481.05	44,684.11	8	0.061
Vulcanite	651,805.56	143,129.89	13	0.119
Total	17344,814.13	3513,354.23	321	0.1125

Δ CALENDER YEAR.

Deft. Ex. No. D 269 I

1241

ALL COMPANIES
SELLING EXPENSE & PAYROLL
YEAR 1921

COMPANY	PAYROLL	TOTAL SELLING EXPENSE	SALESMEN EMPLOYED	SELLING EXPENSE per Barrel Shipped
Allentown	$ 236,432.08	$ 82,073.98	11	0.1262
Alpha	$ 1,083,663.09	$ 381,420.08	35	0.1305
Atlas	Δ 2,671,760.38	Δ 777,336.65	Δ 50	Δ 0.1482
Bath	326,305.36	122,228.30	14	0.1429
Copley	435,749.37	87,442.75	13	0.084
Dexter	270,215.27	114,208.28	8	0.1231
Edison	676,761.41	271,888.61	22	0.17
Giant	298,124.04	114,712.32	26	0.122
Glens Falls	360,463.48	38,406.47	4	0.059
Hercules	197,602.69	89,071.79	10	0.174
Knickerbocker	366,284.86	242,212.70	10	0.2419
Lawrence	430,096.71	224,782.12	14	0.14
Lehigh	2,534,695.08	696,483.00	50	0.121
Nazareth	272,322.45	109,101.86	12	0.122
Penn-Allen	233,006.09	86,989.78	8	0.134
Pennsylvania	322,873.85	229,704.45	24	0.1932
Phoenix	212,077.84	79,835.39	8	0.111
Security	275,094.34	53,689.05	8	0.064
Vulcanite	474,774.43	158,183.15	13	0.125
Total	11,678,302.76	3,960,770.73	340	0.1363

Δ CALENDAR YEAR.

Deft. Ex. No. D 270 A

ALLENTOWN PORTLAND CEMENT CO. No. 2

	1913	1914	1915	1916	1917	1918	1919 †	1920	1921
Book Value Gross Assets	2,006,417.11	2,031,897.39	1,998,275.22	2,007,382.19	2,066,710.29	2,073,644.51	2,105,716.11	2,017,162.66	2,065,408.09
Pfd. Stock	NONE	NONE	NONE	NONE	NONE	NONE	NONE	265,000.00	265,000.00
Comm. Stock	1,126,510.00	1,152,010.00	1,155,450.00	1,155,950.00	1,156,750.00	1,156,750.00	1,156,750.00	578,375.00	578,375.00
Fund. Debt	336,500.00	325,500.00	332,500.00	362,000.00	363,500.00	383,000.00	388,000.00	390,000.00	387,500.00
Surplus								472,867.61	463,886.92
Deficit	174,383.83	156,372.93	61,311.29	67,966.43	11,671.37	38,908.51	133,897.12		
Invested Capital as Rep't to Gov't	952,126.17	945,637.07	1,094,638.71	1,087,783.57	1,145,078.63	1,117,841.49	1,022,852.88	1,317,242.61	1,307,261.92
Net Earnings Rep't. to Gov't	39,643.79	93,061.66	* 6,655.14	56,295.06	* 27,237.14	* 96,704.96	58,411.85	21,260.49	* 63,086.87
Federal Income & Profit Taxes	296.41	950.62	NONE	1,125.90	NONE	NONE	5,641.18	1,926.05	NONE
Interest Paid	47,721.03	50,462.19	48,409.87	46,956.72	46,403.18	44,521.91	50,980.39	35,651.28	45,091.00
Net Income as per Books	18,010.90	93,061.66	* 6,655.14	56,295.06	* 27,237.14	* 94,988.61	63,839.73	5,919.31	* 78,986.87

† REORGANIZATION.

* LOSS.

1242

2235

Deft. Ex. No. D 270 B

ALPHA PORTLAND CEMENT CO. No. 2

	1913	1914	1915	1916	1917	1918	1919	1920 *	1921 *
Book Value Gross Assets	12,591,805.02	13,013,308.71	13,021,898.19	12,645,802.15	12,583,271.56	12,939,972.09	13,141,862.63	13,989,535.37	14,907,239.31
Pfd. Stock	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Comm. Stock	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	8,000,000.00	10,000,000.00
Funded Indbt.	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Surplus	912,052.37	1,376,001.31	1,970,397.77	1,644,452.94	2,082,572.91	2,225,265.73	2,299,595.12	2,955,534.57	1,367,865.15
Deficit									
Invested Capital as Repr. to Gov't	11,168,093.34	11,873,269.29	12,123,620.04	12,936,816.17	13,045,348.66	13,415,614.19	13,682,000.68	14,272,996.48	14,640,327.83
Net Earnings Repr. to Gov't	945,277.13	1,016,612.57	578,027.64	776,179.24	559,313.30	489,007.35	935,222.40	1,288,279.56	312,420.98
Federal Income & Profit Taxes	9,452.77	10,166.12	5,780.27	13,523.38	33,495.13	57,491.83	90,972.49	129,223.96	31,242.10
Interest Paid	57,520.78	47,518.60	17,001.71	7,363.21	9503.85	3,336.80	NONE	NONE	NONE
NET INCOME AS REPORTED	522,100.64	722,784.56	209,034.14	510,514.39	470,248.53	385,305.41	938,168.70	981,424.09	368,856.63

* FIGURES ALLOCATED TO EASTERN MILLS.

1243

2236

Deft. Ex. No. D 270 C

No. 2

* The Atlas Portland Cement Co

	1913 †	1914 †	1915 †	1916 †	1917 †	1918 †	1919	1920	1921
Book Value Gross Assets	19,767,311.16	20,091,501.20	19,553,119.68	19,071,369.66	18,739,316.17	20,493,075.63	22,072,585.87	21,159,261.46	23,960,328.07
Pfd. Stock	1113,250.00	1118,250.00	1,142,300.00	2,137,280.00	1,472,080.00	1,871,484.00	1,829,457.00	1,605,363.00	1,604,840.52
Comm. Stock	8,338,340.00	8,458,770.00	8,254,700.00	8,264,076.00	8,175,736.47	8,234,398.78	8,156,531.16	7,351,972.12	11,172,170.52
Funded Indbt.	7,254,104.00	6,847,014.00	6,358,924.00	6,062,344.00	5,775,579.50	5,071,642.00	4,873,280.47	4,226,082.10	3,782,972.07
Surplus	2,059,019.94	2,440,349.18	2,739,400.49	1,495,203.07	2,447,145.43	4,311,870.37	5,069,787.84	5,739,652.27	2,623,291.27
Deficit									
Invested Capital as Rept. to Gov't	11,244,777.84	11,502,228.47	11,764,131.52	12,028,765.81	12,535,249.36	14,168,130.86	14,681,171.73	14,160,730.98	14,701,006.10
Net Earnings Rept. to Gov't	378,024.14	424,280.72	*215,813.60	882,243.47	1,370,766.55	1,058,821.40	1,387,391.86	424,517.33	1,238,333.33
Federal Income & Profit Taxes	5,780.25	4,242.80	NONE	16,181.17	165,629.07	106,841.83	172,880.15	36,662.00	146,256.00
Interest Paid	340,338.68	400,931.09	380,107.38	362,221.39	328,059.24	349,192.53	278,468.22	227,805.01	213,508.27
NET INCOME AS PER BOOKS	600,019.16	519,252.63	*242,642.95	779,019.42	(1)95,719.31	1,064,544.40	1,163,726.48	371,758.66	1,036,179.07

(1) LOSS

* FIGURES ALLOCATED TO EASTERN MILLS

† FISCAL YEAR ENDING DEC. 31ST

* FOR 14 MONTHS.

1244

2237

Deft. Ex. No. D 270 D

BATH PORTLAND CEMENT CO. No. 2.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	1,162,450.79	1,177,987.95	1,170,496.79	1,236,313.46	1,256,112.13	1,284,885.05	1,332,609.39	1,389,406.69	1,571,489.55
Pfd. Stock	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Comm. Stock	686,400.00	687,300.00	687,300.00	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00	910,000.00
Funded Indbt.	355,000.00	335,000.00	300,000.00	300,000.00	285,000.00	285,000.00	285,000.00	285,000.00	285,000.00
Surplus	12,196.16	140,500.00	163,715.00	194,892.78	235,667.59	224,781.82	201,160.00	242,904.95	111,386.43
Deficit									
Invested Capital as Rept. to Gov't	694,304.49	827,056.85	851,015.00	916,051.72	958,904.59	921,784.26	919,207.88	979,372.88	996,185.82
Net Earnings Rept. to Gov't	145,180.80	36,263.90	30,247.36	84,223.61	35,446.81	26,986.96	125,815.26	123,006.32	18,780.31
Federal Income & Profit Taxes	1,451.81	362.64	302.47	1,684.47	2,126.81	2,998.34	24,511.62	19,332.94	1,666.16
Interest Paid	21,300.00	19,338.00	18,000.00	17,675.00	17,100.00	17,100.00	17,100.00	17,100.00	17,100.00
NET INCOME AS PER BOOKS	142,041.84	36,961.00	31,177.78	82,774.81	31,114.23	11,378.18	104,764.95	93,018.48	17,803.08

1245

2238

Deft. Ex. No. D 270 E

COPLAY CEMENT MANUFACTURING CO. No. 2.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	DATA - NOT AVAILABLE.	4,657,772.92	4,739,760.30	4,689,751.04	4,772,156.93	4,538,797.89	4,488,489.63	4,467,380.91	4,265,977.23
Pfd. Stock		939,000.00	939,000.00	939,000.00	939,000.00	939,000.00	939,000.00	939,000.00	939,000.00
Comm. Stock		2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00
Funded Indbt.		800,000.00	800,000.00	800,000.00	800,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Surplus		687,715.97	851,806.45	595,723.09	827,317.04	529,184.06	402,598.64	368,090.77	315,990.73
Deficit									
Invested Capital as Rept. to Gov't	3422,075.63	3626,715.97	3790,806.45	3534,723.09	3766,317.04	3436,184.15	3326,163.42	3789,401.20	3254,990.73
Net Earnings Rept. to Gov't	204,640.34	164,090.48	143,170.84	283,604.18	33,473.06	* 70,396.04	* 4,541.56	4,239.96	* 52,746.65
Federal Income & Profit Taxes	2,046.40	1,640.90	1,431.71	5,672.08	2,008.38	NONE	NONE	324.00	NONE
Interest Paid	34,458.60	32,931.69	30,676.09	23,141.39	63,274.18	84,162.58	75,153.36	34,556.77	62,639.93
NET INCOME AS PER BOOKS.	202,593.94	162,449.58	141,739.13	277,932.10	31,465.68	* 70,245.42	6,337.87	4,015.96	* 52,746.65

* LOSS

1246

2239

Deft. Ex. No. D 270 F

DEXTER PORTLAND CEMENT CO

No. 2.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	882.567 15	949.533 16	1016.805.88	1013.627.19	1141.724.05	1,221,453 88	1,381,799.36	1,403,607.98	1,308,780.67
Pfd. Stock	125,000 00	125,000 00	125,000 00	125,000 00	42,500 00	7,040.00	3,040.00	3,040.00	3,040.00
Comm. Stock	375,000 00	375,000 00	375,000.00	375,000 00	457,500 00	392,960 00	396,960.00	396,960.00	992,400.00
Funded Indbt.	75,000 00	3,000.00	3,000.00	NONE	NONE	NONE	NONE	NONE	NONE
Surplus	312,314 61	403,817 35	475,122.31	446,448 19	551,671.04	676,267.54	658,432.90	785,230.92	205,348.15
Deficit									
Invested Capital as Rept. to Gov't	839,319.61	906,817.35	978,122.31	946,448.19	880,293.26	1,024,517.54	1,041,099.57	1,182,480.92	1197,965.65
Net Earnings Rept. to Gov't	129,497 74	111,304 96	18,875.88	171,515.14	245,672 56	137,924.85	362,402.01	163,446.64	312,148.37
Federal Income & Profit Taxes	1,294 98	1,113 05	188.76	3,430.30	59645.38	38,987.18	113,094.05	27,662.99	82,670.77
Interest Paid	844 00	180.00	180.00	NONE	NONE	NONE	NONE	NONE	41.63
NET INCOME AS PER BOOKS	128,359 65	111,486 89	19,800.17	160,231.31	182,267 91	107,476.76	251,718.35	135,047.00	237,485.57

1247

2240

Deft. Ex. No. D 270 G

EDISON PORTLAND CEMENT COMPANY

No. 3

	1913	1914	1915	1916	1917	1918	1919	1920	1921 †
Book Value Gross Assets x	16 225 436 44	16 119 740 81	15 917 839 08	15 353 107 25	15 467 269 71	15 780 940 20	15 723 523 77	15 706 083 35	5 775 806 06
Pfd. Stock	2 916 050 00	2 916 050 00	2 916 050 00	2 916 050 00	2 916 050 00	2 916 050 00	2 916 050 00	2 916 050 00	3 000 000 00
Comm. Stock	12 000 000 00	12 000 000 00	12 000 000 00	12 000 000 00	12 000 000 00	12 000 000 00	12 000 000 00	12 000 000 00	1 509 988 89
Funded Indbt.	1 500 000 00	1 500 00 00	1 500 000 00	1 500 000 00	1 500 000 00	1 500 000 00	1 500 000 00	1 500 000 00	3 500 000 00
Surplus									
Deficit	1 294 076 63	1 409 595 63	1 600 427 54	2 022 799 04	2 367 319 00	2 603 673 91	4 766 989 90	5 391 652 71	5 651 948 13
Invested Capital as Repr. to Gov't	▲ 14 916 050 00	▲ 14 916 050 00	▲ 14 916 050 00	▲ 14 916 050 00	▲ 14 916 050 00	• 6 644 062 50	• 6 644 062 50	• 6 644 062 50	• 6 644 062 50
Net Earnings Repr. to Gov't	• 113 519 03	13 102 96	• 197 403 07	• 130 775 65	• 561 355 33	• 551 093 47	• 570 383 02	• 821 845 32	● 50 000 00
Federal Income & Profit Taxes	None	None	None	None	None	None	None	None	None.
Interest Paid	217 735 38	246 645 77	263 123 43	266 639 03	325 141 80	354 320 13	388 763 74	128 611 06	346 933 82.
Net Income as per Books	• 113 519 03	• 190 831 89	• 421 371 50	• 345 119 96	• 313 384 91	• 2 083 345 99	• 614 663 81	• 260 291 42	• 38 609 08.

x Less Depreciation Reserve.
† Reorganization
• Loss
● Estimated Loss
▲ Capital Stock only
■ Computed But Not Reported.

1248

2241

Deft. Ex. No. D 270 H

GIANT PORTLAND CEMENT CO. No. 2

	° 1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets		3,824,420.82	3,861,900.37	3,851,765.80	3,925,276.90	3,891,329.10	3,895,309.65	4,169,534.85	4,261,933.49
Pfd. Stock		1,880,000.00	1,880,000.00	1,880,000.00	1,880,000.00	1,880,000.00	1,880,000.00	1,880,000.00	1,880,000.00
Comm. Stock		1,110,000.00	1,110,000.00	1,110,000.00	1,110,000.00	1,110,000.00	1,110,000.00	1,110,000.00	1,110,000.00
Funded Indbt.		750,000.00	750,000.00	750,000.00	700,000.00	650,000.00	600,000.00	550,000.00	500,000.00
Surplus					57,896.24	102,762.72	145,515.44	256,806.98	502,870.40
Deficit		19,981.09	12,032.29	5,634.96					
Invested Capital as Rept. to Gov't		2,970,018.91 X	2,977,967.71 X	2,984,365.04 X	3,047,896.24 X	3,092,762.72 X	3,145,515.44 X	2,685,921.68	2,883,363.37
Net Earnings Rept. to Gov't	X 18,981.09	12,400.85	6,682.80	68,147.67	* 48,185.30	* 37,048.96	* 326,441.68	163,071.74	44,389.77
Federal Income & Profit Taxes	NONE	124.01	66.83	1,362.95	2,891.12	4,127.35	51,570.08	15,738.49	4,438.98
Interest Paid +	27,523.13	40,114.84	35,290.98	33,114.02	35,382.13	39,185.17	23,911.51	18,196.89	29,579.58
NET INCOME AS PER BOOKS	* 19,981.09	7,948.80	6,397.33	63,531.25	27,291.17	* 4,081.54	273,125.19	146,012.45	‡ 118,323.31

° BEGAN OPERATION MAY 1, 1913
* LOSS
+ NET
‡ INCLUDES AMENDED RETURNS MADE IN 1921.
‡ INCLUDES U.S. GOV'T. CLAIM ADJUSTMENT YEARS 1917 1918 1919 $78,591.43
X NOT REPORTED.

1249

2242

Deft. Ex. No. D 270 I

GLENS FALLS PORTLAND CEMENT CO No. 2.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	1,308,438.08	1,349,115.10	1,412,929.08	1,378,986.38	1,331,706.65	1,428,342.21	1,609,485.44	1,701,879.65	1,561,253.07
Pfd. Stock	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Comm. Stock	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Funded Indbt.	300,000.00	299,000.00	298,000.00	298,000.00	298,000.00	298,000.00	298,000.00	298,000.00	295,000.00
Surplus	347,474.54	432,750.09	499,659.00	421,409.54	412,389.11	477,746.10	527,397.05	666,248.06	600,087.99
Deficit									
Invested Capital as Rept. to Gov't	947,474.54	1,032,750.09	1,099,659.00	1,021,409.54	1,012,389.11	1,095,782.50	1,153,040.81	1,200,466.13	1,163,397.75
Net Earnings Rept. to Gov't	124,404.70	122,321.37	54,468.76	105,599.54	182,733.54	217,978.21	233,077.63	51,633.99	203,028.25
Federal Income & Profit Taxes	1,244.05	1,243.21	544.89	2,111.99	29,075.52	97,159.37	48,351.87	4,893.80	38,449.89
Interest Paid	21,209.67	19,762.22	21,409.24	20,871.43	18,922.27	18,247.11	17,880.00	17,851.78	17,762.67
NET INCOME AS PER BOOKS	124,404.70	122,908.41	113,338.62	46,979.57	154,544.02	100,158.54	182,623.54	45,123.90	165,568.66

1250

2243

Deft. Ex. No. D 270 J

HERCULES CEMENT CORPORATION

No. 2

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets						2,307,112.67	2,263,621.11	2,381,783.05	2,721,481.82
Pfd. Stock						NONE	NONE	NONE	NONE
Comm. Stock						1,130,000.00	1,189,000.00	1,500,000.00	1,500,000.00
Funded Indbt.						688,090.89	686,266.68	854,510.68	982,346.68
Surplus						296,282.05	216,841.20	--	--
Deficit						--	--	41,356.51	64,209.99
Invested Capital as Rept. to Gov't						1,039,921.03	1,488,794.63	1,503,621.86	1,435,790.01
Net Earnings Rept. to Gov't						*20,440.85	58,802.29	*23,173.25	*48,341.70
Federal Income & Profit Taxes						NONE	5,680.23	NONE	NONE
Interest Paid						48,177.23	47,121.75	56,571.37	68,506.38
NET INCOME AS PER BOOKS						*20,440.85	52,802.29	*22,853.48	*48,341.70

BEGAN OPERATION AUGUST - 1917. 1918 FIRST FULL YEAR

* LOSS

1251

2244

Deft. Ex. No. D 270 K

Knickerbocker Portland Cement Company — No. 2

	1913	1914	1915	1916	1917	1918 †	1919	1920	1921
Book Value Gross Assets	5 816 060 23	2681 436 43	2 900 713 01	2 905 153 33	2837605 29	2 911 161 54	3666422 80	3684550 85	3961451 83
Pfd. Stock	1550000.00	1700 500 00	1700 500.00	1700500 00	1700 500 00	1700 500 00	1700 000.00	1700 000.00	1700 000 00
Comm. Stock	4000 000 00	701 300 00	701 300 00	701 300 00	701 300 00	701 300 00	1556 700 00	1556 700 00	1556 700 00
Funded Indbt.	78500 00	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Surplus		50476. 01	238 266. 10	47606 84	266 106 93	409049 16	175384. 24	245 862 42	311 210. 40
Deficit	94 425 62								
Invested Capital as Repr. to Gov't	* 5 550 000 00	* 2452 276. 01	* 2636 066 10	* 2444406 84	2677 906 93	2825 103 27	3471 298 92	3522 562 27	○ 3539682.00
Net Earnings Repr. to Gov't	133 733 71	183 790 09	* 186 659 26	207 315 34	159748 19	137708 89	212 813 23	195681 50	34 277. 84
Federal Income & Profit Taxes	1337 34	1837 90	NONE	4147.50	958 4 88	22034. 60	20645. 96	19091 90	⊗ 10 131. 40
† Interest Paid	14797. 45	14581 88	4706. 01	9164. 45	2499 02	2092 58	7529 85	4258 60	15518. 97
Net Income, as per Books	144723. 27	183 790 09	⊗ 186659. 26	218500 09	142942 23	172041 48	191 478 19	184 347 97	34 277. 84

* On Bank Loans
Computed as per Regulations, but not reported
* Loss
† Reorganization
○ Estimated
⊗ Includes- $197175 paid % 1917 Taxes $315965 paid % 1918 Taxes, $500000 Estimated 1920 Taxes

1252

2245

Deft. Ex. No. D 270 L

Lawrence Portland Cement Co

No. 2.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	1,961,744.98	2,125,449.72	2,204,700.03	2,197,401.63	2,394,595.97	2,843,195.30	2,960,563.42	2,909,785.98	3,130,606.68
Pfd. Stock	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Comm. Stock	1,000,000.00	1,000,000.00	1,000,000.00	1,200,000.00	1,500,000.00	1,800,000.00	2,000,000.00	2,000,000.00	2,500,000.00
Funded Indbt.	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Surplus	478,330.26	511,990.16	563,520.38	564,066.69	347,392.03	326,232.72	330,477.80 •	431,090.61 •	437,907.14 •
Deficit									
Invested Capital as Repr. to Gov't	1,469,384.88	1,506,475.76	1,661,266.46	1,761,931.76	1,960,690.96	2,207,060.19	2,302,072.19	2,785,048.48	2,876,472.00
Net Earnings Repr. to Gov't	94,618.90	143,896.35	96,546.31	179,325.34	132,113.64	181,806.88	338,134.33	197,733.28	76,573.66
Federal Income & Profit Taxes	946.19	1,438.96	965.16	3,586.51	7,926.81	11,056.95	60,641.63	19,040.17	7,632.33
Interest Paid	20,113.66	25,208.17	21,844.53	21,211.31	25,693.29	32,059.77	26,283.85	14,760.34	4,639.33
NET INCOME AS PER BOOKS	93,668.90	131,521.22	96,546.31	179,325.34	128,527.13	185,276.38	334,839.62	143,747.98	82,796.21

• EXCLUDES TAX RESERVE

1253

2246

Deft. Ex. No. D 270 M

*Lehigh Portland Cement Co. No. 2

	1913†	1914 †	1915 †	1916 †	1917 †	1918 †	1919†	1920 †	1921 †
Book Value Gross Assets	7457074.24	$ 945328.19	10912431.59	11410415.20	13232330.57	13476871.93	13003761.78	15057428.88	16774886.18
Pfd. Stock	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Comm. Stock	4524270.20	5204785.92	6024372.82	6024372.82	6024372.82	7227708.13	7227708.13	7690724.07	7690724.07
Funded Indbt.	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Surplus	2523364.03	3191319.51	4610427.20	5003774.98	6481482.34	3787775.40	4217835.63	5390500.32	6413202.63
Deficit									
Invested Capital as Rept. to Gov't	7047634.23	$ 396105.43	10634800.02	11028147.77	13000215.08	11722363.29	12131275.51	13618140.61	14517990.05
Net Earnings Rept. to Gov't	# 700781.50	# 926362.76	# 816747.12	1439054.17	708958.10	390324.07	1357311.64	669799.49	571742.90
Federal Income & Profit Taxes	7007.82	9263.63	5167.47	28781.08	84877.88	44750.26	238329.96	98189.60	56614.44
Interest Paid	16881.49	3501.68	18.18	504.11	53957.51	65717.20	55060.06	6756.18	42860.51
Net Income as per Books	714138.81	977765.34	474495.26	1398660.10	480739.21	302816.03	1091602.52	546104.89	482010.48

@ Figures Allocated to Eastern Mills
† Fiscal Year Ending Nov 30
Calendar Year
$ Eleven Months

1254

2247

Deft. Ex. No. D 270 N

NAZARETH CEMENT COMPANY. No. 2

	1913	1914	1915	1916	1917	1918 +	1919	1920	1921
Book Value Gross Assets	3914773.37	4006707.90	3940471.05	3854206.30	3927683.57	3585731.65	3710265.11	3985619.78	4167809.06
Pfd. Stock	1453750.00	1453750.00	1453750.00	1453750.00	1453750.00	550000.00	550000.00	550000.00	550000.00
Comm. Stock	834700.00	834700.00	834700.00	834700.00	834700.00	530000.00	530000.00	530000.00	530000.00
Fund. Indbt.	350000.00	350000.00	550000.00	550000.00	550000.00	782000.00	788000.00	764000.00	505000.06
Surplus	141190.24	15596.58	77585.30		163162.62	1580995.18*	1752013.65	2053332.79	2512627.60
Deficit				41857.21					
Invested Capital as Rep't to Gov't	2292109.57	2116515.91	2228505.63	2109062.12	2314081.95	2618469.61	2746374.09	3080490.73	3499642.81
Net Earnings Rept. to Gov't	125593.66*	61988.72	120042.51*	204419.83	188501.83	258110.41	389981.90	591191.97	117000.00*
Federal Income & Profit Taxes	NONE	619.89	NONE	4088.40	13341.52	42780.33	68187.14	120376.46	11700.00*
Interest Paid	56145.52	130645.00	81409.99	76881.37	70584.99	46516.82	45275.00	41598.71	28475.82
Net Income as per Books	125593.66*	61368.83	118822.62*	200931.43	166861.71	170732.36	322306.43	470518.12	107818.83

* LOSS
\+ REORGANIZATION
* ADJUSTMENT BY REORGANIZATION
* TENTATIVE RETURNS

Deft. Ex. No. D 270 O

PENN-ALLEN CEMENT COMPANY

No. 2.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Comm Assets	870,259.08	911,370.08	922,576.57	927,409.21	950,474.85	1086,879.27	967,783.49	1052,955.99	1126,925.97
Pfd. Stock	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Comm. Stock	246,100.00	246,100.00	246,100.00	246,100.00	246,100.00	246,100.00	246,100.00	247,000.00	250,000.00
Funded Indbt.	420,000.00	387,900.00	370,600.00	356,200.00	327,600.00	317,700.00	304,700.00	287,300.00	225,600.00
Surplus		63,500.63	122,838.78	116,221.20	212,487.00	237,677.58	254,841.78	281,289.62	301,287.05
Deficit	17,558.30								
Invested Capital as Rept. to Gov't	328,541.70	409,600.63	468,938.78	462,321.20	558,587.00	584,012.08	604,800.93	637,300.34	657,287.05
Net Earnings Rept. to Gov't	90,004.25	59,338.15	* 6,617.58	114,265.80	33,580.00	40,322.45	70,862.05	66,839.93	69,351.52
Federal Income & Profit Taxes	900.04	593.38	None	2,285.32	2,011.80	4,578.69	10,392.25	11,098.31	6,735.15
Interest Paid	21,571.57	22,686.77	21,450.08	21,113.00	19,562.72	18,600.53	18,133.99	16,257.37	13,505.83
NET INCOME AS PER BOOKS	88,730.68	59,338.15	* 6,617.58	114,265.80	31,210.59	40,145.13	56,146.90	61,997.43	63,131.52

* LOSS

1256

2249

81—551

Deft. Ex. No. D 270 P

PENNSYLVANIA CEMENT COMPANY

No. 2

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	1,442,326.19	1,337,913.68	1,458,781.57	1,434,171.77	1,529,233.70	1,565,219.59	1,714,129.11	1,793,988.17	2,145,034.85
Pfd. Stock	355,200.00	355,200.00	355,200.00	355,200.00	355,200.00	355,200.00	355,200.00	355,200.00	355,600.00
Comm. Stock	450,100.00	450,100.00	450,100.00	450,100.00	450,100.00	450,100.00	478,100.00	478,100.00	478,100.00
Funded Indbt.	450,000.00	450,000.00	450,000.00	425,000.00	375,000.00	268,750.00	250,000.00	250,000.00	250,000.00
Surplus			91,722.20	135,079.98	195,637.37	290,591.81	359,364.65	524,589.34	570,204.06
Deficit	58,153.39	2,271.74							
Invested Capital as Rept. to Gov't	805,300.00	805,300.00	812,447.29	897,033.20	1,020,526.87	1,115,825.63	1,238,486.37	1,357,889.34	X 1,403,901.06
Net Earnings Rept. to Gov't	55,878.65	96,005.46	54,514.58	31,620.88	111,928.74	129,055.54	211,367.27	252,164.25	51,132.67
Federal Income & Profit Taxes	050.45	960.05	545.15	632.42	12,515.03	21,404.96	34,542.00	45,230.52	X 5,000.00
Interest Paid	24,500.00	24,500.00	24,500.00	22,625.00	18,635.42	12,646.87	12,500.00	12,500.00	12,500.00
NET INCOME AS PER BOOKS	55,878.65	94,007.94	43,346.78	60,557.34	94,952.44	121,396.81	186,536.64	252,566.72	51,132.67

X ESTIMATED

1257

2250

Deft. Ex. No. D 270 Q

PHOENIX PORTLAND CEMENT CO. No. 2

	1913	1914	1915	1916	1917	1918 +	1919	1920	1921
Book Value Gross Assets	947,371.33	1019,454.05	1180,529.31	1101,740.93	1056,876.62	1088685.69	964164.83	981,307.46	1,140,971.58
Pfd. Stock	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	75,000.00	209,000.00	209,000.00	209,000.00
Comm. Stock	175,000.00	175,000.00	175,000.00	175,000.00	175,000.00	175,000.00	102,440.00	101,990.00	106,990.00
Funded Indbt.	367,000.00	717,000.00	739,500.00	703,500.00	684,500.00	684,500.00	281,500.00	281,500.00	281,500.00
Surplus							212,913.37	207,135.22	306,328.40
Deficit	34,735.02	42,980.58	54,455.82	106,356.26	119,159.83	179,954.30			
Invested Capital as Rept. to Gov't	250,000.00	250,000.00	250,000.00	250,000.00	250,000.00	312,849.96	543,034.91	469,853.46	565,870.46
Net Earnings Rept. to Gov't	x $ 245.56	* 10,236.10	* 51,900.44	* 42,803.57	* 30,794.47	* 21,792.40	* 4,194.82	96,905.68	107,723.92
Federal Income & Profit Taxes								19,608.93	21,471.17
Interest Paid	47,937.92	56,034.03	55,510.86	54,648.66	54,571.34	37,848.38	20,508.36	24,522.66	25,022.67
NET INCOME AS PER BOOKS	* $ 245.56	* 10,236.10	* 51,900.44	* 42,803.57	* 30,794.47	* 21,792.40	* 5,778.15	99,193.18	112,453.70

* + COMPANY REORGANIZED JULY 1ST 1918

* LOSS

1258

2251

Deft. Ex. No. D 270 R

SECURITY CEMENT AND LIME CO. No. 2

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	1,839,503.04	1,898,496.49	1,809,379.87	1,824,449.84	2,032,847.30	2,072,192.07	2,172,752.55	2,102,455.80	2,167,305.34
Pfd. Stock	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Comm. Stock	625,000.00	625,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00
Funded Indbt.	1,005,000.00	1,005,000.00	1,005,000.00	1,005,000.00	1,005,000.00	965,000.00	927,000.00	887,000.00	849,000.00
Surplus			60,262.61	106,325.33	234,992.90	296,295.41	245,935.30	213,476.14	236,171.53
Deficit	163,243.72	142,875.69							
Invested Capital as Rept. to Gov't	1,125,000.00	1,125,000.00	1,000,000.00	1,006,325.33	1,134,992.90	1,196,295.41	1,145,935.30	1,113,476.14	1,136,171.53
Net Earnings Rept. to Gov't	20,368.03	35,054.04	47,768.28	136,141.91	163,533.61	88,277.22	231,454.26	144,744.49	95,963.18
Federal Income & Profit Taxes	203.68	350.54	477.68	2,522.98	26,665.32	10,454.33	46,222.69	20,703.32	9,588.00
Interest Paid	64,741.62	60,187.80	58,690.78	60,410.71	58,190.90	55,012.43	50,499.73	46,604.78	45,337.16
NET INCOME AS PER BOOKS	20,368.03	31,815.72	46,062.72	128,667.57	166,302.51	19,639.89	37,540.84	92,696.39	75,471.97

1959

2252

Deft. Ex. No. D 270 S

VULCANITE PORTLAND CEMENT CO. No. 2

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Book Value Gross Assets	2,836,996.30	2,932,362.58	3,012,690.37	2,921,066.28	2,822,225.01	2,978,010.85	2,993,104.48	2,967,060.77	3,227,653.62
Pfd. Stock	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
Comm. Stock	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00
Funded Indbt.	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	200,000.00
Surplus	169,161.59	356,096.96	527,065.52	531,557.18	548,503.33	557,622.15	519,536.77	588,973.51	571,758.65
Deficit									
Invested Capital as Rept. to Gov't	2,269,161.59	2,456,096.96	2,627,065.52	2,631,557.18	2,648,503.33	2,657,622.15	2,619,536.77	2,688,973.51	2,871,758.65
Net Earnings Rept. to Gov't	187,280.46	169,896.08	10,250.11	104,245.78	140,535.37	84,689.55	228,308.13	73,765.83	* 117,214.64
Federal Income & Profit Taxes	1,872.81	1,698.96	102.50	2,084.92	8,414.00	9922.75	25,580.23	7,176.54	NONE
Interest Paid	23,714.03	21,307.25	15,697.84	6,943.72	9,421.58	15,246.40	14,589.29	16,522.72	28,776.16
NET INCOME AS PER BOOKS	185,407.65	168,391.23	10,147.61	102,160.86	130,905.19	67,491.87	180,356.51	54,643.53	* 117,214.64

* Loss

1260

2253

ALL COMPANIES

Deft. Ex. No. D 271 A

YEAR 1913

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Rept. to Gov't	Net Earnings Rept. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,006,917.11	NONE	1,126,510.00	236,500.00		174,383.83	952,126.17	29,643.79	296.44	47,721.03	18,010.90
Alpha	12,591,805.02	2,000,000.00	8,000,000.00	NONE	985,052.37		11,168,093.34	945,277.13	9,452.77	57,520.78	522,100.64
Atlas + *	19,747,134.16	1,115,250.00	8,133,890.00	7,125,404.00	2,057,049.94		11,444,777.84	578,024.66	5,780.25	440,558.68	600,049.16
Bath	1,162,459.79	NONE	616,900.00	355,000.00	12,196.16		694,304.49	145,180.80	1,451.81	21,300.00	142,041.84
Cuplay	----------	DATA NOT AVAILABLE.					3,422,075.63	204,640.34	2,046.40	34,458.60	202,593.94
Dexter	882,567.15	125,000.00	375,000.00	25,000.00	314,319.61		839,319.61	129,499.74	1,294.98	844.00	128,359.65
Edison	16,225,436.49	2,916,050.00	12,000,000.00	1,500,000.00		1,294,076.63	14,916,050.03	115,519.02	NONE	227,735.38	115,519.02
Giant ‡	----------	----------	----------	----------	----------	----------	----------	18,981.09	NONE	27,523.13	19,981.09
Glens Falls	1,308,438.05	100,000.00	500,000.00	300,000.00	347,474.56		947,474.56	124,404.70	1,244.05	21,209.67	124,404.70
Hercules	----------	----------	----------	BEGAN OPERATION		AUGUST 1913	----------	----------	----------	----------	----------
Knickerbocker	5,816,060.23	1,550,000.00	4,000,000.00	78,500.00		94,425.62	5,550,000.00	133,733.71	1,337.34	14,792.45	144,723.27
Lawrence	1,961,744.98	NONE	1,000,000.00	NONE	471,330.26		1,469,384.88	94,618.90	946.19	20,113.66	93,668.90
Lehigh ‡ ○	7,457,074.24	NONE	4,524,270.20	NONE	2,523,364.03		7,047,634.23	700,781.50	7,007.82	16,881.49	714,138.81
Nazareth	3,914,773.37	1,453,750.00	834,700.00	550,000.00	141,190.24		2,292,109.57	125,593.66	NONE	56,145.52	125,593.66
Penn-Allen	870,259.08	100,000.00	246,100.00	420,000.00		17,558.30	328,541.70	90,004.25	900.04	24,571.57	88,730.68
Pennsylvania	1,442,326.19	355,200.00	450,100.00	450,000.00		58,153.39	805,300.00	55,878.65	550.45	24,500.00	55,878.65
Phoenix	947,371.33	75,000.00	175,000.00	367,000.00		34,735.02	250,000.00	8,245.56	NONE	47,937.92	8,245.56
Security	1,839,503.04	500,000.00	625,000.00	1005,000.00		163,243.74	1,125,000.00	20,368.03	203.68	64,741.62	20,368.03
Vulcanite	2,836,916.30	NONE	2,100,000.00	NONE	169,164.59		2,269,164.59	187,280.46	1,872.81	23,714.03	185,407.65
Total	81,010,857.51	10,290,250.00	44,777,470.20	12,412,404.00	7,028,141.76	1,836,576.51	65,521,356.61	3,170,995.33	34,385.03	1,172,269.53	2,771,137.49

COMPUTED AS PER REGULATIONS, BUT NOT REPORTED
* ON BANK LOANS
‡ FISCAL YEAR ENDING OCT. 31ST
† BEGAN OPERATION MAY 1, 1913
○ LOSS
FIGURES ALLOCATED TO EASTERN MILLS
FISCAL YEAR ENDING MAY 30
CALENDAR YEAR
X NET
§ LESS DEPRECIATION RESERVE
▲ CAPITAL STOCK ONLY

1261

2254

ALL COMPANIES

Deft. Ex. No. D 271 B

YEAR 1914

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Repd. to Gov't	Net Earnings Repd. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,031,297.39	NONE	1,152,010.00	325,500.00		156,372.93	995,637.07	95,061.64	950.62	50,462.19	95,061.64
Alpha	13,013,308.71	2,000,000.00	8,000,000.00	NONE	1,376,001.31		11,873,264.29	1,016,612.57	10,166.12	47,518.60	722,784.56
Atlas † ●	20,091,501.26	1,118,250.00	8,135,770.00	6,847,014.00	2,440,349.48		11,582,223.47	424,280.72	4,242.80	400,931.09	519,252.65
Beth	1,177,917.95	NONE	687,300.00	335,000.00	140,500.00		821,056.55	36,263.90	362.64	19,338.00	36,961.00
Copley	4,631,772.92	939,000.00	2,000,000.00	800,000.00	687,715.97		3,626,715.97	164,090.48	1,640.90	32,931.69	162,449.58
Dexter	949,533.16	125,000.00	375,000.00	3,000.00	403,817.35		906,817.35	111,304.96	1,113.05	180.00	111,486.89
Edison	16,119,740.81	2,916,050.00	12,000,000.00	1,500,000.00		1,409,595.65	14,916,050.00	13102.96	NONE	246,645.77	190,831.89
Giant	3,824,420.82	1,880,000.00	1,110,000.00	750,000.00		19981.09	2,970,018.91	12,400.85	124.01	40,114.84	7,948.80
Glens Falls	1,349,145.19	100,000.00	500,000.00	299,000.00	432,750.09		1,032,750.09	124,321.37	1,243.21	19,762.22	122,908.91
Hercules	— — —	— — —	— — —	— — —	— — BEGAN OPERATION	AUGUST	1917	— — —	— — —	— — —	— — —
Knickerbocker	2,681,936.43	1,700,500.00	701,300.00	NONE	50,476.01		2,452,276.01	183,790.09	1,837.90	14,581.88	183,790.09
Lawrence	2,125,449.72	NONE	1,000,000.00	NONE	511,990.16		1,506,475.76	143,896.35	1,438.96	25,208.17	131,521.22
Lehigh ●	9,945,328.19	NONE	5,204,785.97	NONE	3,191,319.51		8,396,105.48	926,362.76	9,263.63	3,501.68	977,765.34
Nazareth	4,006,707.90	1,453,750.00	834,700.00	550,000.00	15,596.51		2,166,519.91	61,988.72	619.89	130,645.00	61,368.83
Penn-Allen	911,370.05	100,000.00	246,100.00	387,900.00	63,500.63		409,600.63	59,338.15	593.38	22,616.77	59,338.15
Pennsylvania	1,337,913.68	355,200.00	450,000.00	430,000.00		2,274.74	805,300.00	96,001.44	960.08	24,500.00	94,007.94
Phoenix	1,049,454.05	75,000.00	175,000.00	717,000.00		42,980.51	250,000.00	10,236.10	NONE	56,039.03	10,236.10
Security	1,898,496.49	500,000.00	625,000.00	1,005,000.00		142,875.69	1,125,000.00	35,054.04	350.54	60,187.80	31,815.72
Vulcanite	2,932,362.55	NONE	2,100,000.00	NONE	356,096.96		2,456,096.96	169,896.08	1,698.96	21,307.25	168,341.23
Total	89,103,727.18	13,262,750.00	45,317,065.92	13,969,414.00	9,670,114.05	1,774,080.68	62,217,914.40	3,663,538.00	36,606.69	1,216,541.98	3,285,784.56

† OR BANK LOANS
● COMPUTED AS PER REGULATIONS BUT NOT REPORTED
▼ FISCAL YEAR ENDING OCT. 31ST
R LESS DEPRECIATION RESERVE

● FIGURES ALLOCATED TO EASTERN MILLS
▲ FISCAL YEAR ENDING NOV. 30
P CALENDAR YEAR
O NOT REPORTED
◆ LOSS
△ CAPITAL STOCK ONLY

1262

2255

ALL COMPANIES

Deft. Ex. No. D 271 C

No. 2

YEAR 1915

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Repd. to Gov't	Net Earnings Repd. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	1,998,275.22	NONE	1,155,950.00	332,500.00		61,311.29	1,094,638.71	* 6,655.14	NONE	41,409.87	* 6,655.14
Alpha	13,021,898.19	2,000,000.00	8,000,000.00	NONE	1,970,397.77		12,823,620.49	579,027.64	5,780.27	17,001.71	209,034.14
Atlas † *	19,545,119.46	1,132,500.00	8,259,700.00	6,351,724.00	2,739,400.49		11,764,124.52	* 215,183.60	NONE	380,107.38	* 242,642.95
Bath	1,370,496.79	NONE	687,300.00	300,000.00	163,715.00		851,015.00	30,247.56	302.47	18,000.00	31,177.71
Copley	4,739,760.30	939,000.00	2,000,000.00	100,000.00	851,806.45		3,790,806.45	143,170.84	1,431.71	30,676.09	141,739.13
Dexter	1,016,805.88	125,000.00	375,000.00	3,000.00	475,122.31		978,122.31	18,875.88	188.76	180.00	19,800.17
Edison	$15,917,539.08	2,916,850.00	12,000,000.00	1,500,000.00		1,600,427.54	* 14,916,050.00	* 197,463.07	NONE	243,123.43	* 422,971.50
Giant	3,861,900.27	1,880,000.00	1,110,000.00	750,000.00		12,032.29	* 2,977,961.71	666.80	66.69	35,290.98	6,397.33
Glens Falls	1,412,929.05	100,000.00	500,000.00	291,000.00	499,659.00		1,099,659.00	54,488.74	544.89	21,409.24	113,338.62
Hercules	— — —	— — —	— — —	— — —	— BEGAN OPERATION AUGUST 1917 —		— — —	— — —	— — —	— — —	— — —
Knickerbocker	2,900,778.01	1,700,500.00	701,300.00	NONE	294,266.10		* 2,696,066.10	* 186,659.26	NONE	* 9,706.01	* 186,659.26
Lawrence	2,204,700.03	NONE	1,000,000.00	NONE	563,520.38		1,661,266.46	96,546.31	965.46	21,844.53	96,546.31
Lehigh § *	10,912,431.54	NONE	6,024,372.82	NONE	4,610,427.20		10,634,800.02	* 516,747.12	5,167.47	18.18	474,995.26
Nazareth	3,940,471.05	1,453,750.00	834,700.00	550,000.00	77,585.30		2,228,505.63	* 120,042.51	NONE	81,409.99	* 118,822.62
Penn-Allen	922,576.57	100,000.00	246,100.00	370,600.00	122,838.78		468,938.78	* 6,617.58	NONE	21,950.08	* 6,617.58
Pennsylvania	1,458,781.57	355,200.00	450,100.00	450,000.00	91,733.20		812,447.29	54,514.58	545.15	24,500.00	43,346.78
Phoenix	1,180,529.31	75,000.00	175,000.00	739,500.00		54,455.82	250,000.00	* 51,900.44	NONE	55,510.86	* 51,900.44
Security	1,809,379.87	500,000.00	400,000.00	1,005,000.00	60,262.61		1,000,000.00	47,768.28	477.68	58,690.78	46,062.72
Vulcanite	3,012,690.37	NONE	2,100,000.00	NONE	527,065.52		2,627,065.52	10,250.11	102.50	15,697.89	10,147.61
Total	91,067,062.78	13,277,000.00	46,019,522.82	13,457,324.00	12,987,800.11	1,728,226.94	124,615,093.99	772,158.06	15,573.19	1,083,527.02	1569/6.36

† OR BANK LOANS
* COMPUTED AS PER REGULATIONS BUT NOT REPORTED
§ 1915
† FISCAL YEAR ENDING OCT. 31ST
* FIGURES ALLOCATED TO EASTERN MILLS
* FISCAL YEAR ENDING NOV. 30
* ELEVEN MONTHS
X NOT REPORTED
R 1915 DEPRECIATION RESERVE
A CAPITAL STOCK ONLY

1963

2256

ALL COMPANIES

Deft. Ex. No. D 271 D

YEAR 1916

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Rept. to Gov't	Net Earnings Rept. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,007,382.19	NONE	1,155,950.00	362,000.00		67,966.43	1,087,983.57	56,295.06	1,125.90	46,956.72	56,295.06
Alpha	12,845,802.15	2,000,000.00	8,000,000.00	NONE	1,848,453.94		12,936,846.17	776,179.24	15,523.58	7,363.21	510,514.39
Atlas † ●	19,071,369.66	2,037,580.00	8,264,076.00	6,062,544.00	1,495,203.07		12,028,765.81	882,243.47	16,181.17	362,221.39	779,019.42
Bath	1,236,313.46	NONE	700,000.00	300,000.00	194,842.78		916,051.72	84,223.61	1,684.47	17,675.00	82,774.81
Coplay	4,689,751.04	939,000.00	2,000,000.00	800,000.00	595,723.09		3,534,723.09	283,604.18	5,672.08	23,141.39	277,932.10
Dexter	1,013,627.19	125,000.00	375,000.00	NONE	446,498.19		946,498.19	71,515.14	3,430.30	NONE	160,231.31
Edison	*15,359,107.25	2,916,050.00	12,000,000.00	1,500,000.00		2022,799.04	14,916,050.00	* 120,775.65	NONE	266,629.03	* 345,119.96
Giant	3851,765.80	1,880,000.00	1,110,000.00	750,000.00		5,634.96	*2,984,365.04	68,147.67	1,362.95	33,114.02	63,531.25
Glens Falls	1,318,916.38	100,000.00	500,000.00	298,000.00	421,409.54		1,021,409.54	105,599.34	2,111.99	20,871.43	46,979.51
Hercules	———	———	———	——— BEGAN OPERATION AUGUST 1917 ———			———	———	———	———	———
Knickerbocker	2,805,753.33	1,700,500.00	701,300.00	NONE	47,606.84		#2449,406.84	207375.34	4,147.50	* 9,164.45	218,500.09
Lawrence	2,197,401.63	NONE	1,200,000.00	NONE	564,066.69		1,761,931.76	179,325.34	3,586.51	21,211.31	179,325.34
Lehigh ● *	11,410,415.20	NONE	6,024,312.82	NONE	5,003,774.95		11,028,147.77	1,439,054.17	28,781.08	509.11	1398,660.10
Nazareth	3,854,206.30	1,453,750.00	834,700.00	550,000.00		41,857.21	2,109,062.12	204,419.13	4088.40	76,881.37	200931.43
Penn-Allen	927,409.21	100,000.00	246,100.00	356,200.00	116,221.20		462,321.20	114,265.80	2,285.32	21,113.00	114,265.80
Pennsylvania	1,434,171.77	355,203.00	450,100.00	425,000.00	135,079.98		897,033.30	31,620.88	632.42	22,625.00	60,557.39
Phoenix	1,101,740.93	75,000.00	175,000.00	703,500.00		106,356.26	250,000.00	* 42,803.57	NONE	54,648.66	* 42,803.57
Security	1,829,447.84	500,000.00	400,000.00	1,005,000.00	106,325.33		1,006,325.33	126,148.94	2,522.98	60,410.71	128667.57
Vulcanite	2,921,066.28	NONE	2,100,000.00	NONE	534,557.18		2,634,557.18	104,245.78	2,084.92	6,943.72	102,160.86
Total	99,935,719.61	14,284,080.00	46236,598.82	13,112,244.00	11,509,812.78	2,244,613.90	72,971,478.53	4670684.57	95,221.57	1,051,479.52	3,992,422.96

● ON BANK LOANS
* COMPUTED AS PER REGULATIONS BUT NOT REPORTED
† FISCAL YEAR ENDING OCT. 31ST
LOSS

@ FIGURES ALLOCATED TO EASTERN MILLS
@ FISCAL YEAR ENDING NOV. 30
X NOT REPORTED
R LESS DEPRECIATION RESERVE
▲ CAPITAL STOCK ONLY

1264

2257

ALL COMPANIES

Deft. Ex. No. D 271 E

YEAR 1917

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Rept. to Gov't	Net Earnings Rept. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,066,710.29	NONE	1,156,750.00	363,500.00		11,671.37	1,145,078.63	* 22,237.14	NONE	46,403.18	* 27237.14
Alpha	12,583,271.56	2,000,000.00	8,000,000.00	NONE	2,083,572.91		13,045,348.66	559,313.30	33,495.13	9,503.85	470,248.53
Atlas + ⊕	19,759,316.17	1,972,080.00	8,175,736.47	5,775,579.56	2,441,145.43		12,535,449.36	1,270,766.65	165,629.07	328,059.24	1,195,719.31
Bath	1,256,112.13	NONE	700,000.00	285,000.00	235,467.59		958,904.59	35,446.81	2,126.81	17,100.00	31,114.23
Coplay	4,772,156.93	939,000.00	2,000,000.00	800,000.00	827,317.04		3,766,317.04	33,473.06	2,008.38	63,274.18	31,465.68
Dexter	1,141,724.05	42,500.00	457,500.00	NONE	551,671.04		880,293.26	245,672.56	59,645.36	NONE	182,241.44
Edison	* 15,467,269.72	2,916,050.00	12,000,000.00	1,500,000.00		2,367,919.00	Δ 14,916,050.00	* 561,255.23	NONE	325,141.80	* 315,754.85
Giant	3,925,276.90	1,880,000.00	1,110,000.00	700,000.00	57,896.29		* 3,047,896.29	○ 48,185.30	2,891.12	35,382.13	27,291.17
Glens Falls	1,331,706.65	100,000.00	500,000.00	298,000.00	412,389.11		1,012,389.11	182,733.84	29,075.52	18,922.27	154,544.02
Hercules	— — — —	— — — —	— — — —	— — — —	— — — — BEGAN OPERATION AUGUST 1917 — — — —		— — — —	— — — —	— — — —	— — — —	— — — —
Knickerbocker	2,837,605.29	1,700,500.00	701,300.00	NONE	266,106.93		2,671,906.93	159,748.19	9,584.88	* 2,499.02	142,942.23
Lawrence	2,394,595.97	NONE	1,500,000.00	NONE	347,392.03		1,960,690.96	132,113.64	7,926.81	25,693.29	128,527.13
Lehigh ⊕ *	13,232,330.57	NONE	6,024,372.82	NONE	6,481,482.34		13,000,215.08	708,958.10	84,877.85	53,957.51	480,739.21
Nazareth	3,927,683.57	1,453,750.00	834,700.00	550,000.00	163,162.62		2,314,081.95	188,501.85	13,341.52	70,584.99	166,861.71
Penn-Allen	950,474.82	100,000.00	246,100.00	327,600.00	212,487.00		558,587.00	33,580.00	2,014.80	19,562.72	31,210.59
Pennsylvania	1,529,233.70	355,200.00	450,100.00	315,000.00	195,637.37		1,020,526.87	111,948.79	12,515.03	18,635.42	94,954.44
Phoenix	1,056,876.62	75,000.00	175,000.00	684,500.00		149,159.83	250,000.00	* 30,794.47	NONE	54,571.34	* 30,794.47
Security	2,032,847.30	500,000.00	400,000.00	1,005,000.00	234,992.90		1,134,992.90	163,533.61	26,665.32	58,190.90	166,302.51
Vulcanite	2,822,225.01	NONE	2,100,000.00	NONE	548,503.33		2,644,302.96	140,535.37	8,414.00	9,421.58	130,905.19
Total —	93,087,417.25	14,034,080.00	46,531,559.29	12,664,179.56	15,065,423.93	2,528,750.20	76,869,031.59	3,492,224.11	460,211.65	1,156,903.42	3,061,307.34

⊕ ON BANK LOANS
* FISCAL YEAR ENDING OCT. 31ST
⊕ FIGURES ALLOCATED TO EASTERN MILLS
* FISCAL YEAR ENDING NOV. 30
* LOSS

X NOT REPORTED
○ INCLUDES AMENDED RETURNS MADE IN 1921
Δ LESS DEPRECIATION RESERVE
& CAPITAL STOCK ONLY

2258

ALL COMPANIES

Deft. Ex. No. D 271F

YEAR 1918

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Investment Capital as Repd. to Gov't	Net Earnings Repd. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,073,844.51	NONE	1,156,750.00	38,300.00		38,908.51	1,117,841.49	* 96,704.96	NONE	44,521.91	* 94,988.61
Alpha	12,939,972.09	2,000,000.00	8,000,000.00	NONE	2,225,526.73		13,415,614.19	489,007.35	57,498.83	9,336.10	345,305.41
Atlas ◆ O	20,993,075.69	1,871,414.00	8,224,398.78	5,071,642.00	4,344,870.37		14,168,130.86	* 1,053,821.48	* 106,841.93	* 349,192.55	* 1064544.40
Burk	1,284,885.05	NONE	700,000.00	285,000.00	224,781.82		921,784.26	26,986.96	2,998.34	. 17,100.00	11,378.18
Copley	4,531,797.89	939,000.00	2,000,000.00	500,000.00	529,184.06		3,436,184.15	* 70,396.04	NONE	16,162.51	* 70,245.42
Dexter	1,221,453.81	7,040.00	392,960.00	NONE	676,267.54		1,024,517.54	137,924.85	38,987.18	NONE	107,476.76
Edison	15,758,040.28	2,916,050.00	12,000,000.00	1,500,000.00		2,663,673.91	* 6,144,262.50	* 551,092.47	NONE	354,220.12	* 2,083,315.99
Giant	3,891,329.16	1,880,000.00	1,110,000.00	650,000.00	102,762.72		* 3,092,762.72	* 37,048.96	4,127.35	39,485.17	* 4,081.54
Glens Falls	1,428,342.21	100,000.00	500,000.00	298,000.00	477,746.16		1,095,784.50	217,978.21	97,159.51	18,247.11	100,158.81
Hercules	2,307,112.67	NONE	1,130,000.00	688,090.89	296,282.05		1,039,924.03	* 20,440.85	NONE	48,177.23	* 20,440.85
Knickerbocker ▼	2,911,161.54	1,700,500.00	701,300.00	NONE	409,049.16		2,825,103.27	187,708.89	22,034.60	* 2092.51	172,091.48
Lawrence	2,843,195.30	NONE	1,800,000.00	NONE	326,232.72		2,201,060.19	181,806.85	11,056.95	32,059.77	185,276.31
Lehigh O P	13,476,271.93	NONE	7,227,708.13	NONE	3,787,775.46		11,722,363.29	390,324.01	44,750.26	65,717.20	302,816.03
Nazareth +	3,585,738.65	550,000.00	530,000.00	783,000.00	* 1,580995.15		2,618,469.61	258,110.44	42,780.33	46,516.42	170,792.36
Penn-Allen	1,026,199.27	100,000.00	246,100.00	317,700.00	237,697.59		584,012.01	40,322.45	4,598.69	18,600.63	40,145.13
Pennsylvania	1,565,219.59	355,200.00	450,100.00	268,750.00	290,591.81		1,115,825.63	129,055.54	21,404.94	12,646.87	121,396.84
Phoenix C	1,081,615.69	75,000.00	175,000.00	614,500.00		179,954.30	312,849.96	* 21,792.48	NONE	37,848.38	* 21,792.48
Security	2,072,192.07	500,000.00	1100,000.00	965,000.00	296,295.41		1,196,295.41	88,277.22	10,454.33	55,082.43	19,639.89
Volunite	2,978,010.85	NONE	2,100,000.00	NONE	557,622.15		2,657,622.15	84,689.55	9,922.75	15,246.40	67,491.87
Total	97,984,828.28	12,994274.00	48,844,316.91	12,394,682.89	16,363,419.87	2,902,536.72	71,196,207.83	2,562,636.05	474,615.95	1,244,264.45	453,588.46

† REORGANIZATION
◆ ON BANK LOANS
$ FISCAL YEAR ENDING OCT. 31ST
◆ FOR 14 MONTHS
* LOSS

§ ADJUSTMENT AT REORGANIZATION
O FIGURES ALLOCATED TO EASTERN MILLS
P FISCAL YEAR ENDING NOV. 30
X NOT REPORTED
$ INCLUDES AMENDED RETURNS MADE IN 1921

R LESS DEPRECIATION RESERVE
C COMPANY REORGANIZED JULY 1ST 1918
A COMPUTED BUT NOT REPORTED

2259

ALL COMPANIES

Deft. Ex. No. D 271 G

YEAR 1919

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Rept. to Gov't	Net Earnings Rept. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown +	2,105,716.14	NONE	1,156,750.00	318,000.00		133,877.12	1,022,852.88	58,411.85	5,641.18	50,980.29	63,839.73
Alpha	13,141,962.63	2,000,000.00	8,000,000.00	NONE	2,299,595.12		13,682,000.68	935,222.40	90,972.49	NONE	938,168.70
Atlas O	22,072,585.47	1,829,457.00	8,156,531.16	4,873,280.47	5,069,959.84		14,681,177.75	1,387,391.86	172,880.15	278,468.22	1,163,726.48
Bath	1,332,609.39	NONE	700,000.00	285,000.00	201,160.00		949,207.88	125,815.26	24,511.62	17,100.00	104,764.95
Copley	4,488,489.63	939,000.00	2,000,000.00	500,000.00	402,598.64		3,326,163.42	* 4,544.56	NONE	75,153.36	* 6,337.87
Dexter	1,381,799.36	3,040.00	396,960.00	NONE	658,432.90		1,041,099.57	362,402.01	113,094.05	NONE	251,718.35
Edison	A 15,725,523.77	2,916,950.00	12,000,000.00	1,500,000.00		4,766,989.90	A 6,644,062.50	* 573,289.02	NONE	388,762.74	* 624,662.81
Giant	3,895,309.65	1,880,000.00	1,110,000.00	600,000.00	145,515.44		A 3,135,515.44	P 326,441.68	51,570.08	23,911.51	273,125.49
Glens Falls	1,609,485.44	100,000.00	500,000.00	298,000.00	527,397.05		1,153,040.81	233,077.63	48,351.87	17,880.00	182,623.54
Hercules	2,263,621.11	NONE	1,189,000.00	686,266.66	216,841.20		1,488,794.63	58,802.29	5,680.23	47,421.75	52,802.29
Knickerbocker	3,666,422.80	1,700,000.00	1,556,700.00	NONE	173,384.24		3,477,298.92	212,813.23	20,645.96	* 7,529.85	191,478.19
Lawrence	2,960,563.46	NONE	2,000,000.00	NONE	* 330,477.80		2,302,072.79	338,134.33	60,641.63	26,283.85	334,839.62
Lehigh O *	13,003,761.75	NONE	7,227,708.13	NONE	4,217,835.63		12,131,275.51	1,357,311.64	238,329.96	55,060.06	1,091,602.52
Nazareth	3,710,265.11	550000.00	530000.00	788,000.00	1,752,013.85		2,796,374.49	389,981.90	68,187.14	45275.00	322,306.43
Penn-Allen	987,783.49	100,000.00	246,100.00	304,700.00	259,842.72		604,800.93	70,862.05	10,392.25	18,133.99	56,146.90
Pennsylvania	1,714,129.11	355,200.00	478,100.00	250,000.00	359,364.65		1,238,486.87	211,367.27	34,542.00	12,500.00	186,536.69
Phoenix	964,164.83	209,000.00	102,440.00	281,500.00	212,913.37		543,034.91	* 4,194.82	NONE	20,508.36	* 5,778.15
Security	2,172,752.55	500,000.00	400,000.00	927,000.00	245,935.30		1,145,935.30	231,454.26	46,222.69	50,499.73	37,540.84
Vulcanite	2,993,109.48	NONE	2,100,000.00	NONE	519,536.77		2,611,536.77	228,308.43	25,580.23	14,582.49	180,356.51
Total	100,189,955.37	13,081,747.00	49,850,289.29	11,681,747.15	17,592,804.52	4,900,887.02	73,974,732.05	5948,764.69	1,017,243.53	1,150,051.20	4,794,798.40

* ON BANK LOANS
$ LOSS
§ EXCLUDES TAX RESERVE
† REORGANIZATION

O FIGURES ALLOCATED TO EASTERN MILLS
FISCAL YEAR ENDING NOV 30
X NOT REPORTED
P INCLUDES AMENDED RETURNS MADE IN 1921
E LESS DEPRECIATION RESERVE

A COMPUTED BUT NOT REPORTED

22260

ALL COMPANIES

Deft. Ex. No. D 271 H

YEAR 1920

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Rept. to Gov't	Net Earnings Rept. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,017,162.61	265,000.00	678,375.00	390,000.00	473867.61		1,317,242.61	21,260.49	1,926.05	35,651.28	5,919.31
Alpha ®	13989535.37	2,000,000.00	8,000,000.00	NONE	2955.534.57		14,212,996.45	1,268,279.56	129,223.96	NONE	981,424.09
Atlas ®	21,159,264.44	1,605,363.00	7,351,972.12	4,226,082.10	5,729,652.21		14,160,730.98	424,517.33	36,662.00	221,805.01	311,758.66
Bath	1,389,406.69	NONE	700,000.00	285,000.00	242,924.95		979,372.88	123,006.32	19,332.94	17,100.00	93,018.48
Coplay	4,167,380.91	939,000.00	2,000,000.00	500,000.00	368,090.77		3,289,401.20	4,239.96	224.00	34,556.77	4,015.96
Dexter	1,463,607.98	3,040.00	396,960.00	NONE	785,230.92		1,182,480.92	163,416.64	27,662.99	NONE	135,047.00
Edison	15,708,089.35	2,916,050.00	12,000,000.00	1,500,000.00		5,391,652.71	6,644,062.50	821,846.32	NONE	128,611.06	260,292.42
Giant	4,169,534.85	1,880,000.00	1,110,000.00	550,000.00	356,806.95		2695,921.68	163,071.79	15,738.49	18,196.89	146,013.48
Glens Falls	1,701,872.65	100,000.00	500,000.00	298,000.00	666,248.06		1,200,466.13	51,633.99	4,893.80	17,851.78	45,123.90
Hercules	2,381,783.05	NONE	1,500,000.00	854,510.68		41,356.51	1,503,621.86	23,173.25	NONE	56,574.37	22,853.48
Knickerbocker	3,684,550.85	1,700,000.00	1556,700.00	NONE	245,862.42		3,522,561.27	195,681.50	19,091.90	4,258.60	184,347.97
Lawrence	2900.785.98	NONE	2,000,000.00	NONE	431,090.61		2,785,048.45	197,733.28	19,040.17	14,760.34	143,747.98
Lehigh ® P	15,057,428.05	NONE	7,690,724.07	NONE	5,390,500.32		13,618,140.61	669,799.49	98,189.60	6,755.18	546,104.89
Nazareth	3,985,619.78	550,000.00	530,000.00	764,000.00	2,053,332.79		3,080,470.73	591,191.97	120,376.46	41,598.71	470,518.12
Penn-Allen	1,052,755.99	100,000.00	247,000.00	287,300.00	281,289.62		637,300.34	66,839.93	4,098.37	16,257.37	61,997.43
Pennsylvania	1,793,988.17	355,200.00	478100.00	250,000.00	524,589.34		1,357,889.34	252,164.25	45,230.52	12,500.00	252,566.72
Phoenix	981,307.46	209,000.00	101,990.00	281,500.00	207,135.22		469,853.46	96,905.68	19,608.93	24,522.66	99,193.18
Security	2,102,455.80	500,000.00	400,000.00	887,000.00	213,476.14		1,113,476.14	144,744.49	20,703.32	46,604.78	92,696.39
Vulcanite	2,967,060.77	NONE	2,100,000.00	NONE	588,973.51		2,904,281.84	73,765.83	7,176.59	16,522.72	54,642.53
Total	102,613,760.76	13,122,653.00	49,241,821.19	11,073,392.78	21,514,606.07	5,433,009.22	76,735,339.45	3,683,232.93	589,180.13	720,127.52	3,404,990.16

® FIGURES ALLOCATED TO EASTERN MILLS
P ON BANK LOANS
‡ 1925
‡ EXCLUDES TAX RESERVE

* FISCAL YEAR ENDING NOV. 30
‡ 1925 DEPRECIATION RESERVE
A COMPUTED BUT NOT REPORTED

2261

ALL COMPANIES

Deft. Ex. No. D 271 I

YEAR 1921

No. 2

FINANCIAL STATEMENT

Company	Book Value Gross Assets	Preferred Stock	Common Stock	Funded Indbt.	Surplus	Deficit	Invested Capital as Rept. to Gov't	Net Earnings Rept. to Gov't	Federal Income & Profit Taxes	Interest Paid	Net Income as per Books
Allentown	2,065,408.09	265,000.00	578,375.00	387,500.00	463,816.92		1,307,261.92	* 63,086.87	NONE	45091.00	* 78,986.87
Alpha @	14,907,239.31	2,000,000.00	10,000,000.00	NONE	1,367,865.15		14,640,321.83	312,420.98	31,242.10	NONE	368,856.63
Atlas @	23,961,328.07	1,604,840.54	11,172,170.52	3,782,972.07	2,623,291.27		14,701,006.10	1,238,333.33	146,256.00	213,508.27	1,036,179.07
Bath	1,541,489.53	NONE	910,000.00	215,000.00	111,386.43		996,185.82	18,780.31	1,666.16	17,100.00	17,803.08
Coplay	4,265,977.23	939,000.00	2,000,000.00	500,000.00	315,940.73		3,254,940.73	* 52,746.65	NONE	62,639.93	* 52,746.65
Dexter	1,308,180.67	3,040.00	992,400.00	NONE	205,348.15		1,197,965.65	312,148.37	82,670.77	41.63	237,485.51
Edison H	R 5,775,886.06	3,000,000.00	1,500,000.00	3,500,000.00		5,651,945.13	& 6,644,062.50	C 50,000.00	NONE	246,929.52	* 35,609.02
Giant	4,261,933.49	1,880,000.00	1,110,200.00	500,000.00	502,820.40		2,883,363.37	44,389.77	4,438.98	29,579.58	* 118,323.34
Glens Falls	1,561,253.07	100,000.00	500,000.00	295,000.00	600,087.99		1,163,397.75	203,028.25	32,449.89	17,762.67	165,563.66
Hercules	2,721,481.82	NONE	1,500,000.00	982,346.68		64,209.91	1,435,790.01	* 48,341.70	NONE	68,506.38	* 48,341.70
Knickerbocker	3,961,451.83	1,700,000.00	1,556,700.00	NONE	311,210.40		O 3,539,612.00	39,277.84	* 10,131.48	$ 15,818.97	34,277.84
Lawrence	3,430,806.63	NONE	2,500,000.00	NONE	+ 437,907.14		2,976,472.00	76,573.66	7,632.53	4,639.33	82,796.21
Lehigh @ *	16,774,886.18	NONE	7,690,724.07	NONE	6,413,202.63		14,517,990.05	571,742.90	56,614.44	42,860.51	482,010.48
Nazareth	4,167,809.06	550,000.00	530,000.00	505,000.00	2,512,627.60		3,499,642.81	¥ 117,000.00	¥ 11,700.00	28,475.82	107,818.83
Penn-Allen	1,126,935.97	100,000.00	250,000.00	225,600.00	301,287.05		651,287.05	69,351.52	6,735.15	13,505.83	63,131.52
Pennsylvania	2,145,034.85	355,600.00	478,100.00	250,000.00	570,204.06		O 1,403,904.06	51,132.67	C 5,000.00	12,500.00	51,132.67
Phoenix	1,140,971.51	209,000.00	106,990.00	281,500.00	306,328.45		565,870.46	107,723.92	21,474.17	25,022.67	112,453.70
Security	2,167,305.34	500,000.00	400,000.00	849,000.00	236,171.53		1,136,171.53	95,963.18	9,588.00	45,337.16	75,471.97
Vulcanite	3,227,653.62	NONE	2,100,000.00	200,000.00	571,758.65		2,260,458.65	* 117,414.64	NONE	28,776.16	* 117,414.64
Total	100,513,632.42	13,206,480.54	45,875,459.59	12,543,918.75	17,851,374.50	5,716,155.12	79,075,830.29	2,926,276.84	433,599.57	917,795.49	2,620,205.63

@ FIGURES ALLOCATED TO EASTERN MILLS
¥ ON BANK LOANS
* INCLUDES $1,971.35 PAID ON 1917 TAXES, $3159.65 PAID ON 1918 TAXES, $5000.00 ESTIMATED 1920 TAXES
O ESTIMATED
C LOSS
& COMPUTED BUT NOT REPORTED
+ EXCLUDES TAX RESERVE
¥ TENTATIVE RETURNS
@ FISCAL YEAR ENDING NOV 30
R INCLUDES U.S. GOV'T. CLAIM ADJUSTMENT YEARS 1917-1918-1919 $73891.43
R LESS DEPRECIATION RESERVE
H REORGANIZATION
C ESTIMATED LOSS

1969

2262

Deft. Ex. No. D 272 A

THE ATLAS PORTLAND CEMENT COMPANY

DETAILS OF TOTAL EXPENSE

(PER BARREL)

	1913	1914	1915	1916	1917	1918	1919	1920	1921	
COAL	02006	01965	01824	01923	02718	03400	03286	04453	03418	
MATERIAL	01872	01297	01223	01349	01654	02270	02375	02657	02635	
LABOR	02427	02610	02386	02695	03289	04056	04816	05646	04038	
REPAIRS										
INS & TAXES										
DEPR & DEPL.	00299	00341	00473	00442	00380	00715	00641	00560	00754	
GEN'L & ADM.	00762	00795	00766	00662	00743	01436	01114	01262	01656	
EXTRAORDS	00470	00505	00510	00115*	00396	00232	00286	00265	00444	
SHIPPING										
SELLING	00330	00406	00467	00723	00794	00950	01200	00984	01432	
FRT & DES	00008	00007		00024	00241	00171	00258	00053	00279	
BAD LOSS	00156	00164	00013	00094	00065	00019	00306	01872	00171	
NET PROFIT	00823	00697	00398	01316	01606	01516	01814	00557	02081	
AVG. PRICE REC'D	08241	08459	07238	08925	1.1886	1.4727	1.6096	1.8309	1.6958	

* PROFIT
@ LOSS
YEAR ENDED OCT. 31ST
@ FIFTEEN MONTHS
INCLUDES P/P

1270

2263

Deft. Ex. No. D 272 B

LEHIGH PORTLAND CEMENT COMPANY

DETAILS OF TOTAL EXPENSE

(PER BARREL)

	1913	1914	1915	1916	1917	1918	1919	1920	1921	
COAL	02152	01966	01826	02310	04184	04571	03714	05841	04554	
MATERIAL	01006	01210	01130	00784	01156	01937	02100	02487	03053	
LABOR	01484	01659	01614	02044	02635	03572	03553	04561	03150	
REPAIRS	—	—	REPAIRS	INCLUDED	IN LABOR	AND	MATERIAL	—	—	
INS & TAXES	00114	00157	00184	00183	00240	00270	00282	00243	00181	
DEPR'N	00573	00478	00513	00469	00500	01032	01051	00900	01292	
GEN'L ADM'N	00105	00166	00199	00252	00324	00396	00367	00304	00343	
MISCELLANEOUS	00023	00088	00112	00141	00230	00666	00505	00390	00505	
SHIPPING	00357	00330	00380	00376	00525	00679	00720	00930	00651	
SELLING	00623	00751	00792	00769	00902	01222	01399	01256	01339	
FED TAXES	00016	00018	00009	00050	00164	00100	00459	00161	00098	
BAD DEBTS	00183	00244	00154	00028	00297	00655	00559	01386	01116	
NET PROFIT	01624	01763	00871	02434	01233	00770	02091	00991	00878	
AVE PRICE REAL	0826	0883	0750	0984	1.239	1.587	1.680	1.945	1.716	

PROFIT

1271

2264

Deft. Ex. No. D 272 C

PENN ALLEN CEMENT COMPANY

DETAILS OF TOTAL EXPENSE
(PER BARREL)

	1913	1914	1915	1916	1917	1918	1919	1920	1921	
COAL	0.2219	0.2320	0.2170	0.2580	0.4867	0.3658	0.3339	0.6683	0.4880	
MATERIAL	0.0858	0.0883	0.1064	0.0902	0.1232	0.1659	0.1998	0.2892	0.2505	
LABOR	0.1670	0.1925	0.1617	0.1682	0.2304	0.2818	0.2506	0.3373	0.2419	
REPAIRS	0.0478	0.0482	0.0399	0.0511	0.0807	0.1024	0.1139	0.1749	0.1578	
INS & TAXES	0.0074	0.0104	0.0130	0.0116	0.0234	0.0180	0.0201	0.0214	0.0200	
DEPR & DEPL					0.1082	0.0936	0.0990	0.1205	0.1233	
GEN'L & ADM.	0.0763	0.0879	0.0753	0.0837	0.0967	0.1461	0.1237	0.1829	0.2105	
EXTRAORDS.	0.0131	* 0.0364	* 0.0504	0.0368	* 0.0849	0.0935	0.1072	* 0.0901	* 0.0268	
SHIPPING	0.0546	0.0453	0.0386	0.0428	0.0480	0.0468	0.0488	0.0705	0.0554	
SELLING	0.0480	0.0530	0.0520	0.0610	0.0690	0.1190	0.1410	0.1610	0.1340	
PENSIONS	0.0014	0.0009		0.0034	0.0029	0.0103	0.0175	0.0066	0.0102	
BAD DEBTS		0.0138			0.0180	0.0508	0.0939	0.0859		
NET PROFIT	0.1346	0.0991	• 0.0105	0.1552	0.0447	0.0710	0.0916	0.1056	0.1002	
AVG. PRICE REAL	0.837	0.835	0.643	0.962	1.252	1.565	1.641	2.134	1.765	

* PROFIT
• LOSS

1272

2265

COPLAY CEMENT MANUFACTURING COMPANY

Deft. Ex. No. D 272 D

DETAILS OF TOTAL EXPENSE

(PER BARREL)

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COAL	0242	0250	0210	0239	0332	0295	0488	0610	0740
MATERIAL									
LABOR	0236	0210	0195	0259	0490	0655	0557	0673	0438
REPAIRS	0025	0022	0024	0026	0026	0058	0031	0046	0038
INS & TAXES									
DEPN & DEPL					0211	0266	0231	0229	0048
GEN'L & ADM	00739	00907	00654	00889	01616	01714	01633	01442	02421
EXTRAORDS	*0010	*0013	*0013	*0090	*0218	*0046	*0014	*00102	0089
SHIPPING	0041	0044	0043	0053	0071	0093	0106	0122	0083
SELLING	0028	0045	0052	0093	0109	0101	0094	0081	0084
FED'L TAXES	0001	0001	0001	0004	0001			00002	
BAD LOSS									
NET PROFIT	0161	0144	0084	0204	0027	©0070	©0006	0003	©0052
AVE PRICE TOTAL	07979	07937	06614	08769	1.2106	1.5234	1.6503	1.8982	1.7101

* PROFIT
© LOSS

Deft. Ex. No. D 273 A

Allentown Portland Cement Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	0927		1000		.10		0991
1914	0844		.1000		.10		0984
1915	0610		.1000		.10		0947
1916	0916		1000		10		0944
1917	1196		1000		.10		1023
1918	.231		1077		.1367		.1269
Jan. 1 to Sept. 14				.10			
Sept. 14 to Dec. 31				25			
1919	.1758		1543		.1545		.158
Jan. 1 to Apr. 1				26			
April to Dec. 31				.15			
1920	2515		.1936		2262		.193
Jan. 1 to May 1				.15			
May 1 to Dec. 31				.25			
1921	251		142		.114		.158
Jan. 1 to Mch. 30				.25			
Mch. 30 to Dec. 31				.10			
	—	ANNUAL STATEMENT	OF	PROFIT OR LOSS	—		
	1913	Profit $ 20680	1916	Loss $ 544.11	1919	Loss $ 1637830.	
	1914	Loss 4839.55	1917	Loss 14264.12	1920	Profit 77260.32	
	1915	Loss 9031.44	1918	Profit 17341.00	1921	Loss 123713.90	

1274

2267

Deft. Ex. No. D 273 B

Alpha Portland Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.089		.10		.10		.098
1914	.083		.10		.10		.098
1915	.064		.10		.10		.094
1916	.064		.10		.10		.098
1917	.115		.10		.10		.102
1918	.257		.106		.128		.126
Jan. 1 to Sept 16				.10			
Sept. 16 to Dec 31				.25			
1919	.180		.158		.159		.161
Jan. 1 to Apr. 2				.25			
Apr. 2 to Dec. 31				.15			
1920	.296		.197		.226		.219
Jan. 1 to Apr. 30				.15			
Apr. 30 to Dec. 31				.25			
1921	.130		.160		.114		.157
Jan. 1 to Mch 28				.25			
Mch 28 to Dec 31				.10			
	—	ANNUAL STATEMENT OF PROFIT OR LOSS			—		
	1913	Profit $ 30 235.82	1916	Profit $ 4848.49	1919	Loss 6264.63	
	1914	Profit 33 032.54	1917	Loss 91 980.30	1920	Loss 135 395.62	
	1915	Profit 81 634.70	1918	Loss 152 598 00	1921	Loss 112611.56	

1275

2268

Deft. Ex. No. D 273 C

The Atlas Portland Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913†	.0884		.0992		.10		.0968
1914†	.0827		.1029		.10		.1011
1915†	.0584		.1023		.10		.0965
1916†	.0778		.1083		.10		.0949
1917†	.1232		.1069		.10		.1111
1918P	.1609		.1132		.1230		.1208
Jan. 1 to Sept. 15				.10			
Sept. 15 to Dec. 31				.25			
1919	.1802		.1646		.1866		.1676
Jan. 1 to Oct. 1				.25			
Oct. 1 to Dec. 31				.15			
1920	.2452		.1960		.2159		.2031
Jan. 1 to May 15				.15			
May 15 to Dec. 31				.25			
1921	.2115		.1572		.1159		.1592
Jan. 1 to Mch. 28				.25			
Mch. 28 to Dec. 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913†	Profit # 109689.66	1916†	Profit # 63281.59	1919	Loss # 205302.59	
	1914†	Profit 99574.26	1917†	Loss 49241.31	1920	Loss 1301736.43	
	1915†	Profit 6717.54	1918P	Profit 12308.32	1921	Loss 89676.36	

† Fiscal Year Ending Oct. 31st
P Fourteen Months

1276

2269

Deft. Ex. No. D 273 D

Pa. Portland Cement Company

No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	No Record		.10		.10		No Record
1914	No Record		.10		.10		No Record
1915	No Record		.10		.10		No Record
1916	.0887		.10		.10		No Record
1917	.15		.10		.10		No Record
1918	.2209		.1022		.1147		No Record
Jan 1 to Sept 16				.10			
Sept 16 to Dec 31				.25			
1919	.1776		.1471		.1522		No Record
Jan 1 to Apr 1				.20			
Apr 1 to Dec 31				.15			
1920	.2509		.2024		.2373		No Record
Jan. 1 to May 1				.15			
May 1 to Dec. 31				.25			
1921	.1600		.1488		.1117		No Record
Jan. 1 to Mch. 29				.25			
Mch. 29 to Dec. 31				.10			
	—	ANNUAL STATEMENT	OF	PROFIT OR LOSS	—		
	1913	Loss $ 2387.94	1916	Profit $ 17879.24	1919	Loss $ 21183.64	
	1914	Loss 11831.32	1917	Profit 7939.09	1920	Loss 5881.75	
	1915	NONE	1918	Loss 21116.92	1921	Loss 100000.00	

1277

2270

Deft. Ex. No. D 273 E

Coplay Cement Manufacturing Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0903		.10		.10		.0989
1914	.0834		.0992		.10		.0850
1915	.0704		.0998		.10		.0695
1916	.0728		.0995		.10		.0720
1917	.0875		.10		.10		.0996
1918	NONE		.1029		.1217		.1029
Jan. 1 to Sept 9				.10			
Sept. 10 to Dec. 31				.25			
1919	.1535		.1509		.1574		.1511
Jan. 1 to Mch. 31				.25			
Apr. 1 to Dec. 31				.15			
1920	.2349		.2073		.2365		.2119
Jan. 1 to Mch. 31				.15			
Apr. 1 to Dec. 31				.25			
1921	.2104		.1518		.1162		.1620
Jan. 1 to Mch. 21				.25			
Mch. 21 to Dec 31				.10			
	—	ANNUAL STATEMENT	OF.	PROFIT OR LOSS	—		
	1913	Profit $ 6946.20	1916	Profit $ 24134.98	1919	Loss $ 24193.99	
	1914	Profit 13918.33	1917	Loss 35786.87	1920	Profit 77677.90	
	1915	Profit 33265.15	1918	Loss 87638.25	1921	Loss 273987.40	

1278

2271

Deft. Ex. No. D 273 F

Dexter Portland Cement Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0911		.0977		.10		.1030
1914	.0835		.1000		.10		.1086
1915	.0709		.1000		.10		.1018
1916	.0925		.1000		.10		.1071
1917	.1270		.1000		.10		.1124
1918	.2456		.1004		.1302		.1280
Jan 1 to Sept 24				.10			
Sept. 24 to Dec 31				.25			
1919	.1937		.1594		.1586		.1727
Jan 1 to Apr 3				.25			
Apr. 3 to Dec 31				.15			
1920	.2570		.1935		.2264		.2142
Jan 1 to May 6				.15			
May 6 to Dec 31				.25			
1921	.0960		.1491		.1174		.1591
Jan 1 to Mch 29				.25			
Mch 29 to Dec 31				.10			

1279

2272

Deft. Ex. No. D 273 G

Edison Portland Cement Company

No. Z

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.09		.10		.10		.10
1914	.11		.10		.10		.10
1915	Short Prices		.10		.10		.10
1916	.10		.10		.10		.10
1917	.12		.10		.10		.11
1918	.14		.10		.12		.12
Jan 1 & Sept 15				.10			
Sept 16 & Dec 31				.25			
1919	.20		.15		.15		.18
Jan 1 & March 31				.25			
Sept 1 & Dec 31				.15			
1920	.29		.19		.22		.23
Jan 1 & Feb 29				.15			
March 1 & Dec 31				.25			
1921	.23		.14		.11		.16
Jan 1 & May 25				.25			
May 26 & Dec 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913	Loss $ 10 712.43	1916	Loss $ 6879.97	1919	Loss $ 101 614.82	
	1914	Loss $ 835.10	1917	Loss 28824.06	1920	Loss 21 257.83	
	1915	Loss - Short Prices	1918	Included in 1919	1921	Loss 392 189.45	

1280

2273

Deft. Ex. No. D 273 H

Giant Portland Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	None Bought		#		.10		.0750
1914	.0835		#		.10		.0790
1915	.0640		.0997		.10		.0718
1916	.0850		.0998		.10		.0795
1917	.1736		.0998		.10		.1144
1918	.1771		.1032		.1164		.1358
Jan. 1 to Aug. 31				.10			
Sept. 1 to Dec. 31				.25			
1919	.1752		.1566		.1654		.1596
Jan. 1 to Mch. 31				.25			
Apr. 1 to Dec. 31				.15			
1920	.2488		.1867		.2153		.2172
Jan. 1 to Apr. 30				.15			
May 1 to Dec. 31				.25			
1921	None Bought		.1678		.1211		.2172
Jan. 1 to Mch. 27				.25			
Mch 28 to Dec. 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913	Cannot Furnish	1916	Cannot Furnish	1919	Cannot Furnish	
	1914	Cannot Furnish	1917	Cannot Furnish	1920	Profit $ 26,610.76	
	1915	Profit $ 20000.00	1918	Cannot Furnish	1921	Loss 104873.34	

Data not Available

1281

2274

Deft. Ex. No. D 273 I

Glens Falls Portland Cement Company — No. 7

BAGS

Cost of New Bags			Cost of Repurchased Bags		Sales Price			Average Cost of Bags Sold	
1913	.093			.099		.10			.099
1914	.079			.081		.10			.088
1915	.062			.10		.10			.093
1916	.091			.10		.10			.091
1917	.120			.10		.10			.102
1918	.225			.104		.114			.117
Jan. 1 to Sept. 1					.10				
Sept. 1 to Dec. 31					.25				
1919	.165			.159		.161			.159
Jan. 1 to Apr. 1					.25				
Apr. 1 to Dec. 31					.15				
1920	.270			.190		.216			.207
Jan. 1 to May 1					.15				
May 1 to Dec. 31					.25				
1921	.130			.129		.125			.120
Jan. 1 to Apr. 1					.25				
Apr. 1 to Dec. 31					.10				
	—		ANNUAL STATEMENT	OF	PROFIT OR LOSS	—			
	1913		Loss $ 9672.14	1916	Loss $ 8487.10	1919		Loss $ 23044.50	
	1914		Loss 5283.68	1917	Loss 6480.35	1920		Loss 81563.43	
	1915		Profit 16808.26	1918	Loss 40798.78	1921		Loss 34895.03	

Deft. Ex. No. D 273 J

Hercules Cement Corporation

No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913							
1914							
1915							
1916							
1917 *	1298		1089		.10		.1254
1918	1972		.1062		.1318		.1354
Jan. 1 to Sept 16				.10			
Sept 17 to Dec. 31				.25			
1919	.2214		.1583		.1586		.1746
Jan. 1 to Mch. 31				.25			
Apr. 1 to Dec. 31				.15			
1920	2146		.1361		.2089		.1748
Jan. 1 to May 4				.15			
May 6 to Dec. 31				.25			
1921	.2149		.1469		.1261		.1833
Jan. 1 to Mch. 28				.25			
Mch. 29 to Dec. 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913	—	1916	—	1919	Loss $ 37307.59	
	1914	—	1917 *	Loss $ 11379.93	1920	Profit 58761.84	
	1915	—	1918	Loss 6223.68	1921	Loss 139427.69	

* Began Operation August

1283

2276

Deft. Ex. No. D 273 K

Knickerbocker Portland Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.095		.10		.10		.099
1914	.088		.10		.10		.098
1915	.063		.10		.10		.092
1916	.069		.10		.10		.088
1917	.155		.10		.10		.095
1918	.248		.108		.138		.119
Jan 1 to Sept. 15*				.10			
Sept 15 to Dec. 31				.25			
1919	.261		.164		.159		.151
Jan. 1 to Apr. 1				.25			
Apr. 1 to Dec. 31				.15			
1920	.268		.183		.207		.190
Jan. 1 to June 21				.15			
June 21 to Dec. 31				.25			
1921	.209		.142		.111		.157
Jan. 1 to Apr. 1				.25			
Apr. 1 to Dec. 31				.10			
		ANNUAL STATEMENT	OF	PROFIT OR LOSS			
	1913	Loss $727.29	1916	Profit 20 170.88	1919	Loss 36.20	
	1914	Loss 5567.69	1917	Profit 574.90	1920	NONE	
	1915	Profit 452.73	1918	None	1921	Loss 19664.61	

* Price to Cash changed on Sept. 1.

1284

2277

Deft. Ex. No. D 273 L

Lawrence Portland Cement Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0917		.1009		.0961		.0999
1914	.0955		.0995		.0985		.0985
1915	.0687		.1053		.0962		.0992
1916	.0872		.1002		.0925		.0979
1917	.1201		.1003		.0971		.1056
1918	.2195		.0936		.1021		.1170
Jan. 1 to Sept 30				.10			
Oct. 1 to Dec. 31				.25			
1919	.1970		.1446		.1483		.1561
Jan. 1 to Oct. 1				.25			
Oct. 2 to Dec. 31				.15			
1920	.2646		.2055		.2396		.2193
Jan. 1 to May 2				.15			
May 3 to Dec. 31				.25			
1921	.1621		.1494		.1148		.1513
Jan. 1 to Mch. 29				.25			
Mch. 30 to Dec. 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913	Profit $ 9814.69	1916	Profit $ 3965.47	1919	Loss $ 29541.99	
	1914	Loss 490.34	1917	Loss 31343.82	1920	Loss 12147.20	
	1915	Profit 22065.55	1918	Loss 76789.47	1921	Loss 283733.03	

1285

2278

Deft. Ex. No. D 273 M

Lehigh Portland Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0917		.0994		.1011		.1038
1914	.0969		.1006		.1000		.1039
1915	.0758		.0990		.1000		.1028
1916	.0741		.0988		.1000		.1005
1917	.1233		.1027		.1000		.1047
1918	.2809		.1041		.1234		.1300
Jan. 1 to Sept. 15				.10			
Sept. 16 to Dec. 31				.25			
1919	.2295		.1547		.1610		.1691
Jan. 1 to Apr. 2				.25			
Apr. 3 to Dec. 31				.15			
1920	.2623		.1981		.2222		.2418
Jan. 1 to May 2				.15			
May 3 to Dec. 31				.25			
1921	.2336		.1661		.1207		.1421
Jan. 1 to Mch. 31				.25			
Apr. 1 to Dec. 31				.10			
		ANNUAL STATEMENT OF		PROFIT OR LOSS			
	1913	Loss $ 79242.40	1916	Loss $ 16030.52	1919	Loss $ 290081.14	
	1914	Loss 127921.04	1917	Loss 153444.93	1920	Loss 828006.79	
	1915	Loss 89126.18	1918	Loss 185233.88	1921	Loss 772888.46	

1286

2279

Deft. Ex. No. D 273 N

Nazareth Cement Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0955		.1000		.1000		.099
1914	.0995		.1005		.1000		.100
1915	.0724		.0988		.1000		.095
1916	.1015		.1034		.1000		.103
1917	.1383		.1023		.1000		.108
1918	.2029		.1046		.1174		.125
Jan. 1st to Sept. 1				.10			
Sept. 1st to Dec. 31				.25			
1919	.1540		.1464		.1587		.151
Jan 1st to Apr 1				.25			
Apr 1st to Dec. 31				.15			
1920	.2591		.1764		.2000		.191
Jan. 1st to May 1				.15			
May 1st to Dec. 31				.25			
1921	.0900		.1624		.1156		.181
Jan. 1st to Mch. 28				.25		.224	
Mch 28th to Dec. 31		.1421		.10		.184	
	—	ANNUAL STATEMENT OF PROFIT OR LOSS			—		
*	1913	Loss $ 12 053 10	* 1917	Loss $ 11059.79	1919	Loss $ 7279.10	
*	1914	Loss 12 874 48	1917	Loss 34715 76	1920	Profit 31 678 31	
*	1915	Loss 11 886 89	1918	Loss 33248 52	1921	Loss 217 699.35	
*	1916	Profit 1 886 39					

* Fiscal Year Ending June 30th
● July 1st 1916 & Jan 1st 1917

1287

2280

Deft. Ex. No. D 273 O

Penn-Allen Cement Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0938		.1000		.1000		.0993
1914	.0899		.1044		.1000		.1034
1915	.0689		.1000		.1000		.0941
1916	.0796		.1009		.1000		.0959
1917	.1173		.1023		.1000		.1045
1918	.1368		.1077		.1365		.1197
Jan 1 to Sept 16 .119		.104		.10		.118	
Sept 16 to Dec. 31 .176		.118		.25		.126	
1919	.2123		.1557		.1589		.1678
Jan. 1 to Apr. 1 Paper Bags .208		.146		.25		.146	
Apl 1 to Dec 31 .212		.158		.15		.172	
1920	.2555		.1964		.2362		.2098
Jan 1 to May 1 .268		.149		.15		.166	
May 1 to Dec 31 .254		.211		.25		.221	
1921	.1848		.1602		.1191		.1639
Jan 1 to Mch 29 .231		.243		.25		.241	
Mch 29 to Dec 31 .179		.142		.10		.147	
	—	ANNUAL STATEMENT	OF	PROFIT OR LOSS	—		
	1913	Profit $ 1586.62	1916	Profit $ 11649.51	1919	Loss $ 61020.04	
	1914	Loss 8191.31	1917	Loss 11489.57	1920	Loss 51132.01	
	1915	Profit 14044.54	1918	Loss 35194.69	1921	Profit 12772.05	

1288

2281

Deft. Ex. No. D 273 P

Pennsylvania Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0923		.10		.10		.0990
1914	.0805		.10		.10		.0969
1915	.0666		.10		.10		.0947
1916	.0725		.10		.10		.0941.
1917	.1455		.10		.10		.1039
1918	.2036		.1049		.1150		.1233
Jan. 1 to Aug 31				.10			
Sept 1 to Dec 31				.25*			
1919	.2178		.1453		.1497		.1554
Jan. 1 to Mch 31				.25*			
Apr. 1 to Dec 31				.15			
1920	.2818		.1922		.2240		.2136
Jan. 1 to May 30				.15			
June 1 to Dec 31				.25			
1921	.1667		.1672		.1265		.1670
Jan. 1 to Mch. 31				.25			
Apr. 1 to Dec 31				.10			

* 10¢ On Existing Contracts 25¢ on Open Orders & New Contracts.

83—691

1289

2282

Deft. Ex. No. D 273 Q

Phoenix Portland Cement Co. No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.093		.10		.10		.097
1914	.083		.10		.10		.097
1915	.099		.10		.10		.098
1916	.085		.099		.10		.098
1917	.10		.10		.10		.099
1918	.19		.107		.137		.118
Jan 1 to Sept 16				.10			
Sept 16 to Dec 31				.28			
1919	.171		.117		.184		.129
Jan 1 to Apr 1				.28			
Apr 1 to Dec 31				.18			
1920	.252		.195		.225		.211
Jan 1 to May 1				.18			
May 1 to Dec 31				.28			
1921	.1575		.149		.114		.157
Jan 1 to Mch 28				.28			
Mch 28 to Dec 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913	Profit $ 1629.99	1916	Loss $ 316.26	1919	Loss $ 1981.31	
	1914	Loss 3961.18	1917	Loss 1864.77	1920	----------	
	1915	Profit 450.41	1918	Loss 2087.75	1921	Loss $ 8243.18	

1290

2283

Deft. Ex. No. D 273 R

Security Cement & Lime Company No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.094		.10		.10		.099
1914	.080		.10		.10		.092
1915	.067		.10		.10		.093
1916	.096		.10		.10		.099
1917	.136		.10		.10		.099
1918	.234		.103		.124		.141
Jan. 1 to Sept. 15				.10			
Sept. 15 to Dec. 31				.25			
1919	.206		.157		.159		.159
Jan. 1 to Sept. 15				.25			
Sept. 15 to Dec. 31				.15			
1920	.290		.201		.227		.192
Jan. 1 to Sept. 8				.15			
Sept. 8 to Dec. 31				.25			
1921	.109		.156		.117		.131
Jan. 1 to Mch. 30				.25			
Mch. 30 to Dec. 31				.10			
	—	ANNUAL STATEMENT	OF	PROFIT OR LOSS	—		
	1913	Profit $ 8283.30	1916	Profit $ 1530.50	1919	Profit $ 54950.23	
	1914	Profit 17014.60	1917	Profit 1571.40	1920	Profit 2213.27	
	1915	Profit 16418.52	1918	Loss 37423.54	1921	Loss 42548.33	

1291

2284

Deft. Ex. No. D 273 S

Vulcanite Portland Cement Company — No. 7

BAGS

Cost of New Bags		Cost of Repurchased Bags		Sales Price		Average Cost of Bags Sold	
1913	.0880		.0997		.10		.1000
1914	.0882		.0998		.10		.1013
1915	.0885		.0999		.10		.1011
1916	.0879		.0999		.10		.1000
1917	.1208		.0998		.10		.1000
1918	.1995		.1053		.1319		.1118
Jan. 1 to Sept. 15				.10			
Sept. 15 to Dec. 31				.25			
1919	.2146		.1489		.1592		.1512
Jan. 1 to Apr. 15				.25			
Apr. 15 to Dec. 31				.15			
1920	.2603		.1979		.2304		.2043
Jan. 1 to May 10				.15			
May 10 to Dec. 31				.25			
1921	.1560		.1524		.1151		.1216
Jan. 1 to Mch. 28				.25			
Mch. 28 to Dec. 31				.10			
	—	ANNUAL STATEMENT OF		PROFIT OR LOSS	—		
	1913	Profit $ 11616.97	1916	Profit $ 2400.37	1919	Loss $ 4657.31	
	1914	Profit 1072.48	1917	Loss 13729.66	1920	Profit 4966.02	
	1918	Loss 2661.91	1918	Loss 2159.77	1921*	Loss 17412.64	
*Inventory Loss (1921)							
On Bags $ 176260.33							

1292

2285

Deft. Ex. No. D 274

ALL COMPANIES

ANNUAL PROFIT OR LOSS ON BAGS

Company		1913	1914	1915	1916	1917	1918	1919	1920	1921	NET PROFIT (LOSS) ENTIRE PERIOD
Allentown	P	2,968.00					17,041.00		77,260.32		
	L		4,889.85	9,031.44	594.11	14,264.12		16,378.30		123,713.90	72,452.40
Alpha	P	30,295.82	33,032.54	81,634.70	4,848.49		152,598.00	6,264.63	135,395.62		
	L					91,980.30				112,611.56	349,098.56
Atlas	P	109,684.65	99,574.36	6,717.54	63,281.58		12,308.22				
	L					44,891.31		205,202.58	1,301,736.43	89,676.36	1,349,890.23
Bath	P				17,879.24	7,939.09					
	L	2,387.94	11,831.32				21,116.92	21,183.64	5,881.75	100,000.00	136,583.24
Copley	P	6,946.20	13,918.32	33,265.15	24,134.98				77,677.90		
	L					35,786.87	87,638.23	24,193.99		273,987.40	265,663.83
Dexter	P			DATA	NOT	AVAILABLE					
	L										
Edison	P			SHUT DOWN			INCLUDED				
	L	10,712.43	8,838.10		6,879.47	28,824.06	IN 1919	101,614.52	21,257.83	392,189.45	570,315.86
Giant	P			20,000.00					26,610.76		
	L									104,873.34	58,262.58
Glens Falls	P			16,808.26							
	L	9,672.14	8,288.68		8,487.10	6,480.35	40,298.78	23,044.50	81,563.43	34,895.03	195,921.75
Hercules	P								58,761.84		
	L	BEGAN	OPERATIONS	IN	1917	11,378.93	6,223.66	37,307.58		139,927.69	136,077.05
Knickerbocker	P			452.75	20,170.88	574.90	NONE		NONE		
	L	8,727.29	5,567.69					36.20		196,691.61	189,774.28
Lawrence	P	3,814.68		22,065.55	3,965.47						
	L		490.34			31,343.82	76,789.47	29,541.99	12,147.20	283,153.03	398,200.14
Lehigh	P										
	L	79,242.40	127,921.04	89,126.18	16,030.52	155,444.93	185,223.88	290,081.14	828,006.79	792,868.46	2,561,965.34
Nazareth	P				1,886.39				31,678.31		
	L	12,053.10	12,874.48	11,886.89		45,775.55	35,248.82	7,219.10		217,699.35	307,252.59
Penn-Allen	P	1,586.62		14,044.54	11,649.51					12,772.05	
	L		8,191.31			11,489.57	25,194.59	61,020.09	51,132.01		116,974.80
Pennsylvania	P										
	L			DATA	NOT	AVAILABLE					
Phoenix	P	1,629.48		450.41					NONE		
	L		3,961.18		816.26	1,866.77	2,087.75	1,981.31		88,842.15	97,475.53
Security	P	828.30	17,019.60	16,618.52	1,530.50	1,571.40		54,950.23	2,213.27		14,754.85
	L						37,428.54			42,548.35	
Vulcanite	P	11,685.97	1,072.48		2,400.37				4,966.02		
	L			2,661.91		13,728.66	2,159.77	4,658.31		193,672.97	196,736.78
Total Profit or Loss	P	51,684.43		99,350.98	118,989.96						
	L		28,236.68			481,120.85	640,659.13	774,837.62	2,157,952.64	3,175,128.58	6,887,910.13

1293

2286

Deft. Ex. No. D 275 A

Allentown Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1910	90 000 000

Deft. Ex. No. D 275 B

Alpha Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
Jamesville, N.Y.	1917**	24 377 702
Alpha, N.J. #1	1892†	200 000 000
" " #2	1901*	
Martins Creek #3	1899@	40 089 600
" " #4	1903#	62 356 800
Manheim, Pa.	1900##	270 141 696
Catskill N.Y.	1900‡‡	35 027 520

† Rebuilt between 1892 & 1898 – Now obsolete.
* Rebuilt 1903 & 1906 – Not operated since 1916
@ Rebuilt 1903 & 1907
Rebuilt 1913
Purchased 1909. Rebuilt 1914
‡‡ " 1909. " between 1909 & 1913
** " 1917 " since 1917

Deft. Ex. No. D 275 C

The Atlas Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
Plant # 2	1896*	In excess of
" 3	1900*	50 years
" 4	1905*	
" 7	1910*	In excess of 50 years

*Began Operating

Deft. Ex. No. D 275 D

Bath Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1905*	45,000,000

*Addition 1917

Deft. Ex. No. D 275 E

Coplay Cement Manufacturing Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
B	1896	100000000
C	1900	

Deft. Ex. No. D 275 F

Dexter Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1901	87000000

Deft. Ex. No. D 275 G

Edison Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1900*	30 000 000

* Construction Started

Deft. Ex. No. D 275 H

Giant Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
Central	1902	No
Reliance	1905	Data
Norfolk	1910	Available

Deft. Ex. No. D 275 I

Glens Falls Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1906*	50000000

* Rebuilt Since 1906

Deft. Ex. No. D 275 J

Hercules Cement Corporation

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1917	50000 000

* Began Operating

Deft. Ex. No. D 275 K

Knickerbocker Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1911	150 000 000

Deft. Ex. No. D 275 L

Lawrence Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1899*	No data available
		Base on estimate
		Owns over 400 Acres
		Flood

* Began Operating

Deft. Ex. No. D 275 M

Lehigh Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
Ormrod #1	August 1898*	
" #2	July 1902*	50 505 051
" #3	October 1903*	
West Coplay	January 1901*	14 861 883
New Castle #1	March 1906*	
" #2	February 1908*	21 473 976
" #3	May 1909*	
Fogelsville	March 1907*	40 435 905
Ferdrick	April 1904*	10 501 908

* Began Operating

2300

Deft. Ex. No. D 275 N

Nazareth Cement Company

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1898*	38000 000

*Rebuilt 1906

2301

Deft. Ex. No. D 275 O

Penn Allen Cement Company

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1903	72 000 000

Deft. Ex. No. D 275 P

Pennsylvania Cement Company

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1904	100 000 000

Deft. Ex. No. D 275 Q

Phoenix Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
1 Plant	1902*	40000000

* Rebuilt in 1911
Rebuilt 1920-1921

Deft. Ex. No. D 275 R

Security Cement & Lime Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
	2- 7'x100' - 1908	
1 Plant	2- 8'x125' - 1910	53469870
	1- 8'x125' - 1915	

Began Operating

Deft. Ex. No. D 275 S

Vulcanite Portland Cement Co.

AGE OF MILLS		ROCK DEPOSIT SUPPLY (barrels)
MILL	BUILT	
#2	1898	41,500,000
#3	1902	

Deft. Ex. No. D 277 A

Allentown Portland Cement Company

WORKING CAPITAL

1917	1918	1919	1920	1921
282607.75.	286754.29.	347164.04.	30395.31.	13302.36

This Company shows Current Liabilities in excess of Current Assets (exclusive of Property and Plant) as indicated above

Deft. Ex. No. D 277 B

Alpha Portland Cement Company

WORKING CAPITAL

1917	1918	1919	1920	1921
2373116.40	2301725.82	2491127.99	3276755.47	3436935.88

Deft. Ex. No. D 277 C

The Atlas Portland Cement Company

WORKING CAPITAL

1917*	1918*	1919	1920	1921
2534860.58	3656767.95	4661878.38	4135043.87	4587907.31

* Fiscal Year beginning Nov. 1st

Both Portland Cement Company

Deft. Ex. No. D 277 D

WORKING CAPITAL

1917	1918	1919	1920	1921
201 200.54	201 309.79	244 205.55	291 314.12	305 835.18

Coplay Cement Manufacturing Company

Deft. Ex. No. D 277 E

WORKING CAPITAL

1917	1918	1919	1920	1921
377,417.63	222,986.09	307,478.48	350,426.25	323,301.97

1317

2310

Deft. Ex. No. D 277 F

Dexter Portland Cement Company

WORKING CAPITAL

1917	1918	1919	1920	1921
577 358 54	591 847.66	382 346.12	568 832.43	570 364.33

Edison Portland Cement Company

Deft. Ex. No. D 277 G

WORKING CAPITAL

1917	1918	1919	1920	1921
518111.37	922091.14	1045682.56	1078124.86	1333594.71

Giant Portland Cement Company

Deft. Ex. No. D 277 H

WORKING CAPITAL

1917	1918	1919	1920	1921
5649682 1	481024.56	555138.47	716 712 84	538004.29

1320

2313

Glens Falls Portland Cement Company

Deft. Ex. No. D 277 I

WORKING CAPITAL

1917	1918	1919	1920	1921
373436 65	475939.11	571629 22	705 938 17	631 696.28

Hercules Cement Corporation

Deft. Ex. No. D 277 J

WORKING CAPITAL

1917	1918	1919	1920	1921
244544.28	1328.52	108289.98	353764.74	188947.77

1922

2315

Knickerbocker Portland Cement Co.

Deft. Ex. No. D 277 K

WORKING CAPITAL

1917	1918	1919	1920	1921
433990.57	641803.46	721488.30	681009.52	736040.75

Lawrence Portland Cement Company

Deft. Ex. No. D 277 L

WORKING CAPITAL

1917	1918	1919	1920	1921
219 807.42	483 578.33	615 312.41	725 326.18	961 273.63

Lehigh Portland Cement Company

Deft. Ex. No. D 277 M

1925

WORKING CAPITAL

1917	1918	1919	1920	1921
3617560.99	1614790.86	2156504.89	3275433.36	3517675.93

Nazareth Cement Company.

Deft. Ex. No. D 277 N

WORKING CAPITAL

1917	1918	1919	1920	1921
$ 470.763.84	$ 463.865.26	$ 680,173.17	$ 940,623.03	$ 1,191,066.80

Penn Allen Cement Company

Deft. Ex. No. D 277 O

1327

WORKING CAPITAL

1917	1918	1919	1920	1921
151 589.16	162 196 21	191 792 19	191 966. 19	193 840. 02

2320

Pennsylvania Cement Company

Deft. Ex. No. D 277 P

WORKING CAPITAL

1917	1918	1919	1920	1921
414238.26	491683.36	617256.76	791259.42	898293.74

Phoenix Portland Cement Company

Deft. Ex. No. D 277 Q

WORKING CAPITAL

1917	1918	1919	1920	1921
13038.43 ⊗	11 294.11 ⊗	201 948.35	162 430.46	325 174.57

⊗ Excess of Working Liabilities

Security Cement & Lime Company

Deft. Ex. No. D 277 R

WORKING CAPITAL

1917	1918	1919	1920	1921
263 403.59	376 997.68	393 913.82	607 164.14	607 340.70

Vulcanite Portland Cement Company

Deft. Ex. No. D 277 S

WORKING CAPITAL

1917	1918	1919	1920	1921
283 409.40	213 049 88	247 704 49	350 682 14	330 725.30

ALL COMPANIES
WORKING CAPITAL

COMPANY	1917	1918	1919	1920	1921
ALLENTOWN	* 282 607.75	* 284 754.29	* 347 169.06	* 30 395.31	* 13 809.36
ALPHA	2 373 116.40	2 301 785.82	2 481 127.99	3 225 758.47	3 436 935.88
ATLAS	2 534 860.58	3 656 767.95	4 661 878.38	4 135 043.87	4 587 907.31
BATH	201 200.54	201 309.79	244 205.55	291 314.12	305 835.18
COPLAY	377 417.63	222 986.09	307 478.48	350 426.85	323 304.97
DEXTER	577 358.54	591 847.66	582 346.12	568 932.48	570 364.33
EDISON	518 111.37	928 091.14	1 045 682.56	1 078 124.86	1 333 694.71
GIANT	564 968.21	471 084.56	555 138.47	716 712.84	538 004.29
GLENS FALLS	373 436.65	475 939.11	571 629.22	705 938.17	631 696.28
HERCULES	249 544.28	1 328.12	108 289.98	353 764.74	188 947.77
KNICKERBOCKER	433 990.17	641 803.46	731 488.30	681 009.53	736 040.76
LAWRENCE	219 807.42	483 578.33	615 812.41	725 326.18	961 277.63
LEHIGH	3 617 560.94	1 614 790.86	2 156 504.89	3 275 433.36	3 577 676.93
NAZARETH	470 763.84	463 867.26	680 172.17	940 623.03	1 191 066.80
PENN-ALLEN	151 569.16	162 196.21	191 792.19	191 966.19	193 840.02
PENNSYLVANIA	414 238.26	449 683.36	617 286.76	791 289.42	898 293.74
PHOENIX	⊗ 13 038.43	⊗ 11 294.11	201 948.35	162 430.46	325 174.57
SECURITY	263 403.59	396 797.68	393 913.82	607 164.14	607 340.70
VULCANITE	283 409.40	213 049.88	247 704.49	350 682.14	330 725.20
TOTALS (NET)	13 329 191	2 513 024 937 28	15 581 232 09	19 171 441 98	20 664 719 80

* CURRENT LIABILITIES IN EXCESS OF CURRENT ASSETS EXCLUSIVE OF PROPERTY AND PLANT

⊗ EXCESS OF WORKING LIABILITIES.

Deft. Ex. No. D 279

ALL COMPANIES

(PER BARREL)

YEAR	1913	1914	1915	1916	1917	1918	1919	1920	1921
AVERAGE PRICE REALIZED	0.838	0855	0721	0946	1.227	1.539	1.637	1.911	1711
AVERAGE EXPENSE	0.734	0734	0696	0.798	1.129	1.454	1.467	1812	1625

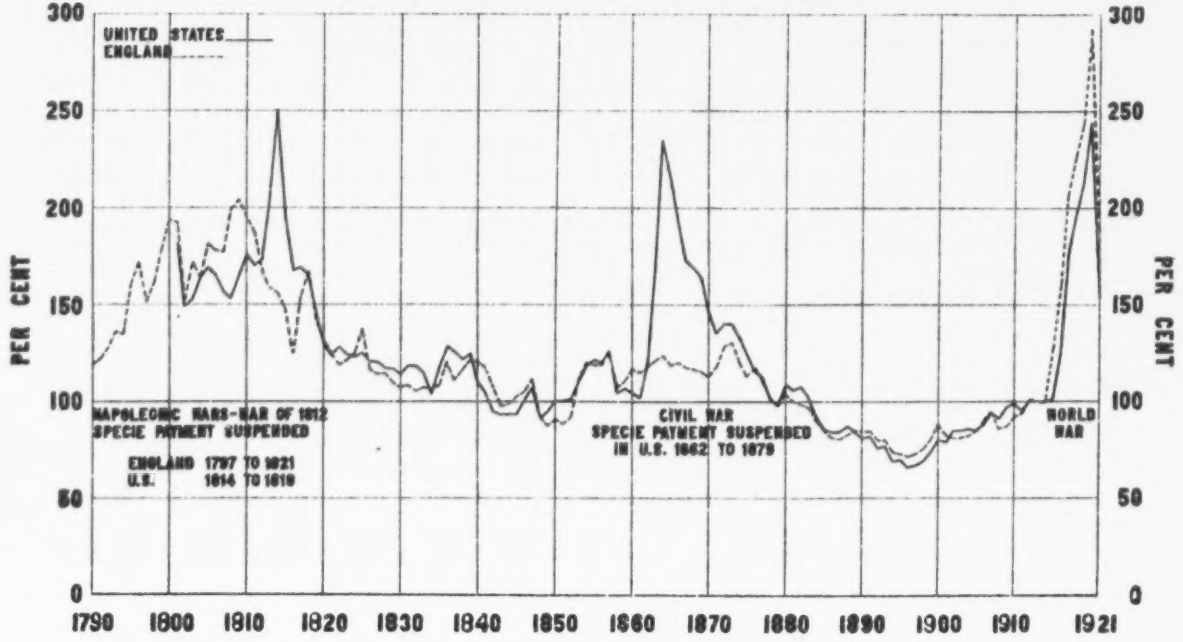
1333

2326

EFFECT OF WAR ON PRICES

Deft. Ex. No. D 285

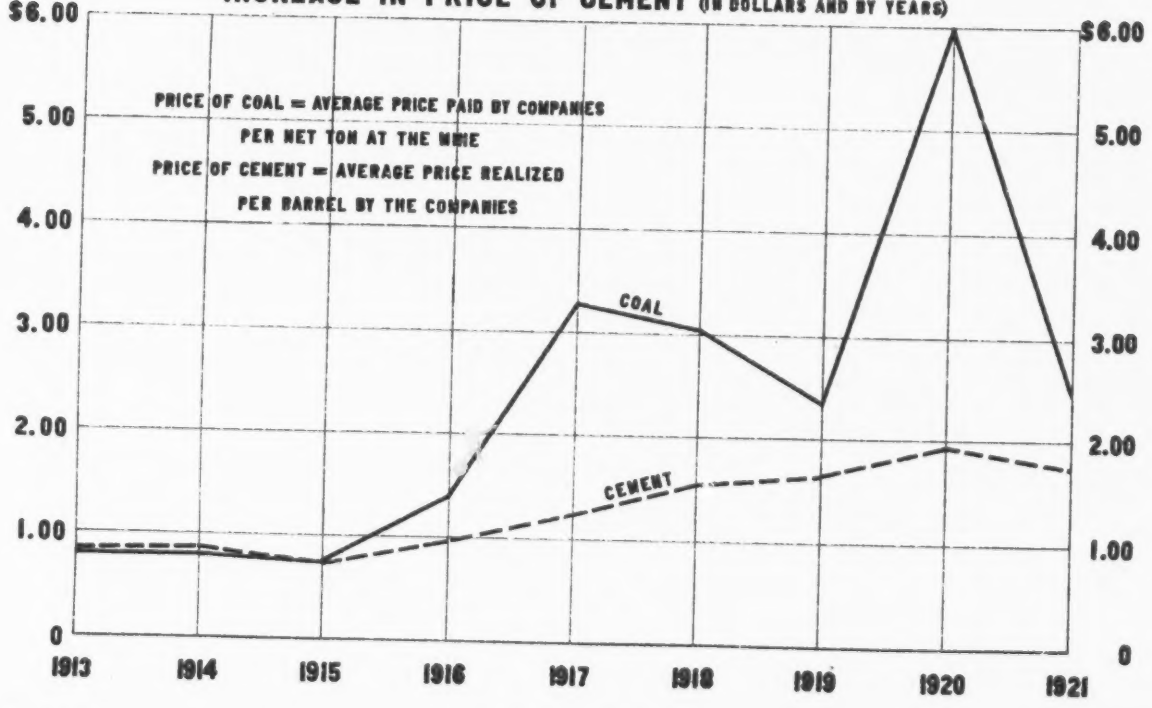
WHOLESALE COMMODITY PRICES IN THE UNITED STATES AND ENGLAND EXPRESSED AS PERCENTAGES OF FIGURES FOR 1913



Deft. Ex. No. D 286

17 COMPANIES

INCREASE OF PRICE OF COAL COMPARED WITH INCREASE IN PRICE OF CEMENT (IN DOLLARS AND BY YEARS)



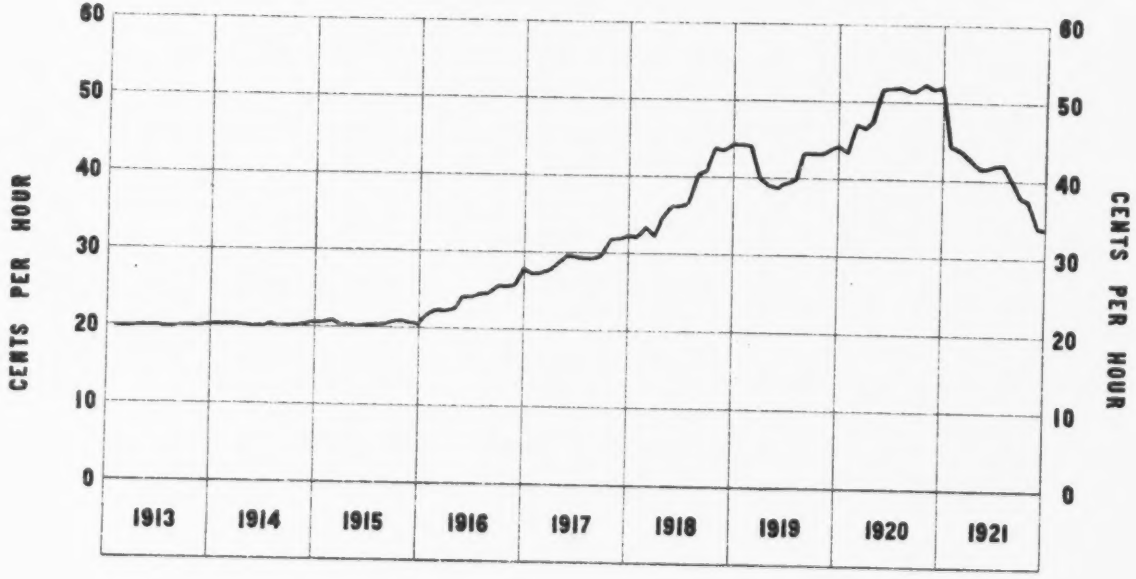
1885

2330

ALPHA PORTLAND CEMENT COMPANY

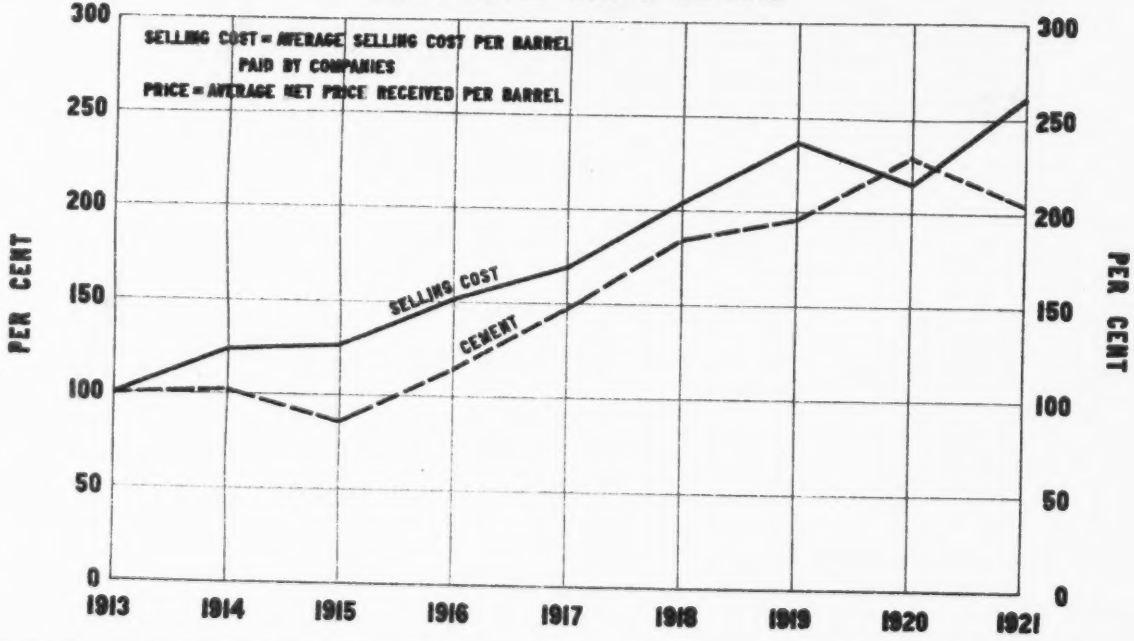
Deft. Ex. No. D 294

AVERAGE HOURLY RATES PLANT WAGES



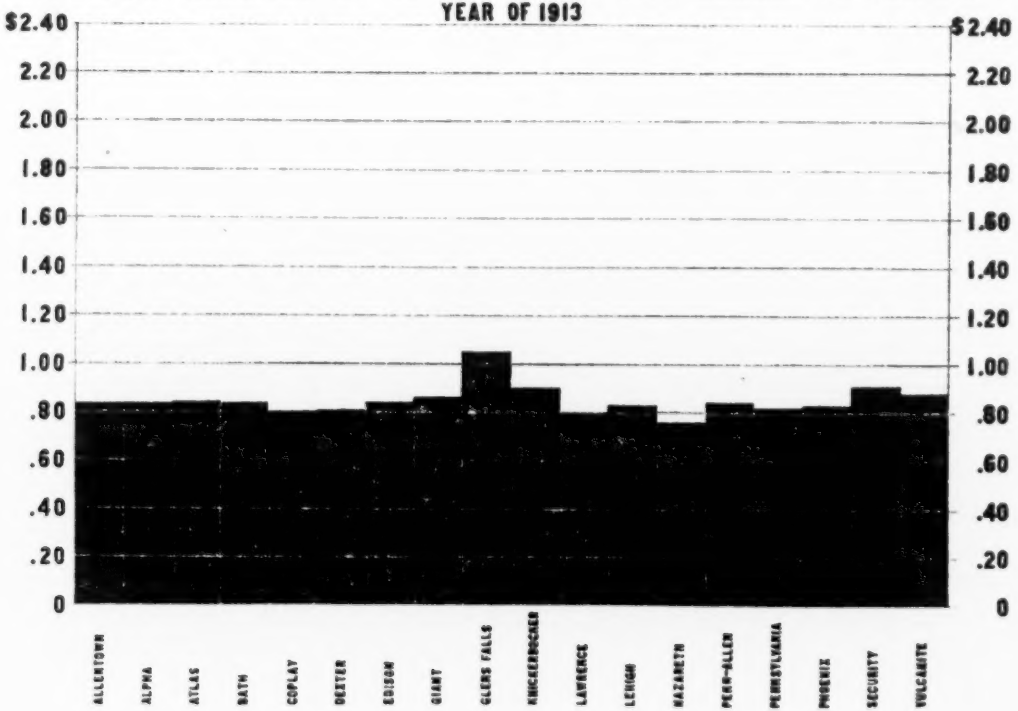
19 COMPANIES

PERCENTAGE OF INCREASE IN SELLING COST AND PRICE OF CEMENT PER BARREL BASED ON 1913



Deft. Ex. No. D 296

VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 18 COMPANIES PER BARREL OF CEMENT
YEAR OF 1913

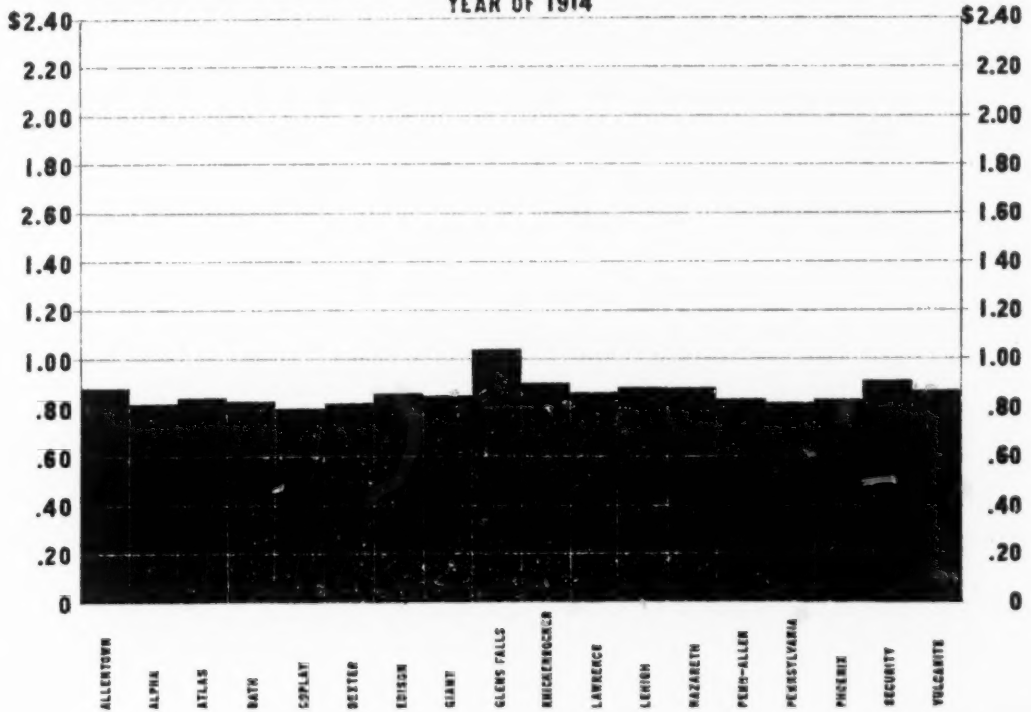


1340

2335

VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 18 COMPANIES PER BARREL OF CEMENT
YEAR OF 1914

Deft. Ex. No. D 297

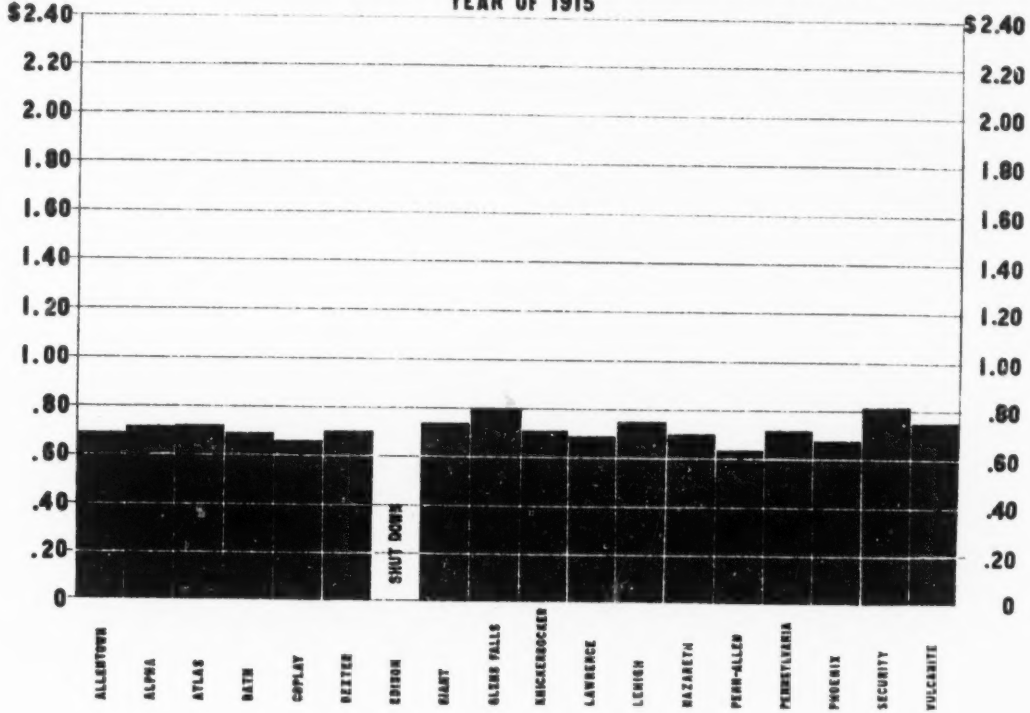


1341

2336

Deft. Ex. No. D 298

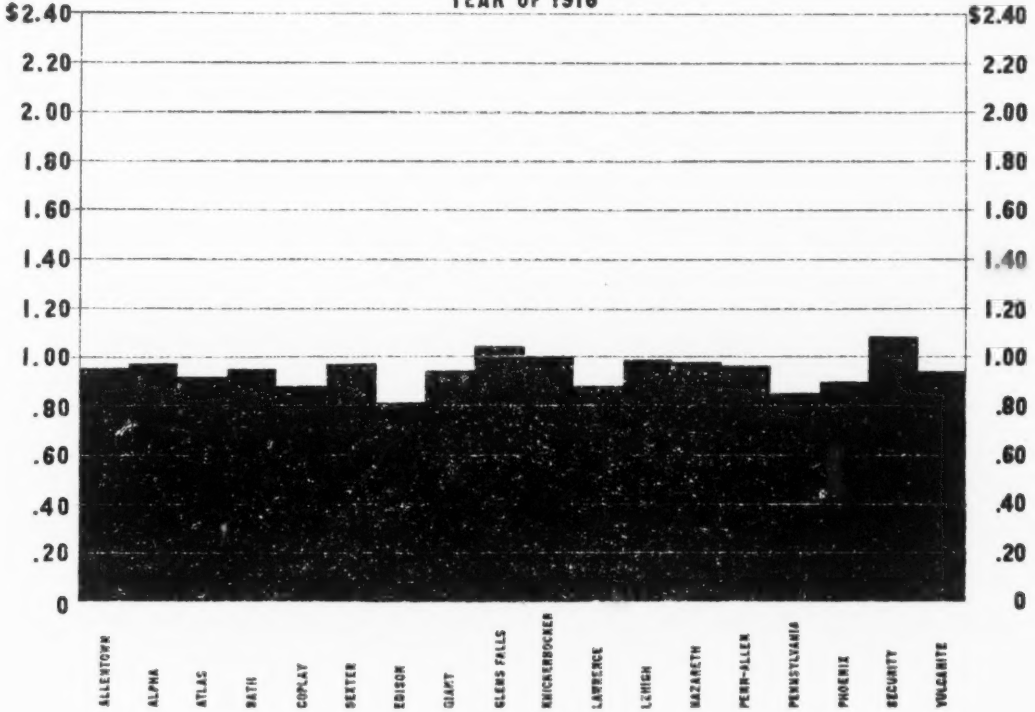
VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 18 COMPANIES PER BARREL OF CEMENT
YEAR OF 1915



VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 18 COMPANIES PER BARREL OF CEMENT

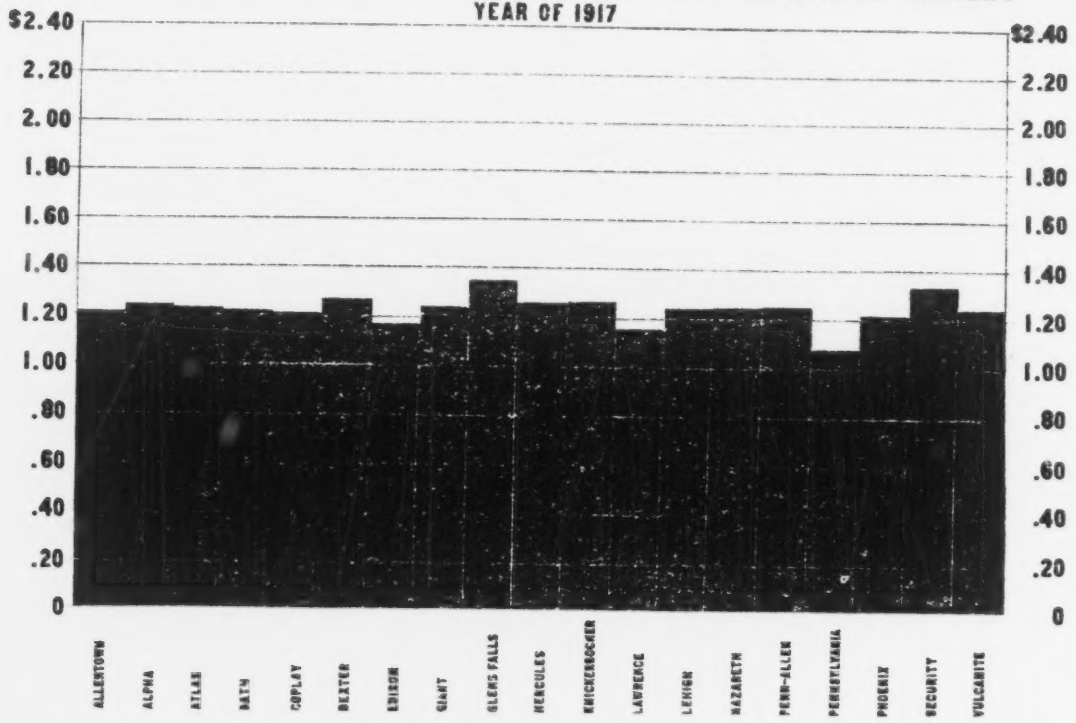
Dett. Ex. No. D 299

YEAR OF 1916



Deft. Ex. No. D 300

VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 19 COMPANIES PER BARREL OF CEMENT
YEAR OF 1917



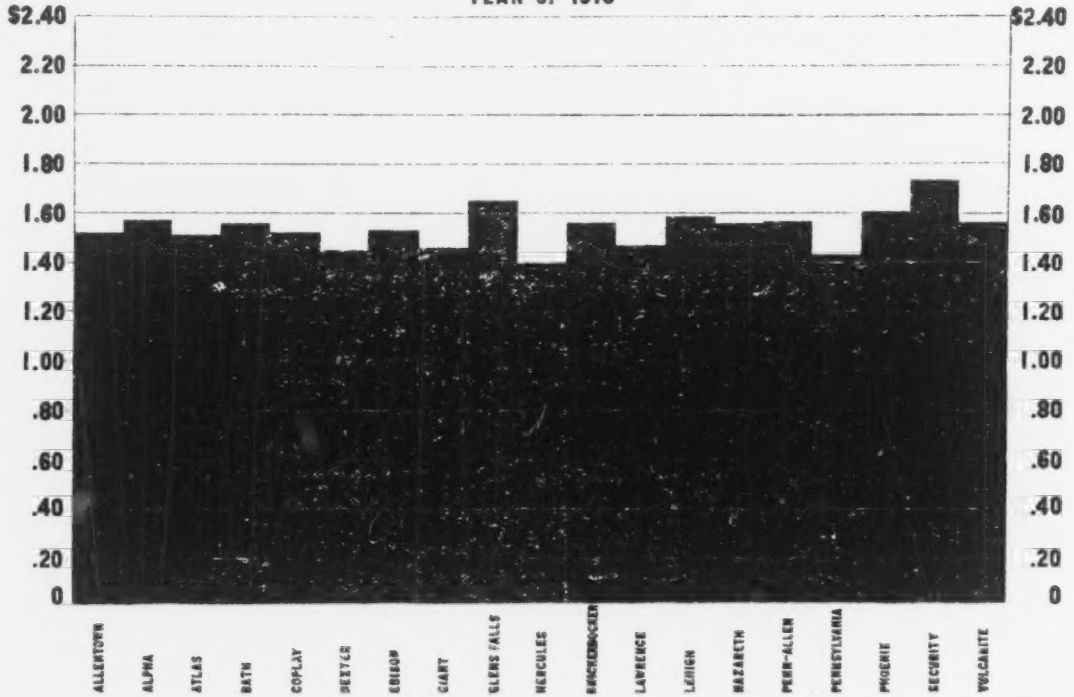
1344

2339

VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 19 COMPANIES PER BARREL OF CEMENT

Deft. Ex. No. D 301

YEAR OF 1918

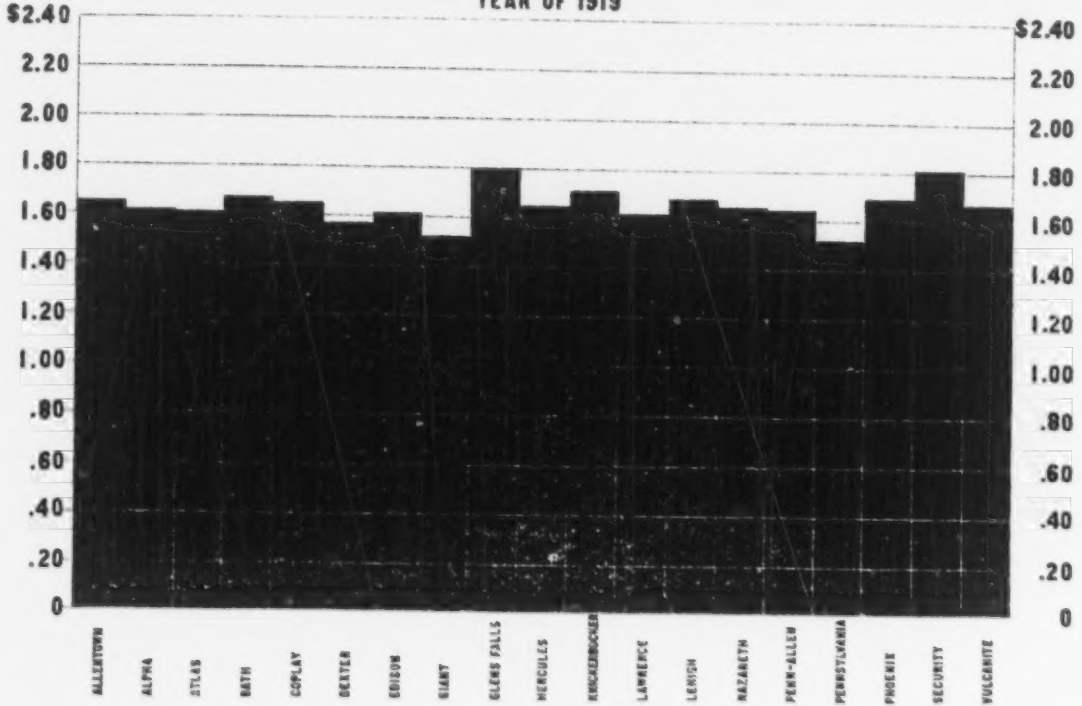


1345

2340

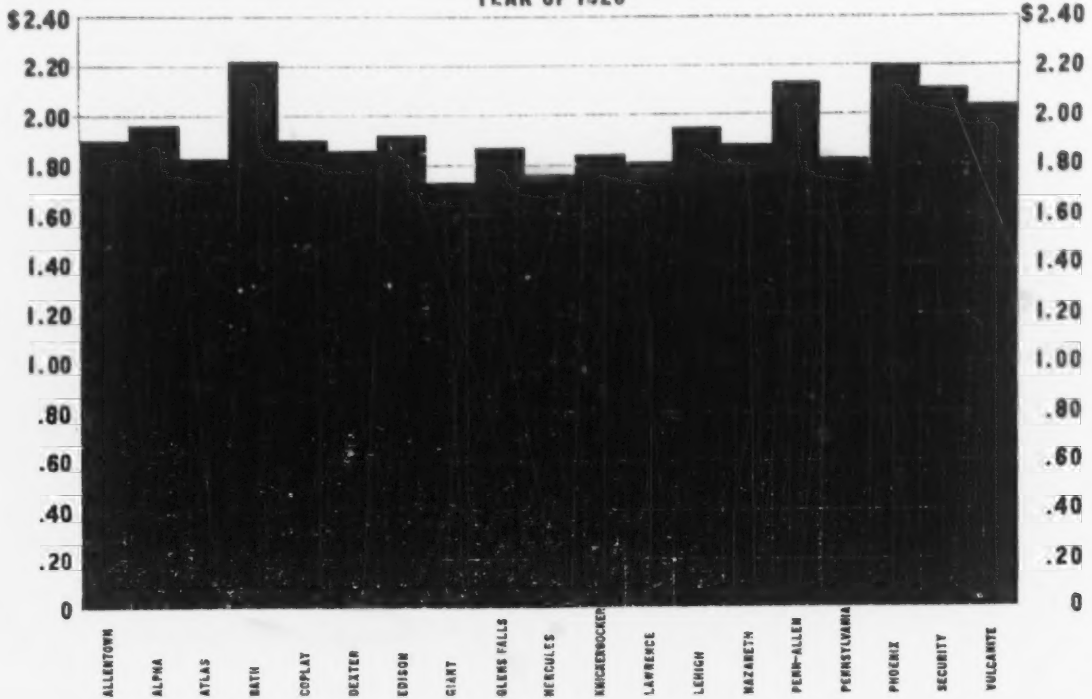
Deft. Ex. No. D 302

VARYING AVERAGE KET PRICES
ACTUALLY RECEIVED BY 19 COMPANIES PER BARREL OF CEMENT
YEAR OF 1919



Deft. E₂ No. D 303

VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 19 COMPANIES PER BARREL OF CEMENT
YEAR OF 1920



1917

2342

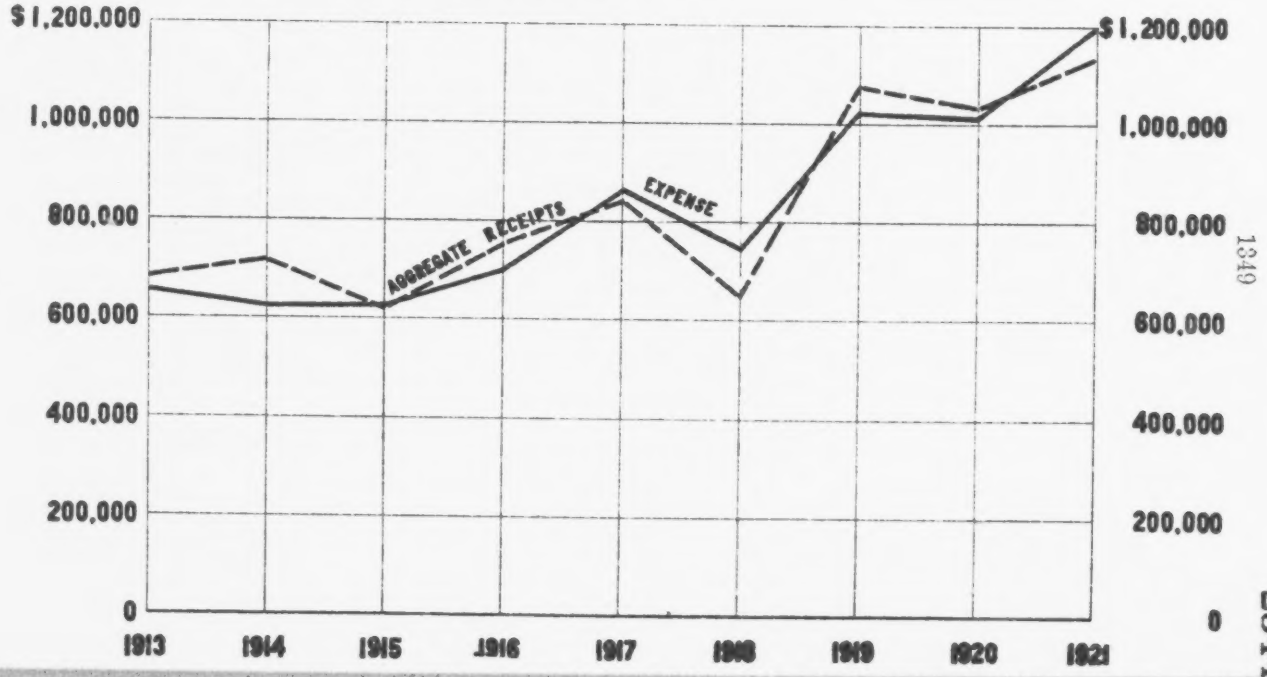
Deft. Ex. No. D 304

VARYING AVERAGE NET PRICES
ACTUALLY RECEIVED BY 19 COMPANIES PER BARREL OF CEMENT
YEAR OF 1921

Deft. Ex. No. D 305

ALLENTOWN PORTLAND CEMENT COMPANY

AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



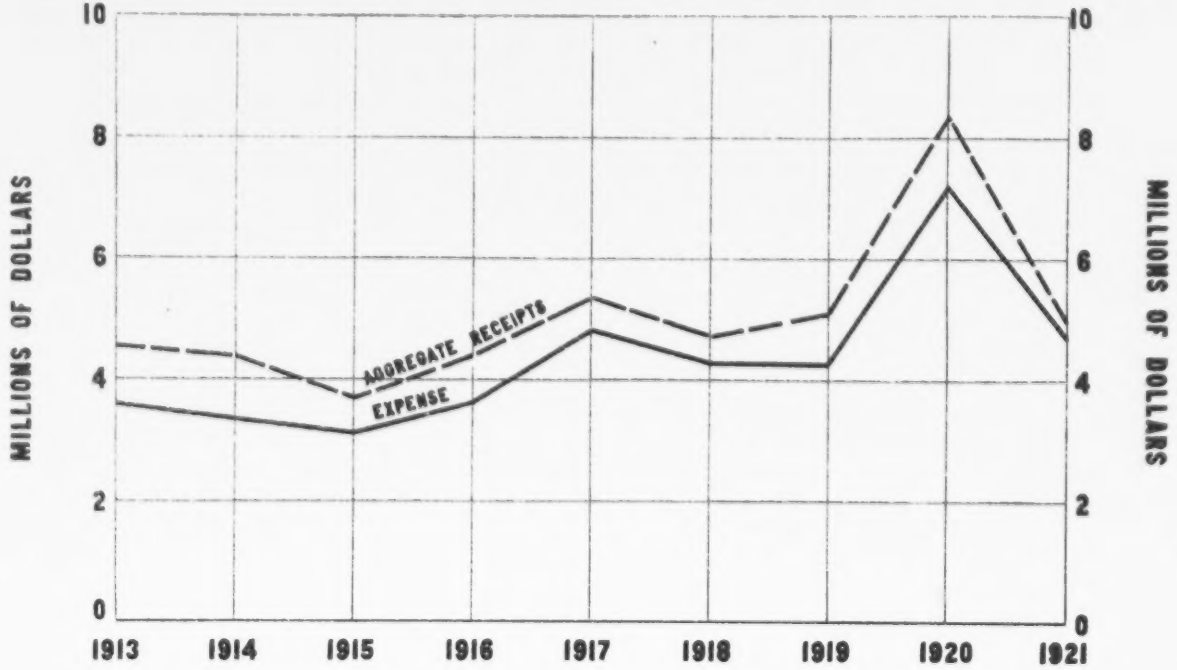
1349

2344

Deft. Ex. No. D 306

ALPHA PORTLAND CEMENT COMPANY

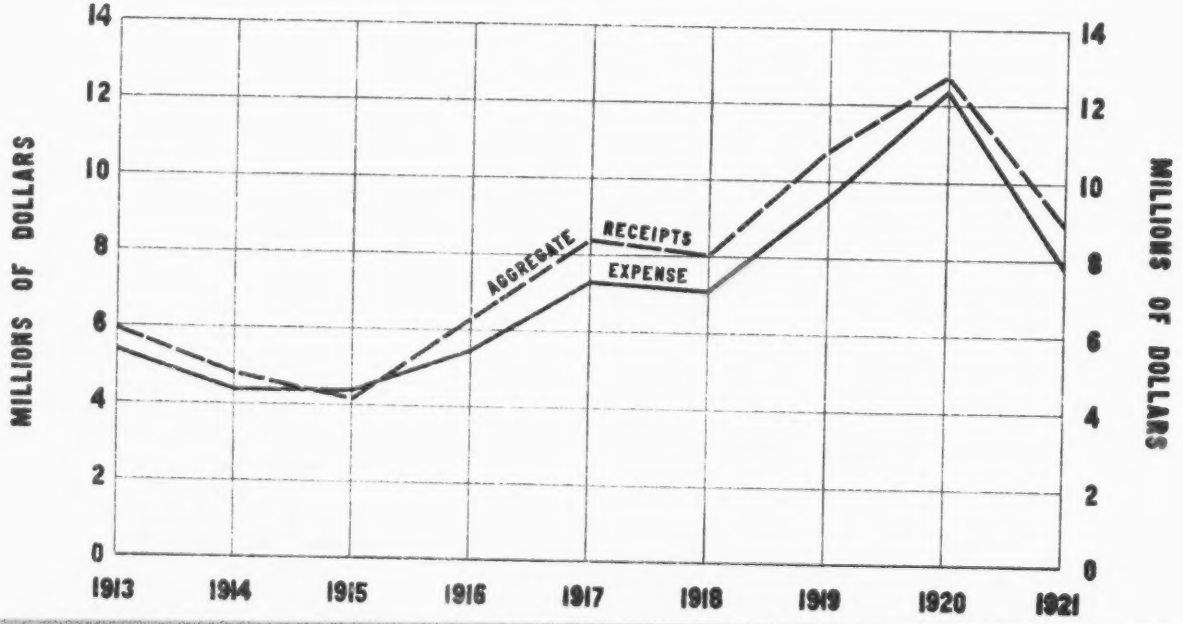
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



THE ATLAS PORTLAND CEMENT COMPANY

Deft. Ex. No. D 307

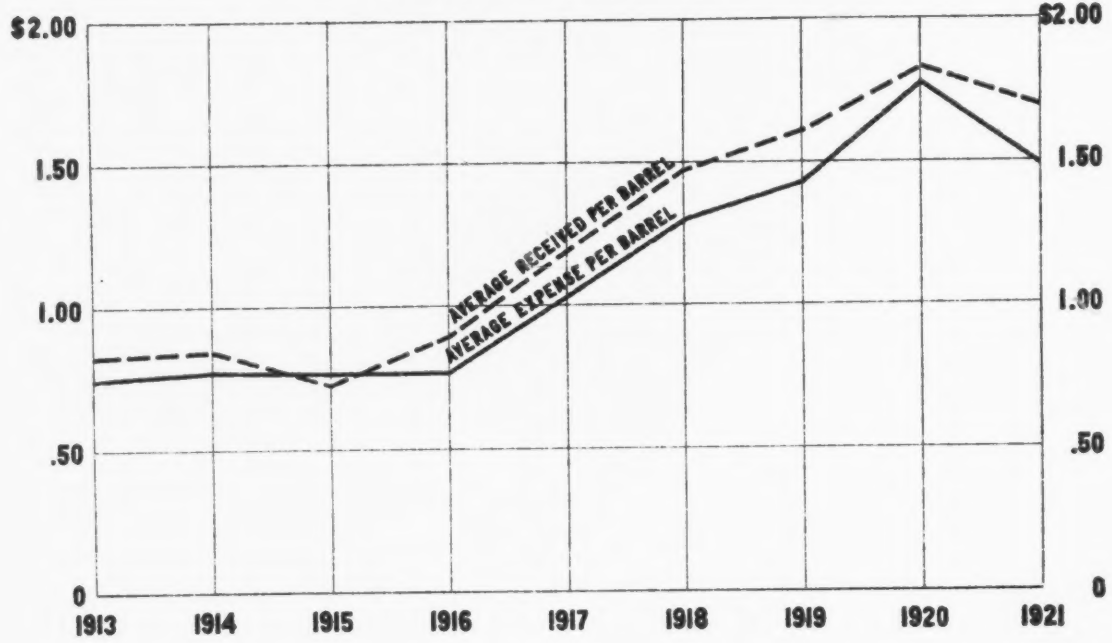
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 308

THE ATLAS PORTLAND CEMENT COMPANY

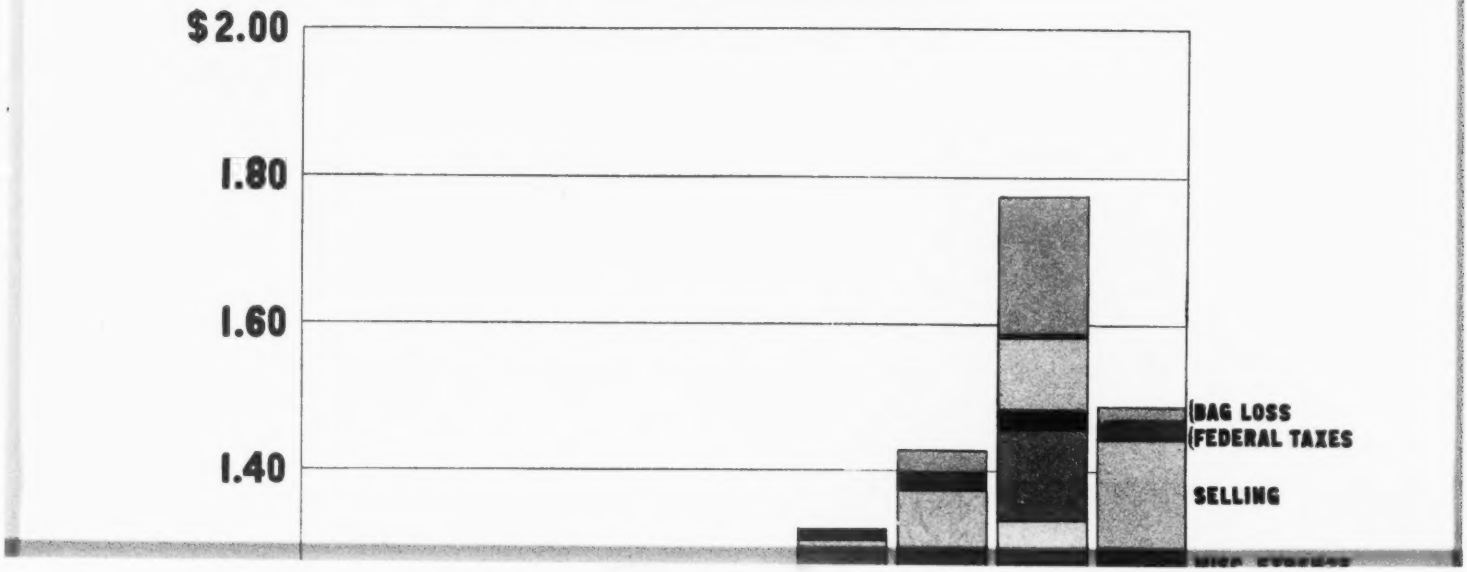
AVERAGE RECEIPTS PER BARREL FROM SALE OF CEMENT AT MILLS AND EXPENSE PER BARREL



THE ATLAS PORTLAND CEMENT COMPANY

VARIOUS ELEMENTS OF EXPENSE

YEARS 1913-1921

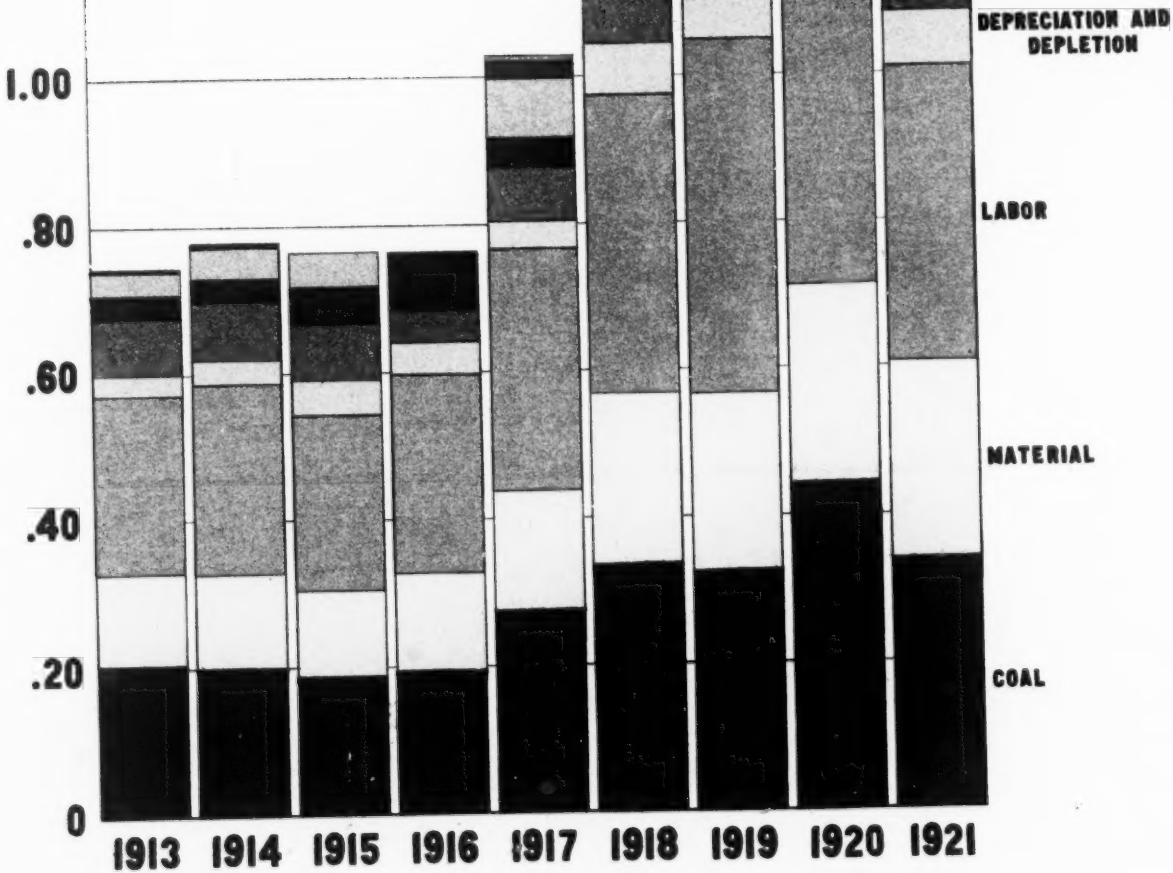


Deft. Ex. No. D 308

THE ATLAS PORTLAND CEMENT COMPANY

AVERAGE RECEIPTS PER BARREL FROM SALE OF CEMENT AT MILLS AND EXPENSE PER BARREL




1.00
.80
.60
.40
.20
0
1913
1914
1915
1916
1917
1918
1919
1920
1921
DEPRECIATION AND DEPLETION
LABOR
MATERIAL
COAL

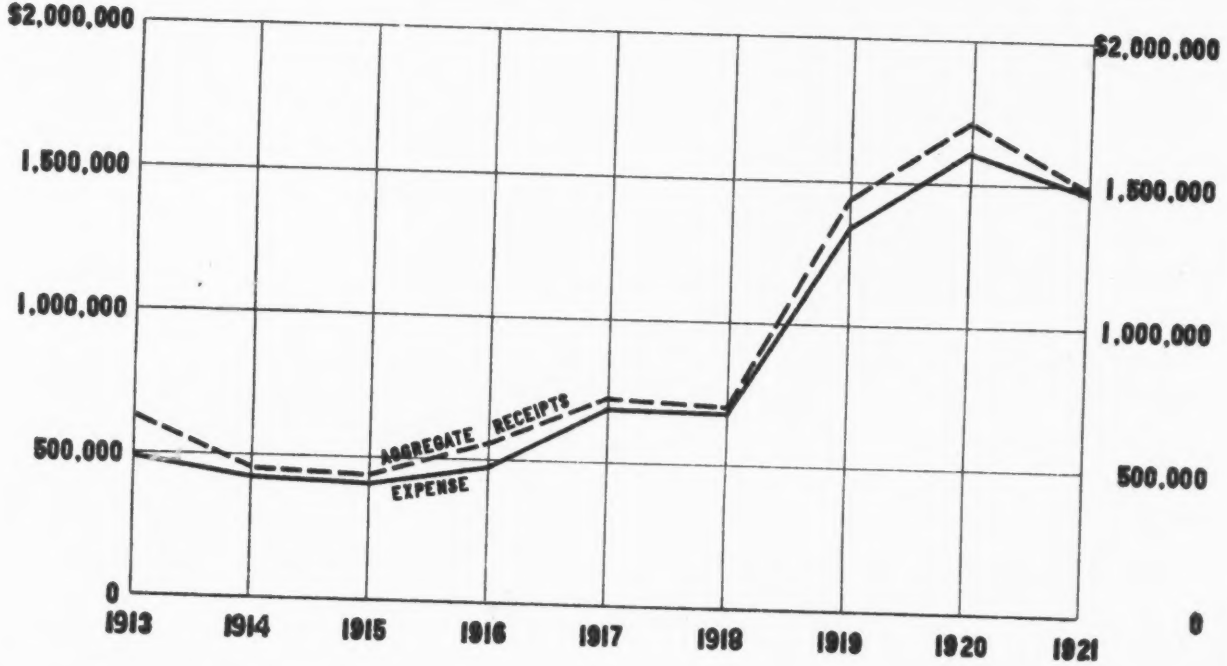
Deft. Ex. No. D 308

THE ATLAS PORTLAND CEMENT COMPANY

BATH PORTLAND CEMENT COMPANY

Deft. Ex. No. D 310

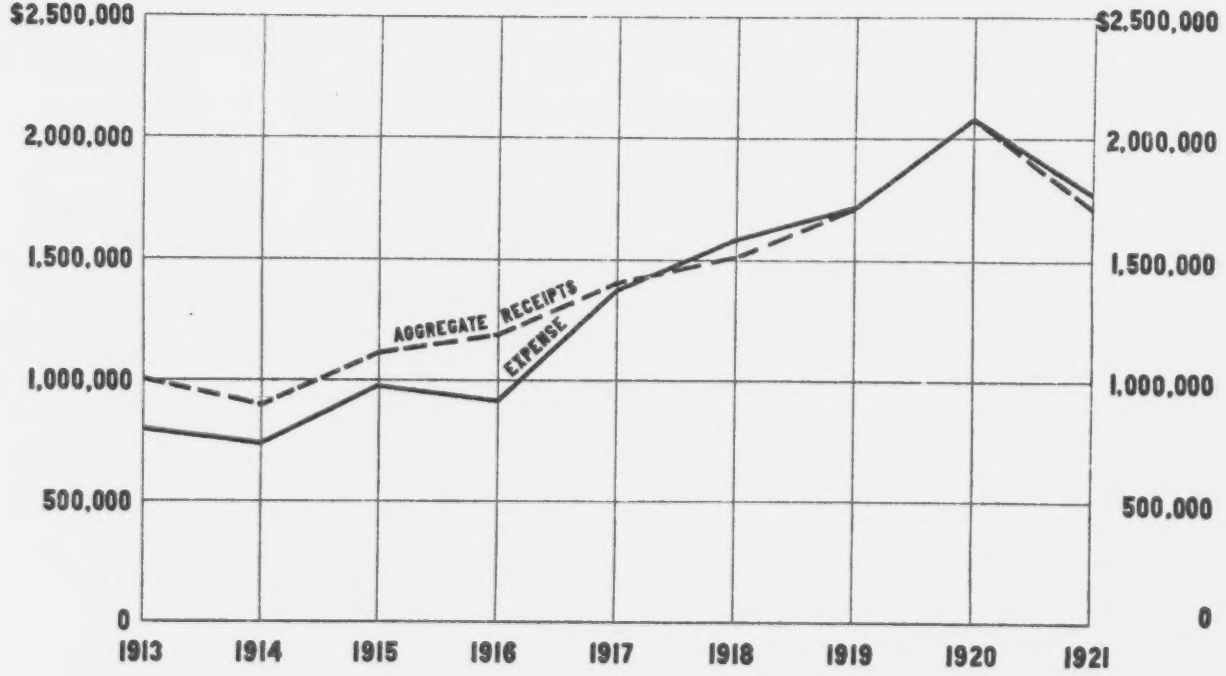
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 311

COPLAY CEMENT MANUFACTURING COMPANY

AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



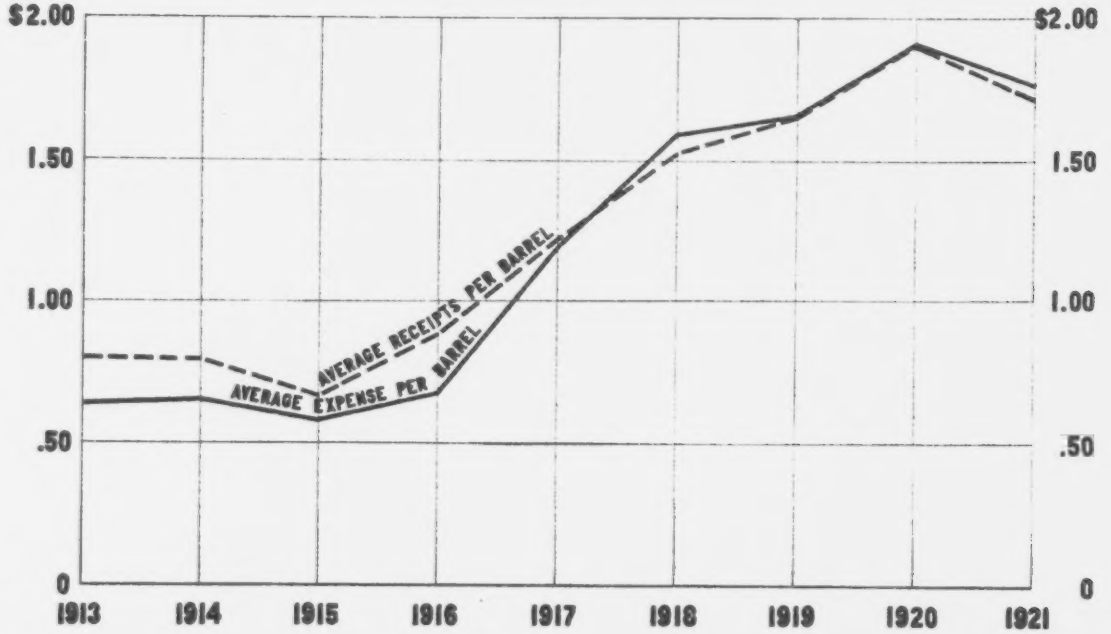
1354

2350

Deft. Ex. No. D 312

COPLAY CEMENT MANUFACTURING COMPANY

AVERAGE RECEIPTS PER BARREL FROM SALE OF CEMENT AT MILLS AND EXPENSE PER BARREL



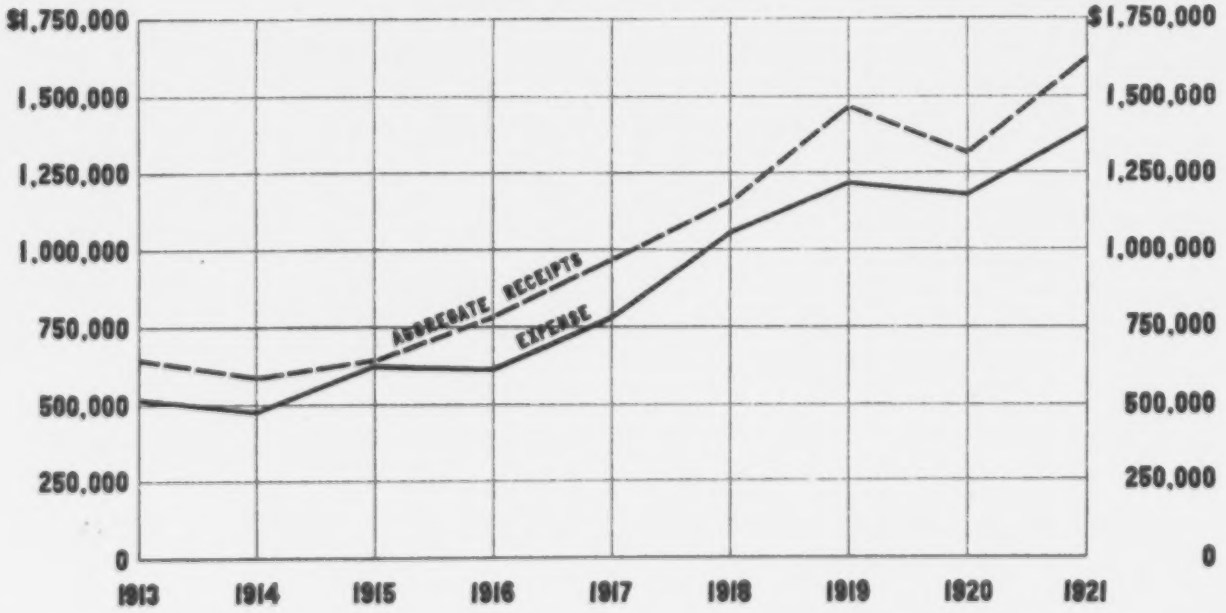
1355

2351

Deft. Ex. No. D 314

DEXTER PORTLAND CEMENT COMPANY

AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



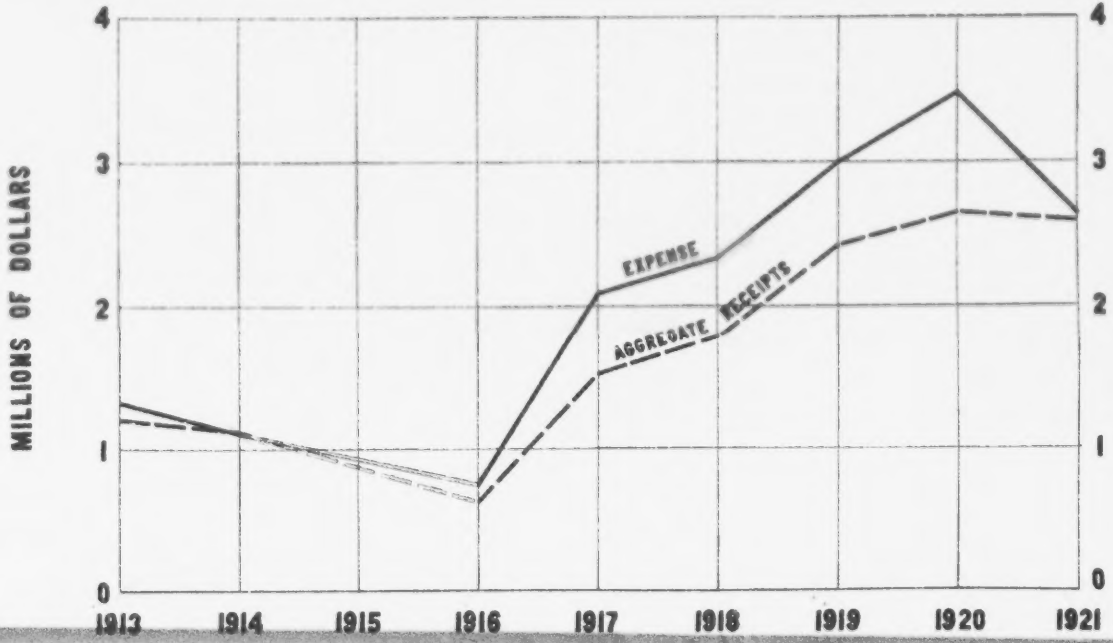
1356

2352

EDISON PORTLAND CEMENT COMPANY

Deft. Ex. No. D 315

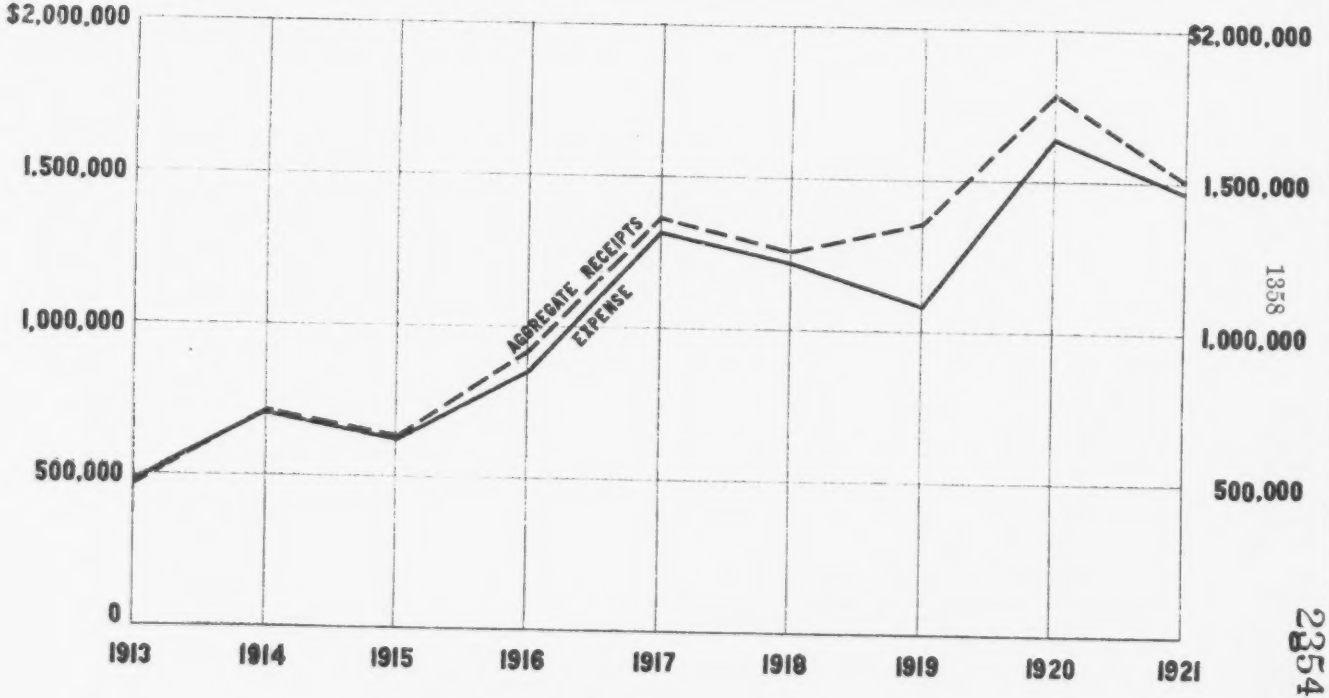
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



GIANT PORTLAND CEMENT COMPANY

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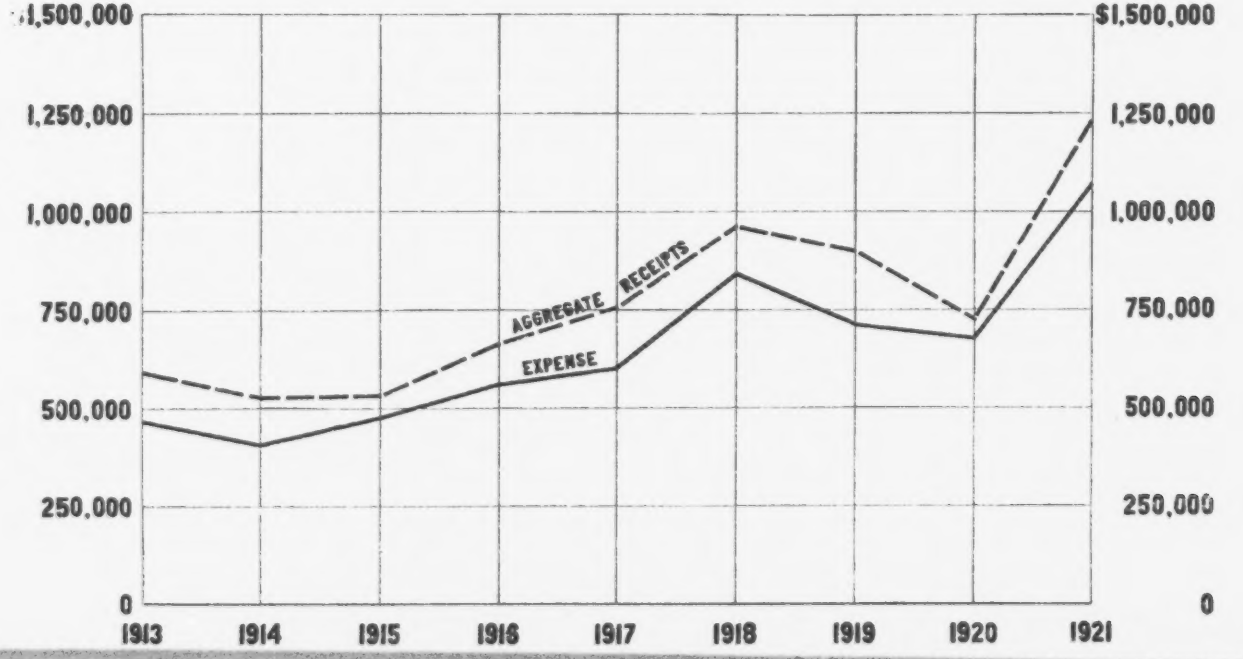
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 317

GLENS FALLS PORTLAND CEMENT COMPANY

AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



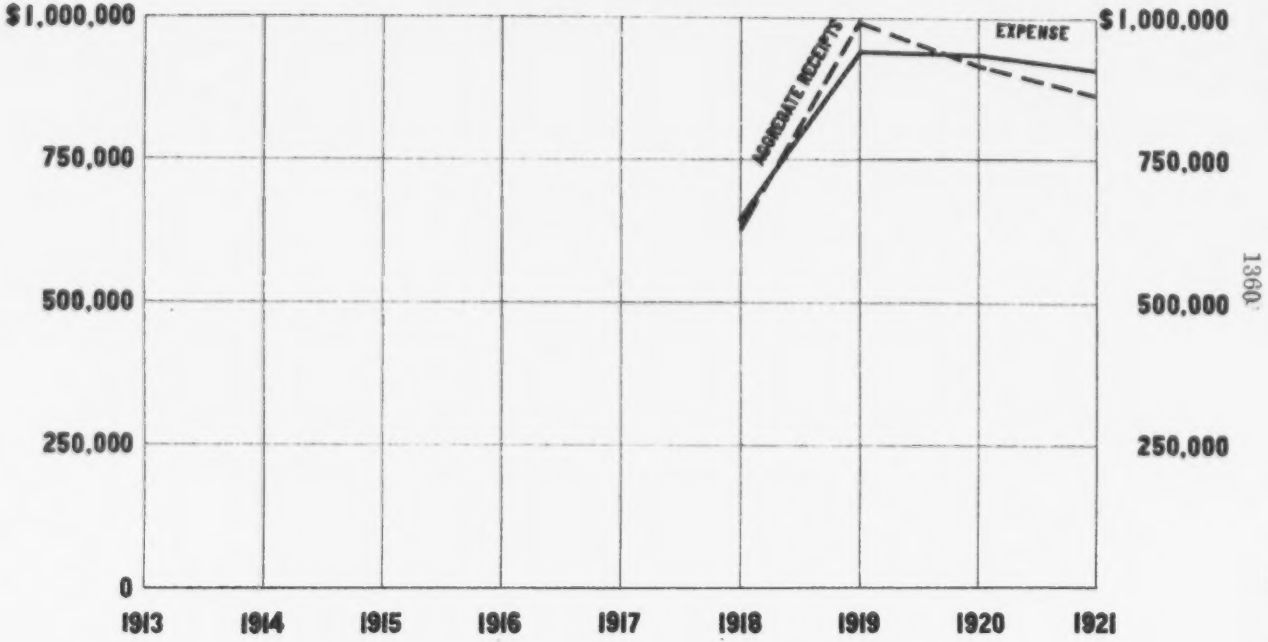
1939

2355

HERCULES CEMENT CORPORATION

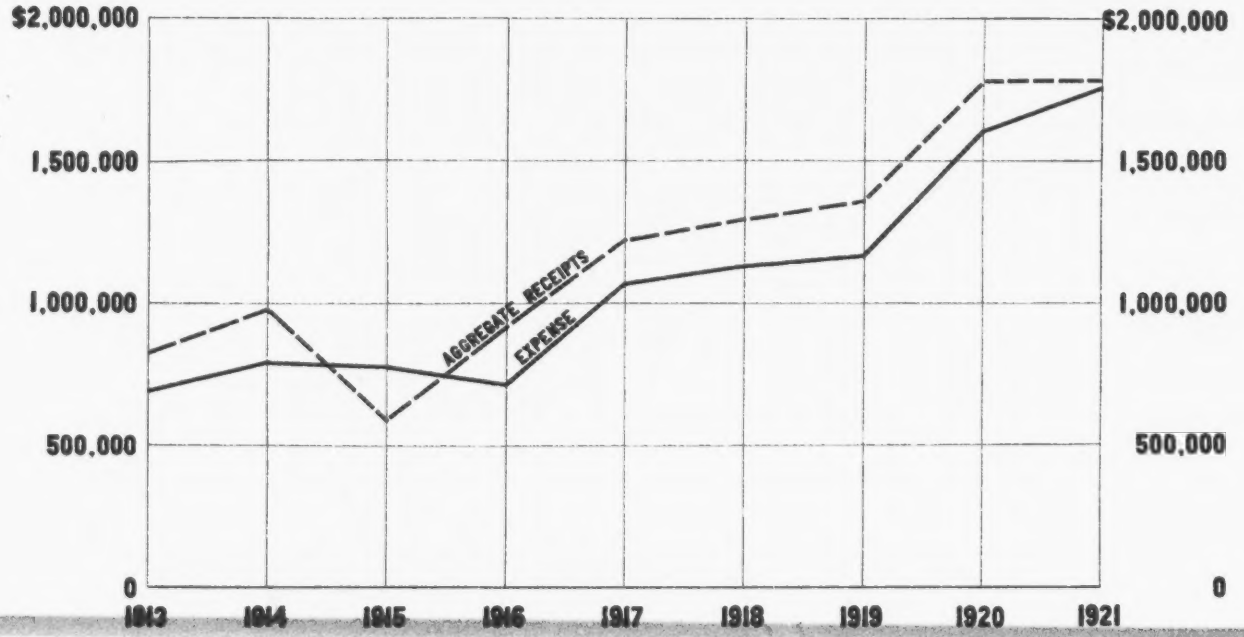
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE

Deft. Ex. No. D 318



KNICKERBOCKER PORTLAND CEMENT COMPANY Deft. Ex. No. D 319

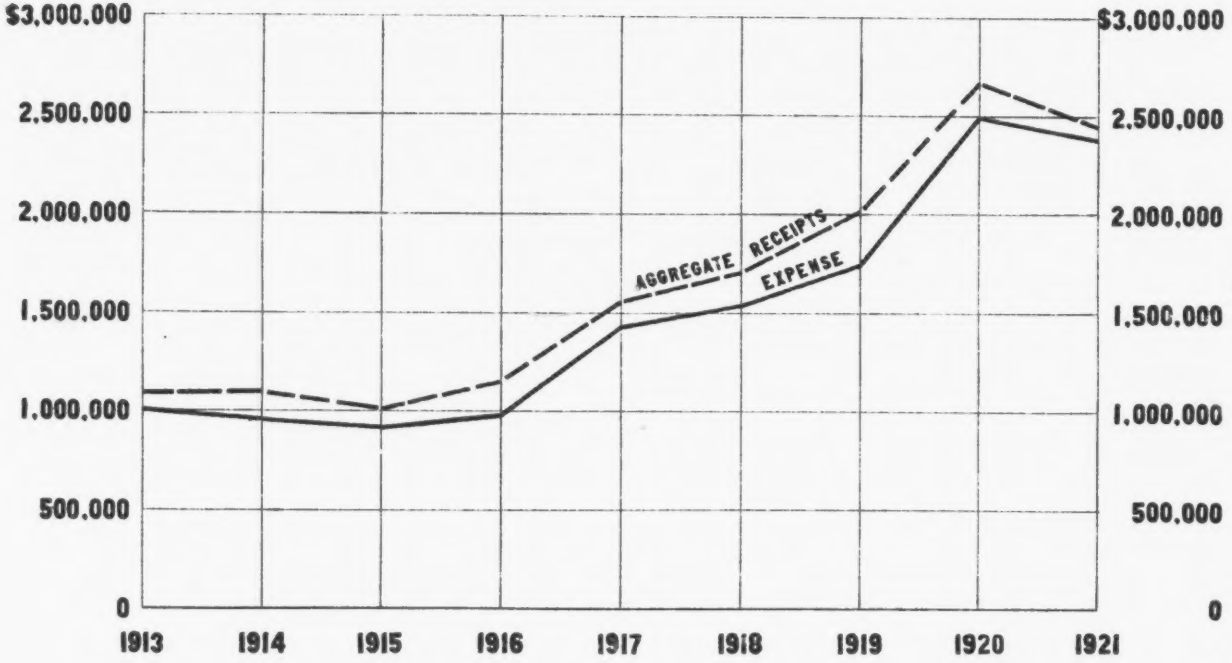
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



LAWRENCE PORTLAND CEMENT COMPANY

Deft. Ex. No. D 320

AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



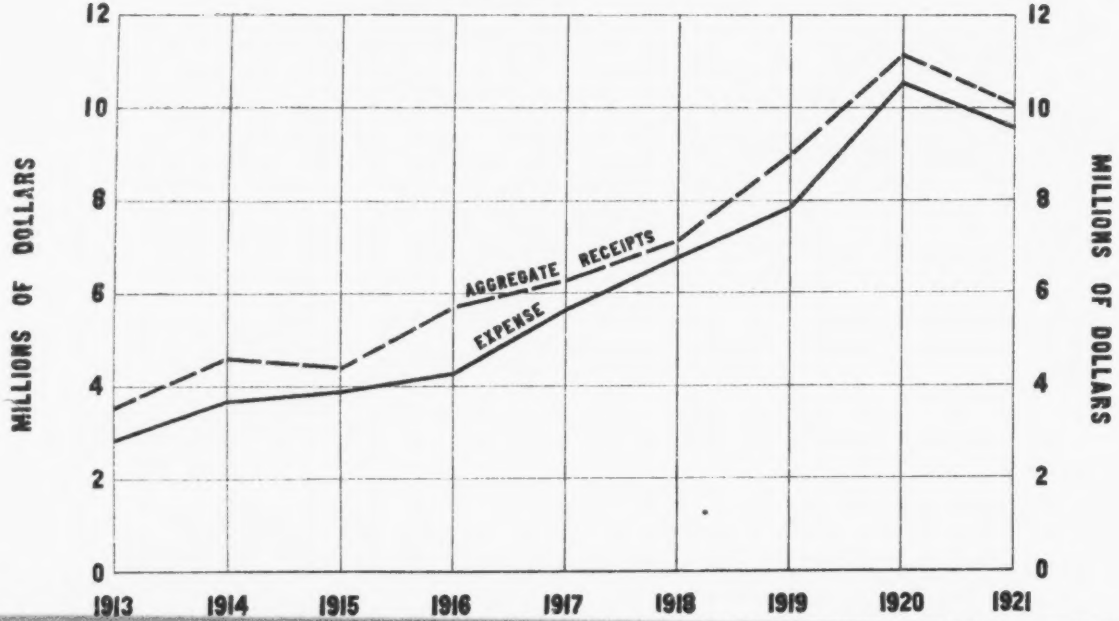
1362

2358

Deft. Ex. No. D 321

LEHIGH PORTLAND CEMENT COMPANY

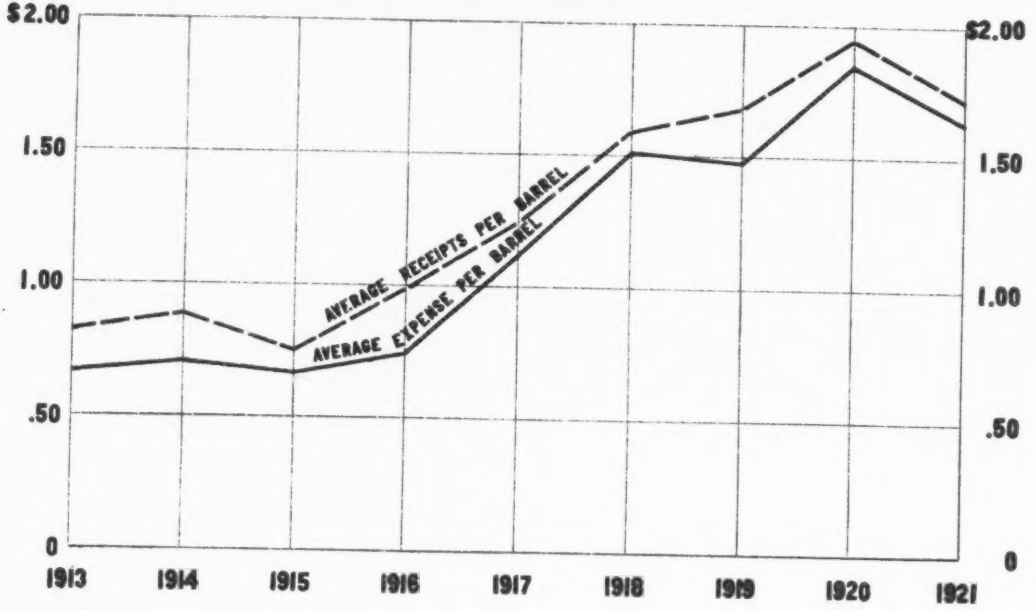
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 322

LEHIGH PORTLAND CEMENT COMPANY

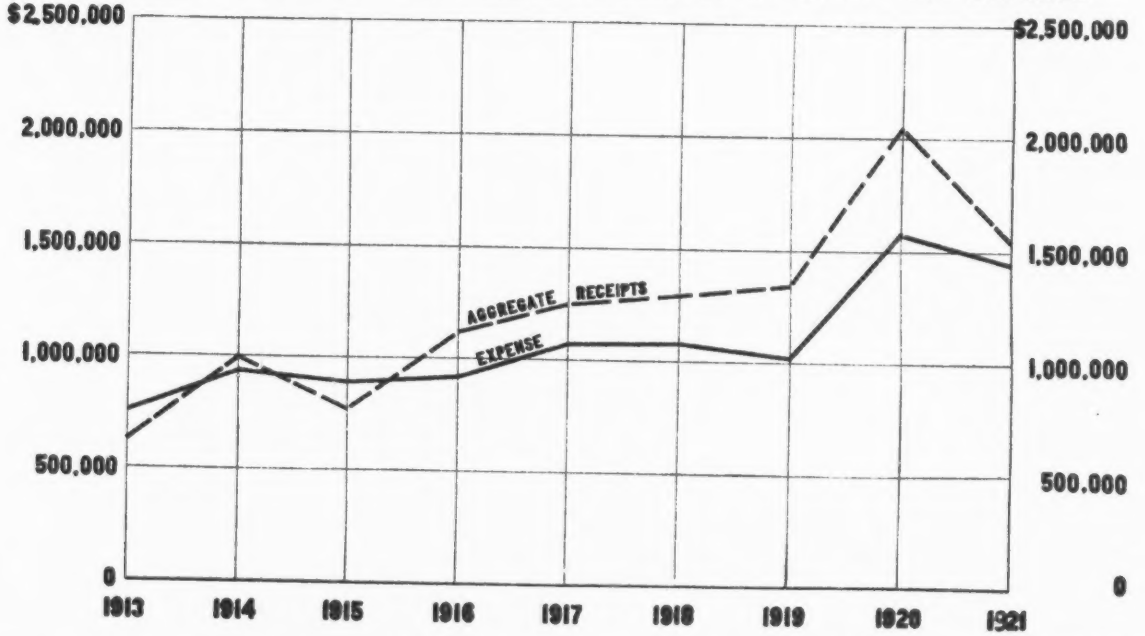
AVERAGE RECEIPTS PER BARREL FROM SALE OF CEMENT AT MILLS AND EXPENSE PER BARREL



Deft. Ex. No. D 324

NAZARETH CEMENT COMPANY

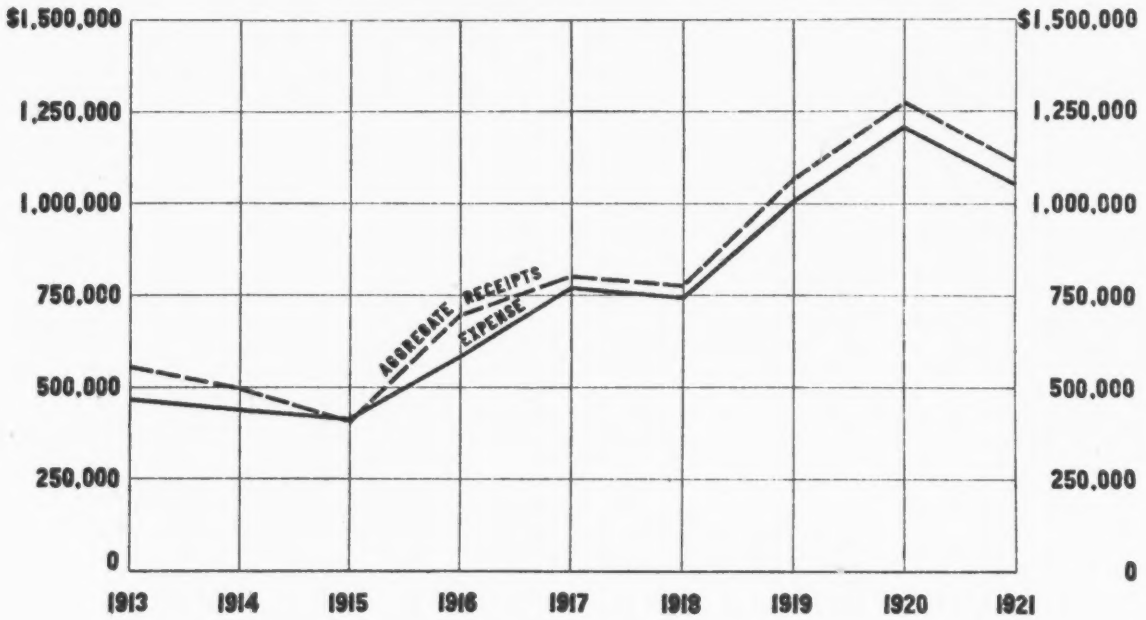
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



PENN-ALLEN CEMENT COMPANY

Deft. Ex. No. D 325

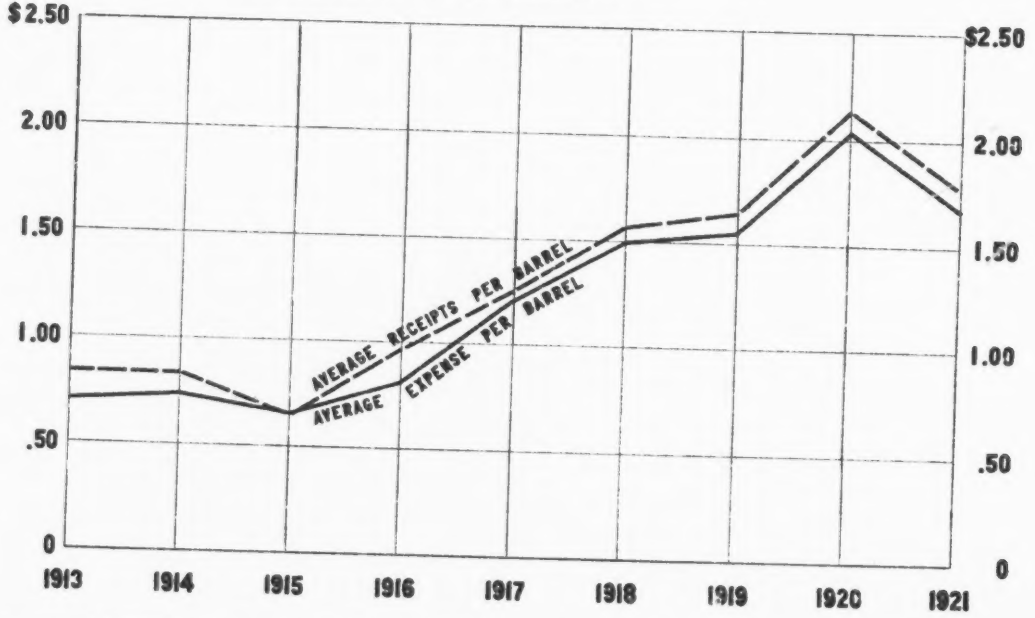
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 326

PENN-ALLEN CEMENT COMPANY

AVERAGE RECEIPTS PER BARREL FROM SALE OF CEMENT AT MILLS AND EXPENSE PER BARREL



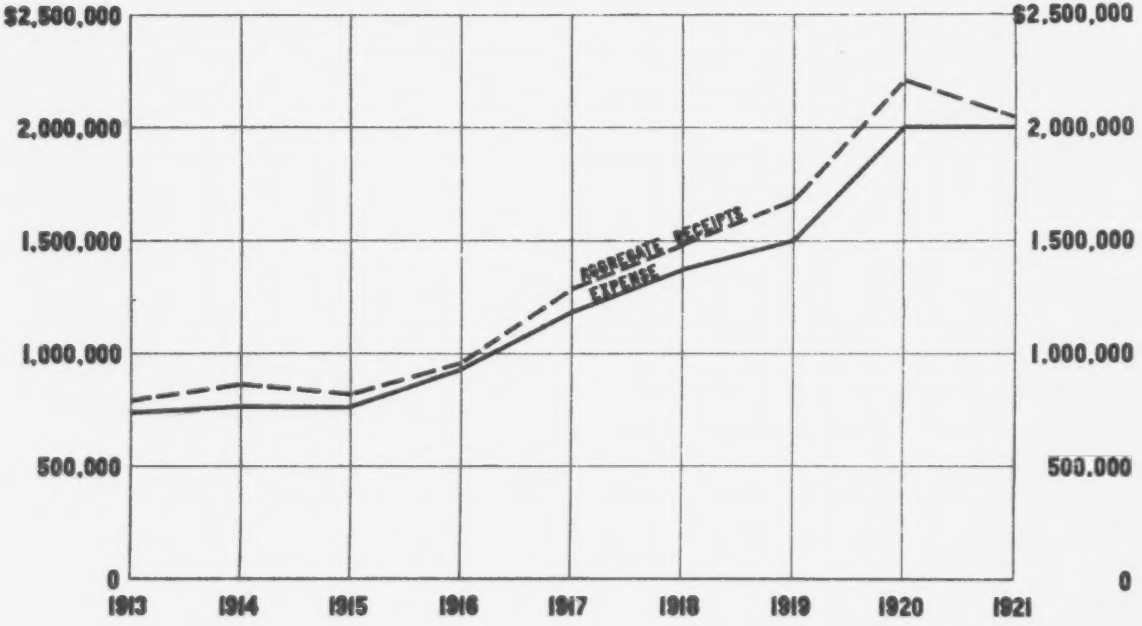
1307

2363

Deft. Ex. No. D 328

PENNSYLVANIA CEMENT COMPANY

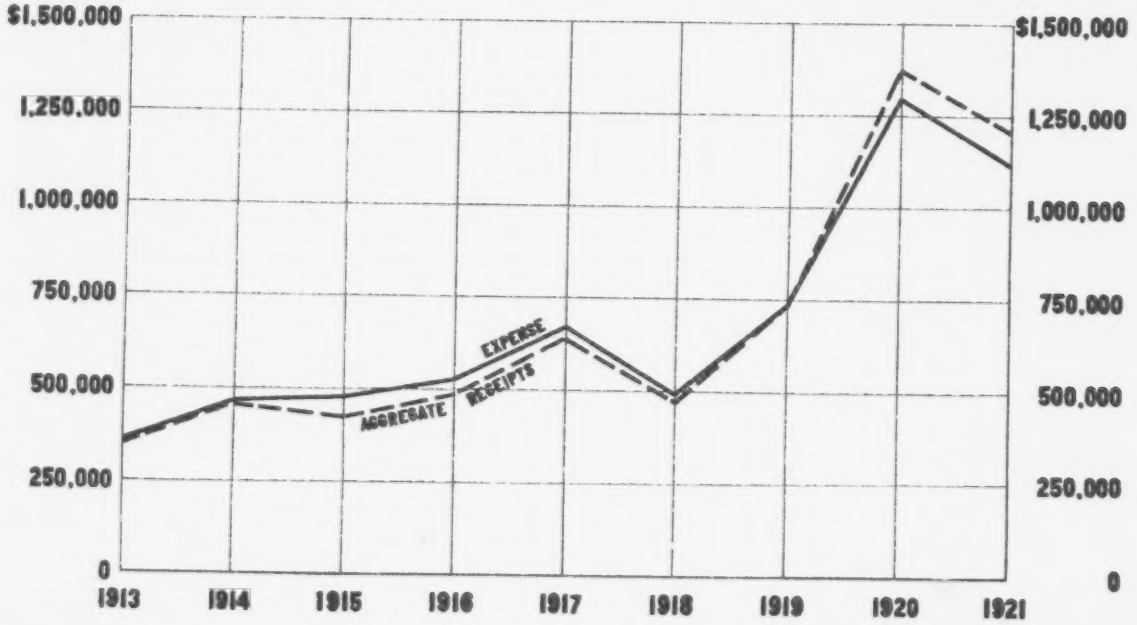
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 329

PHOENIX PORTLAND CEMENT COMPANY

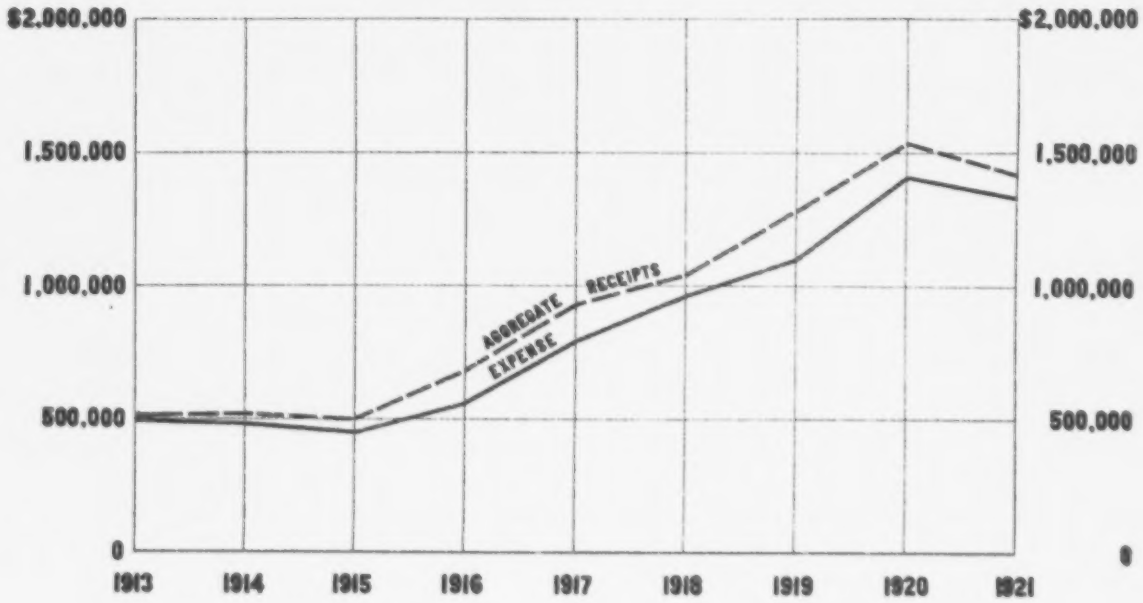
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



SECURITY CEMENT AND LIME COMPANY

Deft. Ex. No. D 330

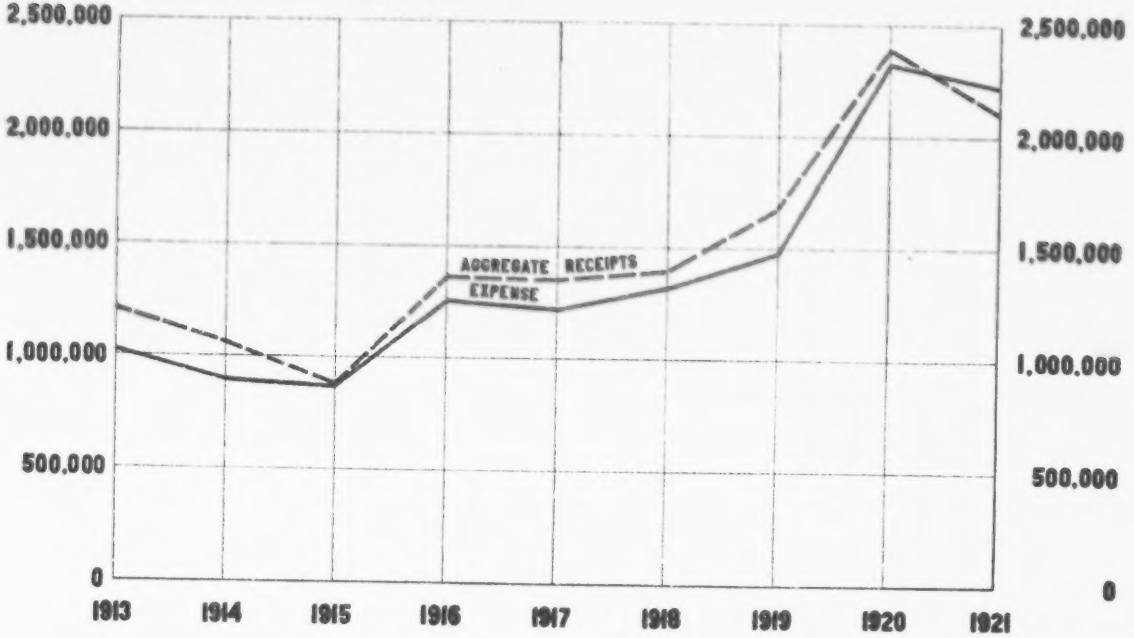
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



VULCANITE PORTLAND CEMENT COMPANY

Deft. Ex. No. D 331

AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



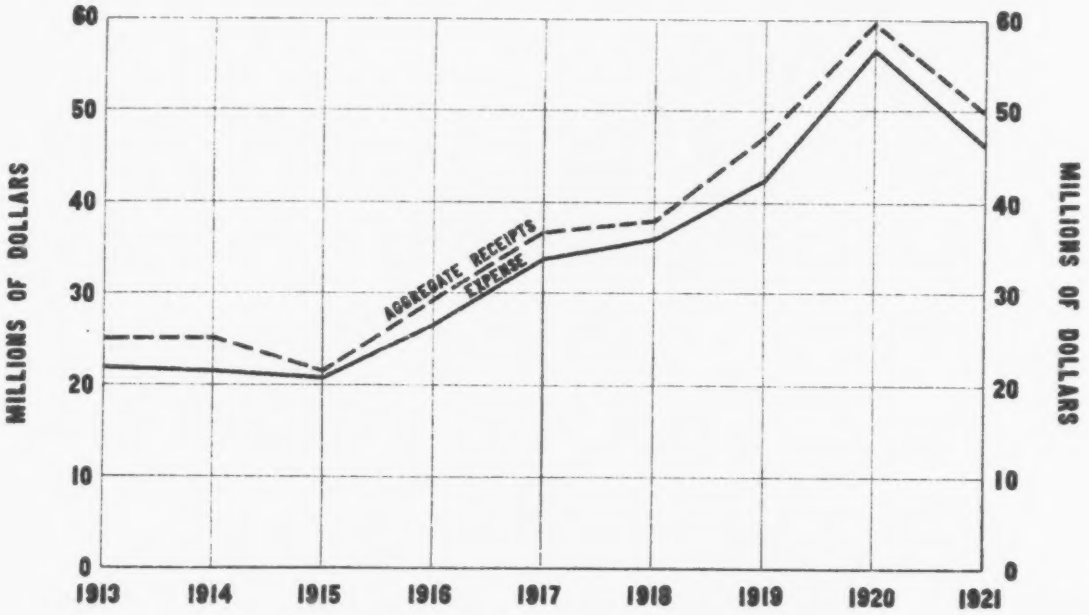
1371

2367

Deft. Ex. No. D 332

19 COMPANIES

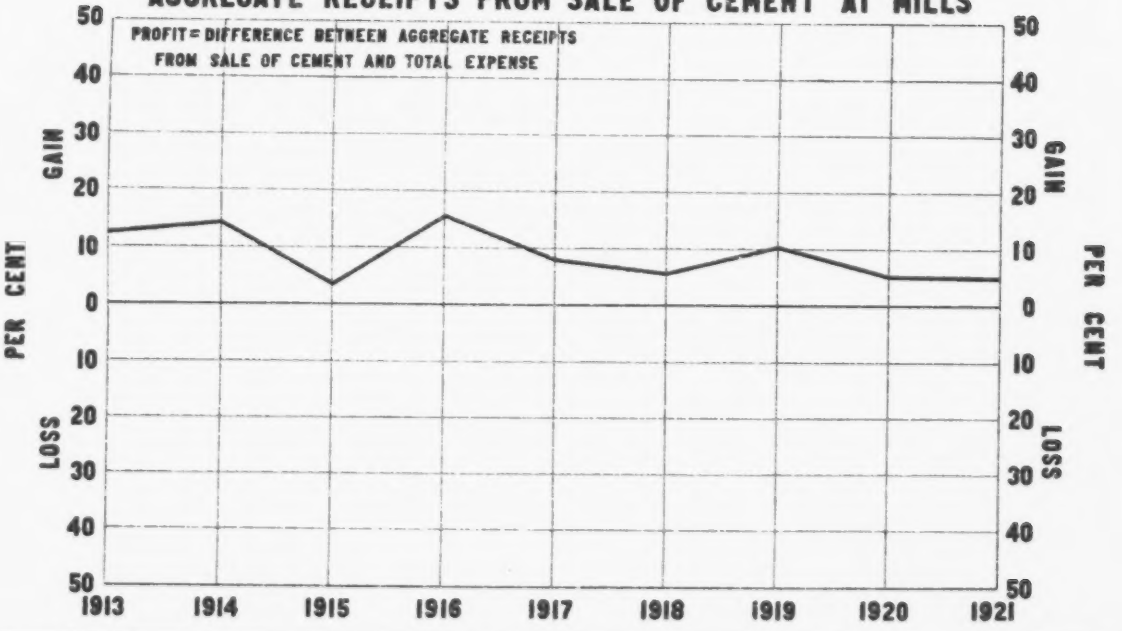
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS AND EXPENSE



Deft. Ex. No. D 333

19 COMPANIES

PERCENTAGE OF PROFITS
TO
AGGREGATE RECEIPTS FROM SALE OF CEMENT AT MILLS



1973

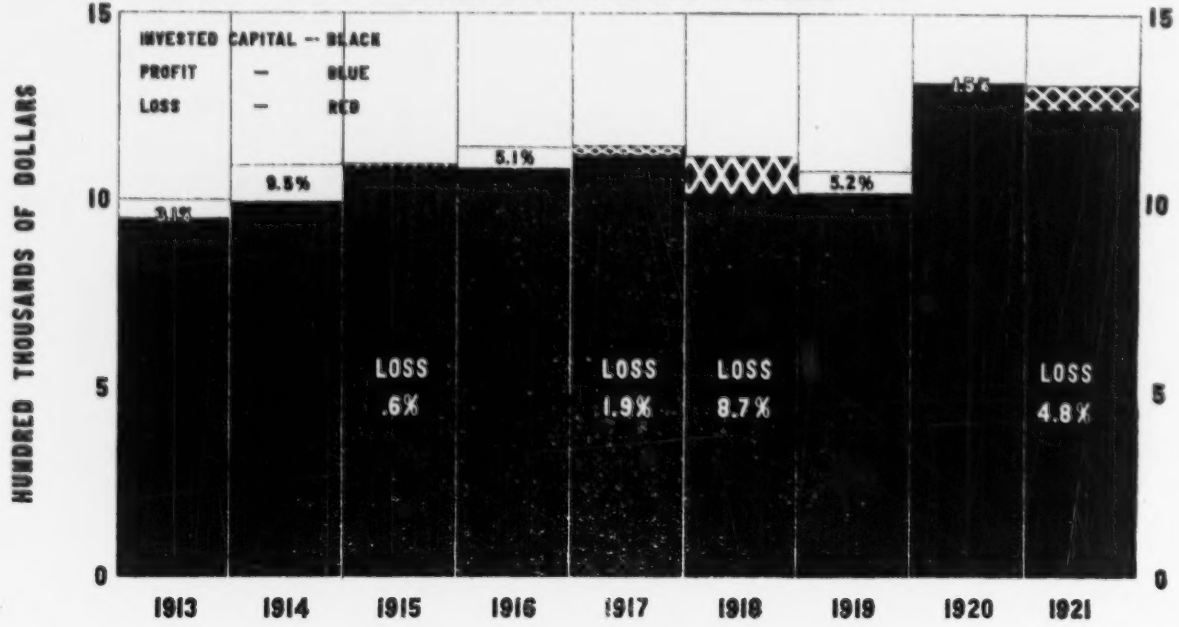
2369

Deft. Ex. No. D 334

ALLENTOWN PORTLAND CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1374

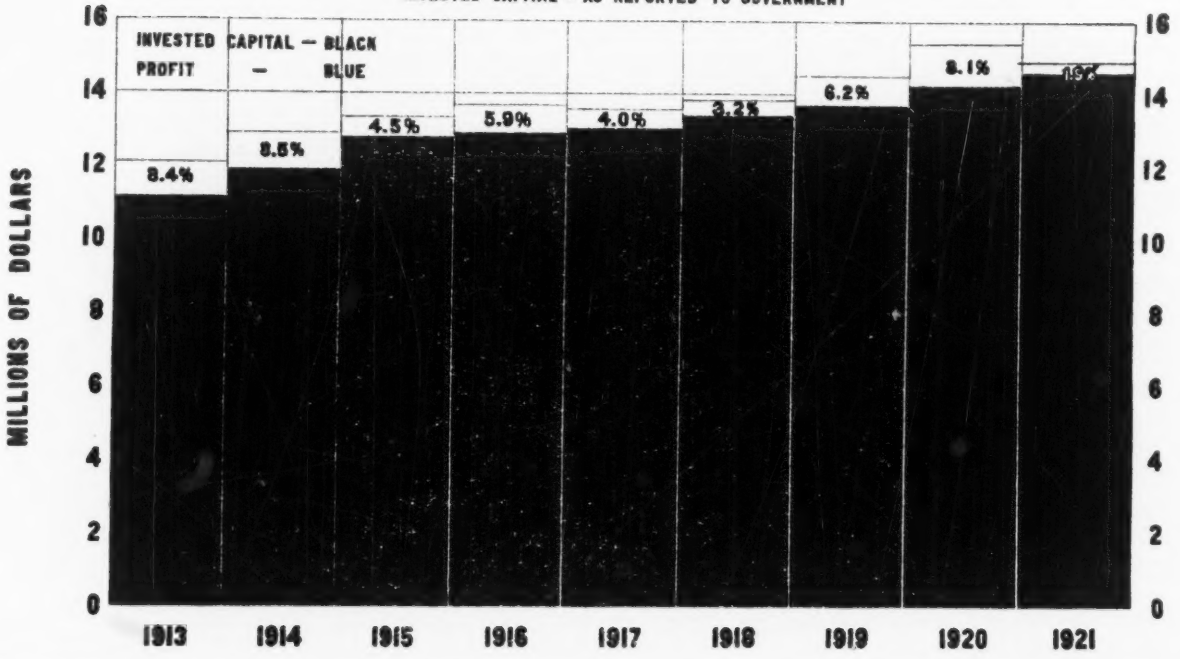
2370

Deft. Ex. No. D 335

ALPHA PORTLAND CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1375

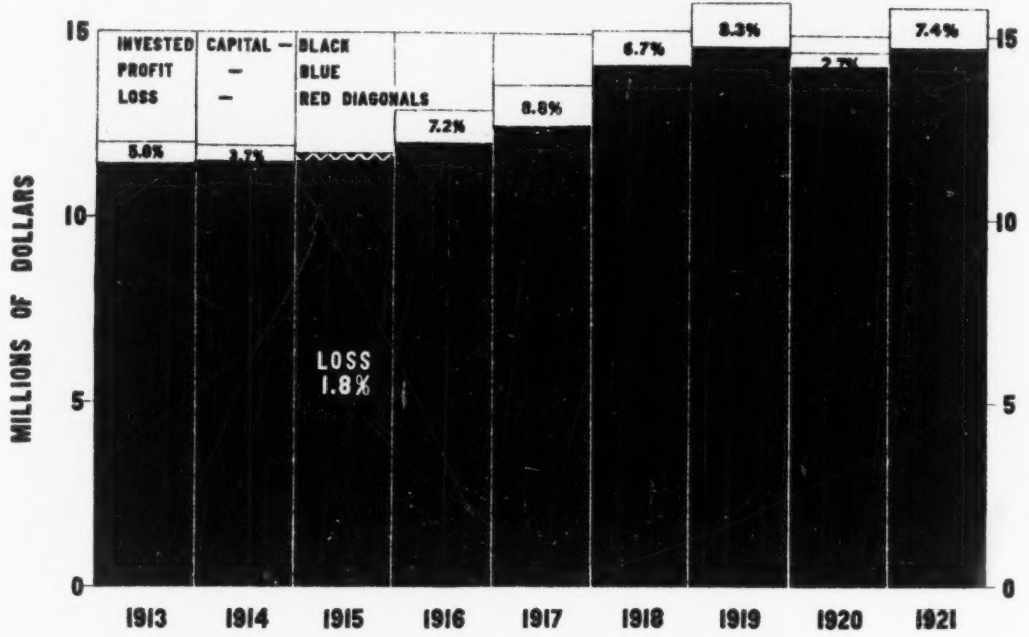
2371

Deft. Ex. No. D 336

THE ATLAS PORTLAND CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1376

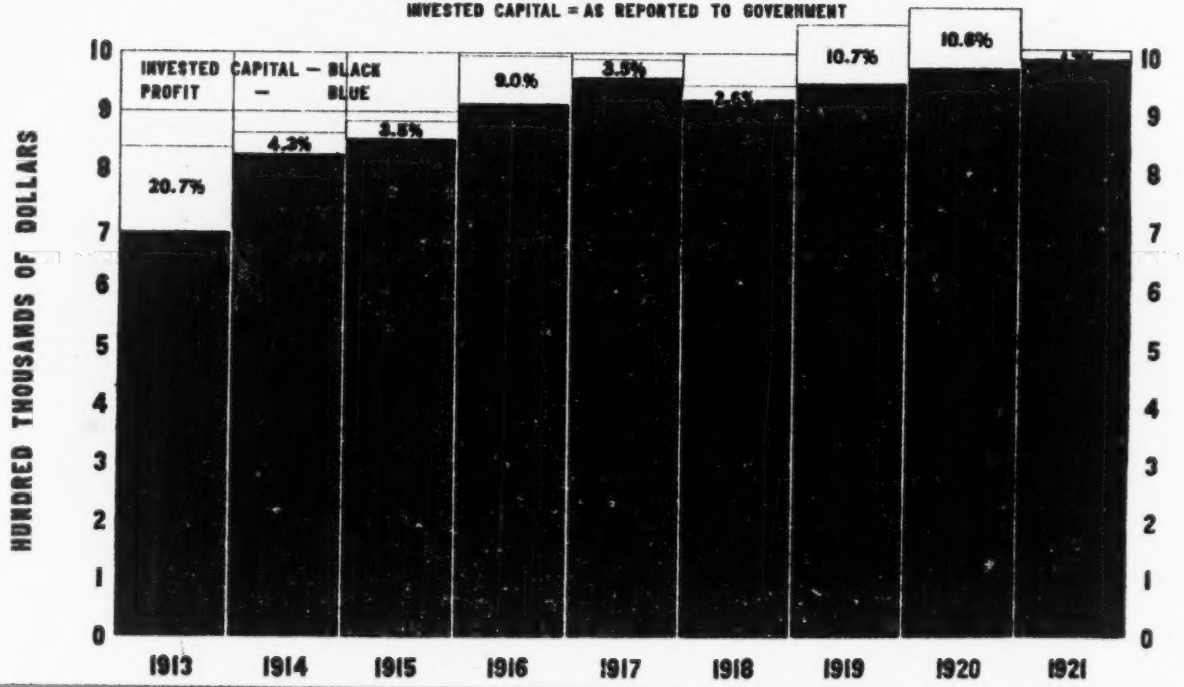
2372

BATH PORTLAND CEMENT COMPANY

Deft. Ex. No. D 337

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1377

2373

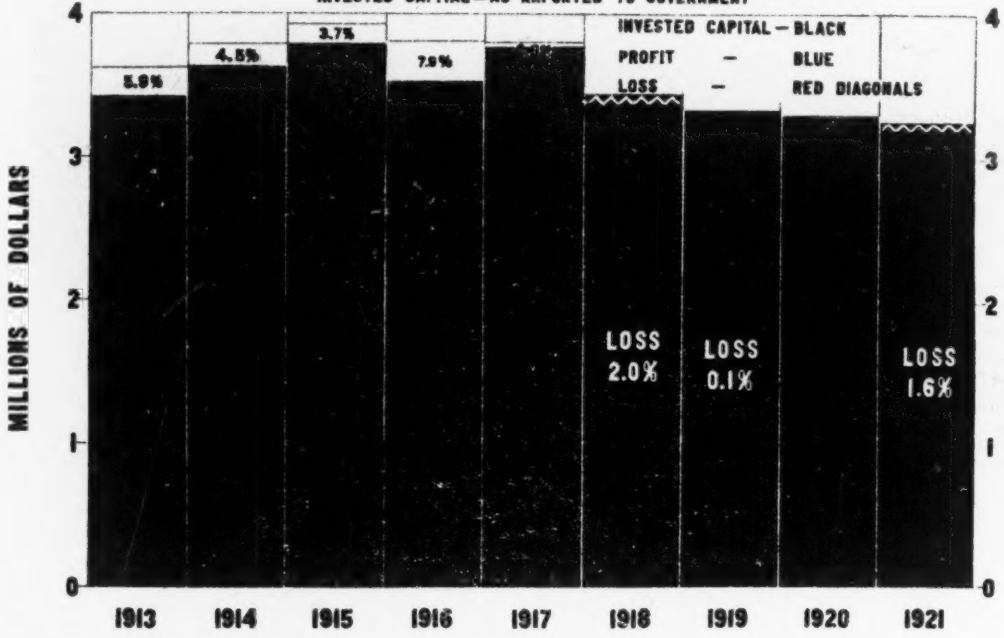
Deft. Ex. No. D 338

COPLAY CEMENT MANUFACTURING COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1378

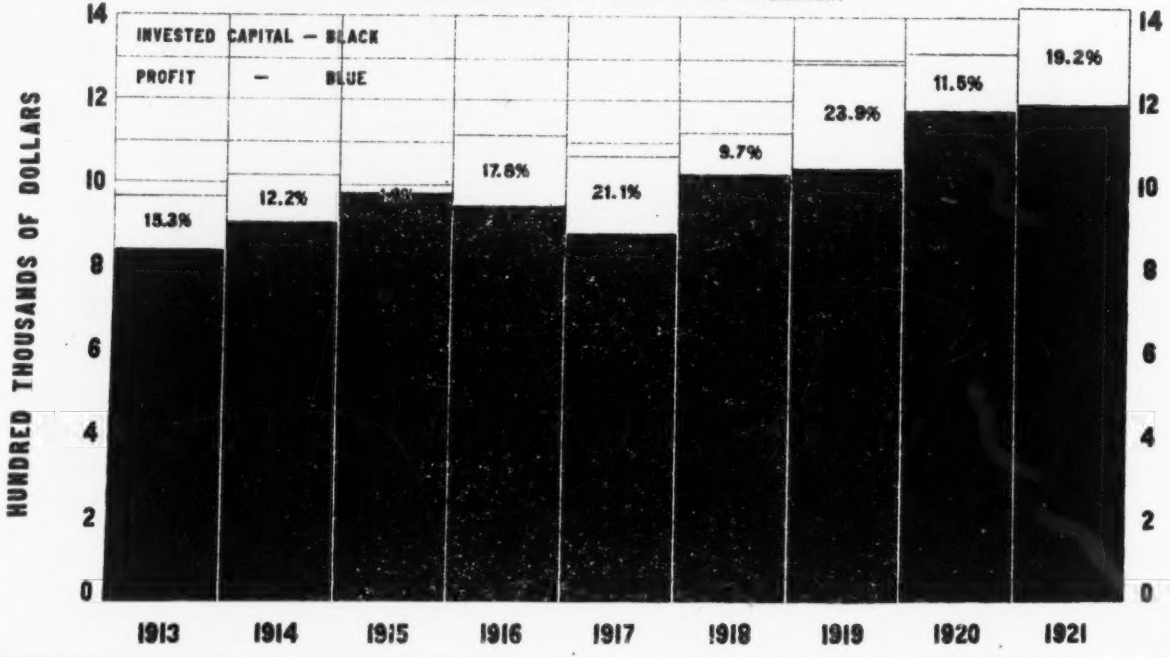
2874

Deft. Ex. No. D 339

DEXTER PORTLAND CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1379

2375

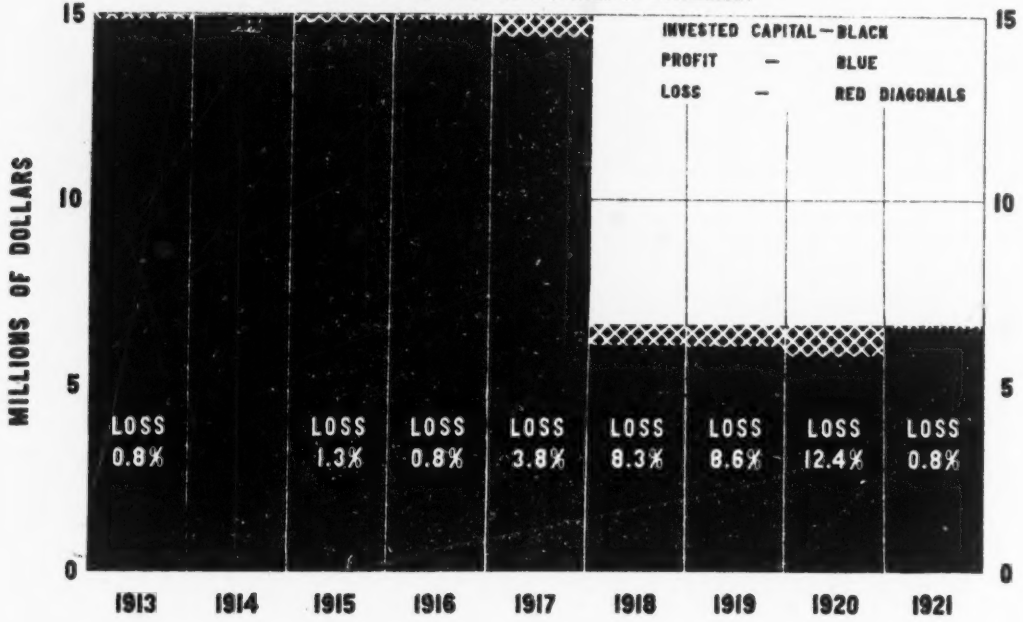
EDISON PORTLAND CEMENT COMPANY

Deft. Ex. No. D 340

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1380

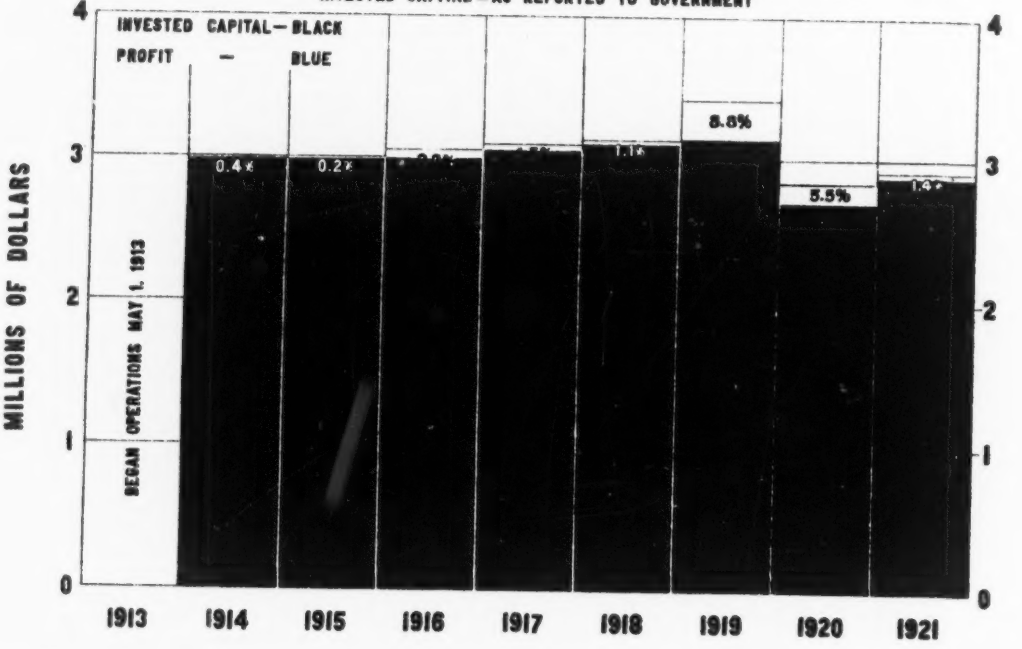
2376

GIANT · PORTLAND CEMENT COMPANY ·

Deft. Ex. No. D 341

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1381

2377

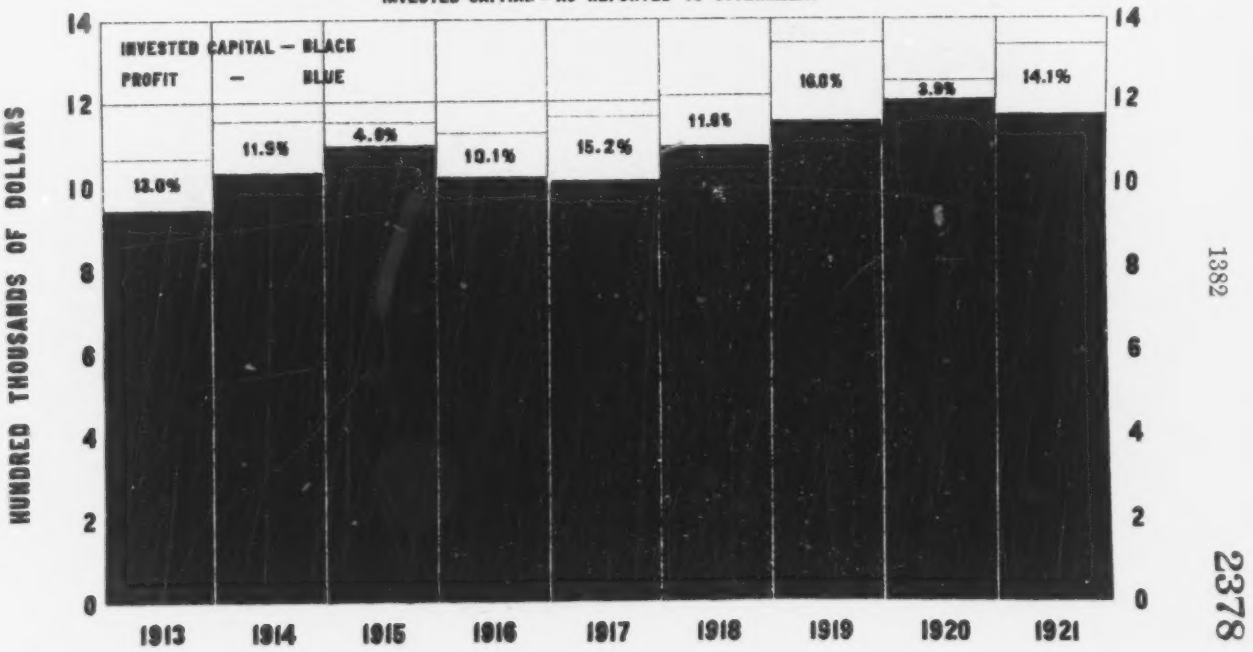
GLENS FALLS PORTLAND CEMENT COMPANY

Deft. Ex. No. D 342

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1382

2378

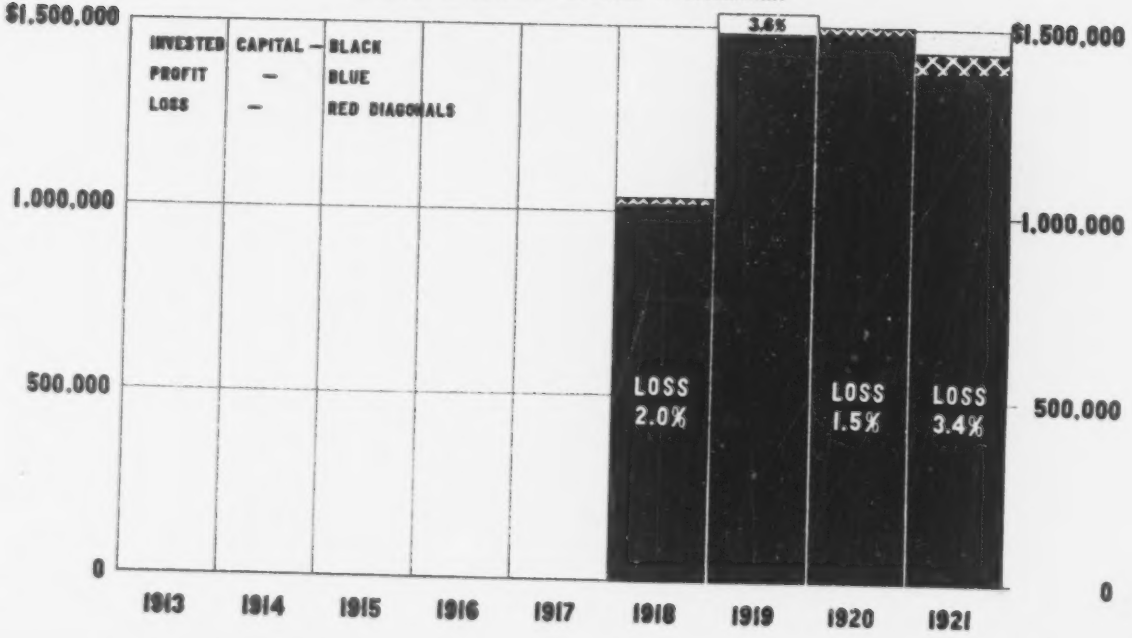
HERCULES CEMENT CORPORATION

Deft. Ex. No. D 343

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



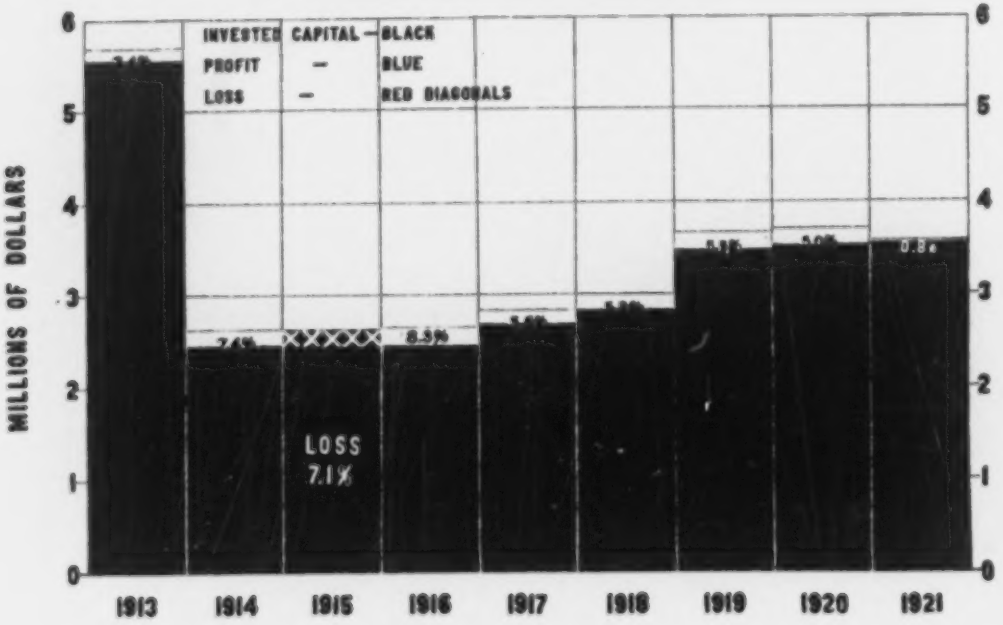
1383

2379

KNICKERBOCKER PORTLAND CEMENT COMPANY INC. Deft. Ex. No. D 344

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1384

2380

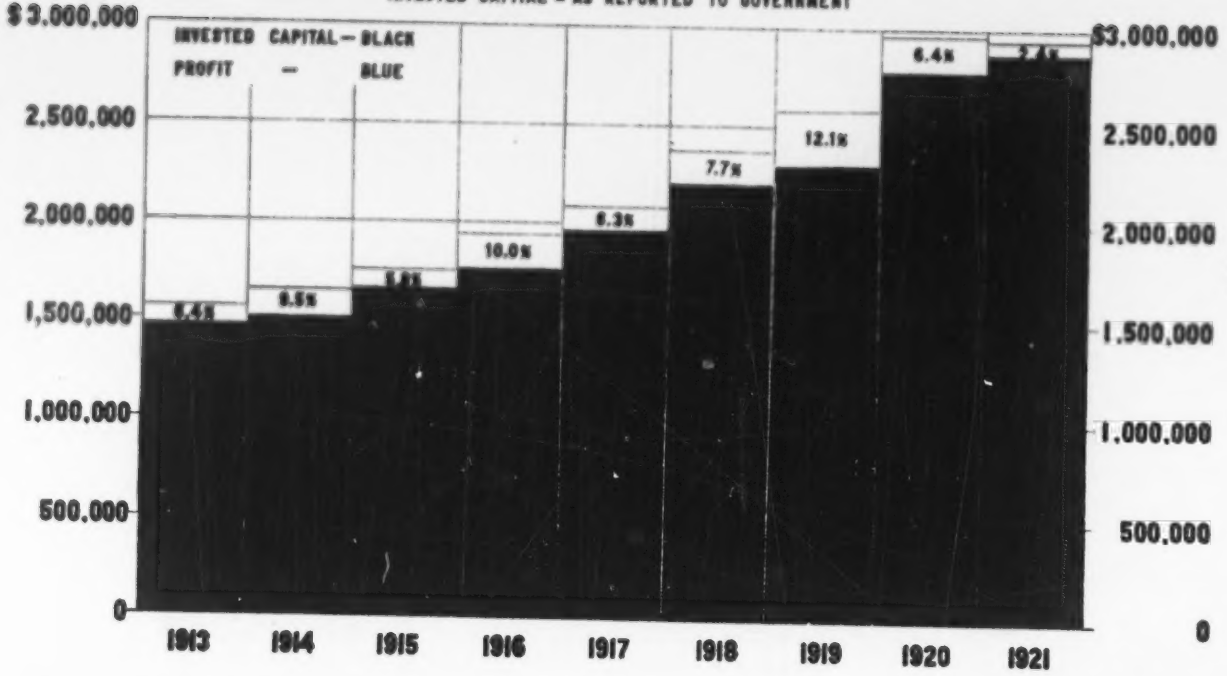
Deft. Ex. No. D 345

LAWRENCE PORTLAND CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



89—551

1385

2381

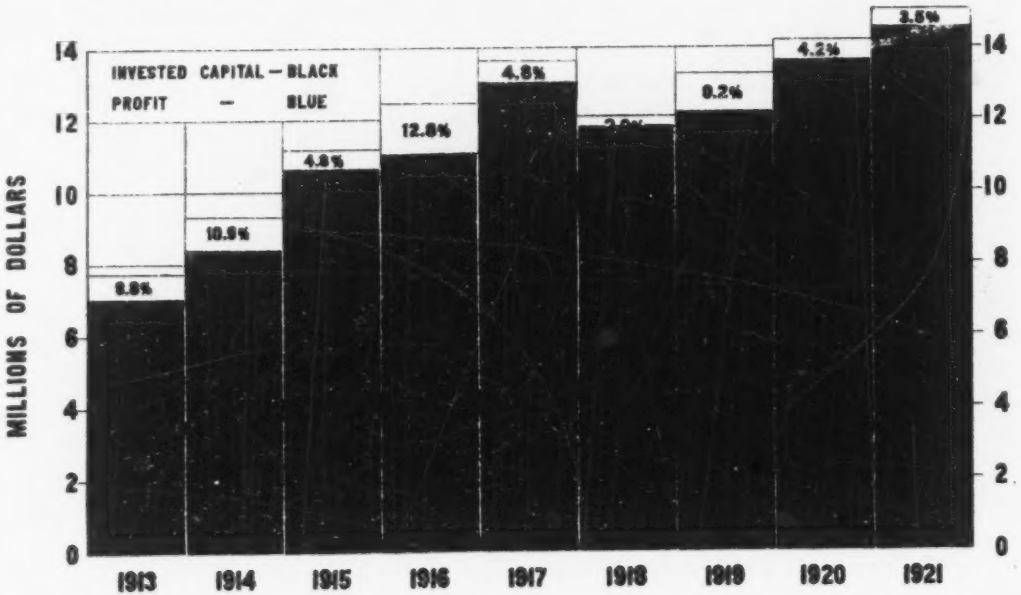
LEHIGH PORTLAND CEMENT COMPANY

Deft. Ex. No. D 346

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1386

2382

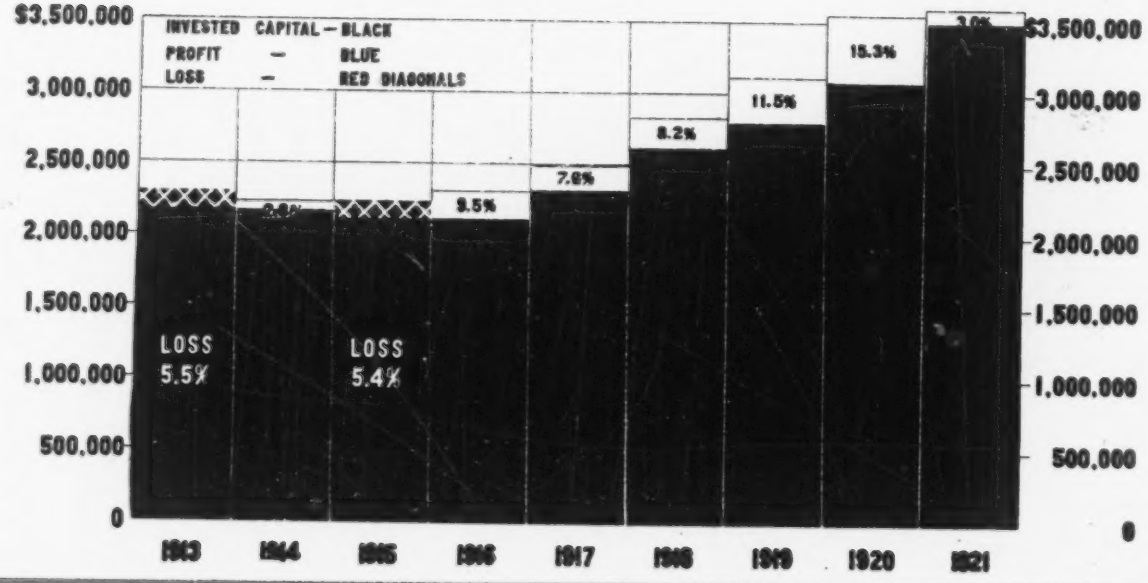
NAZARETH CEMENT COMPANY

Deft. Ex. No. D 347

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1387

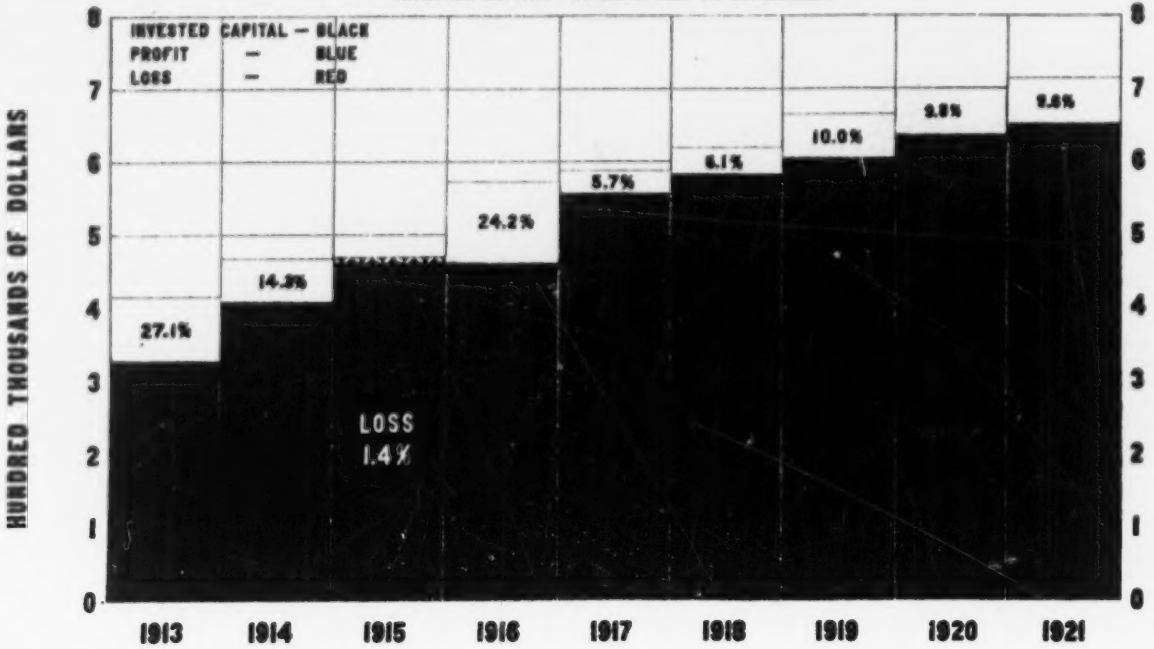
2383

PENN-ALLEN CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

Deft. Ex. No. D 348

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1388

2384

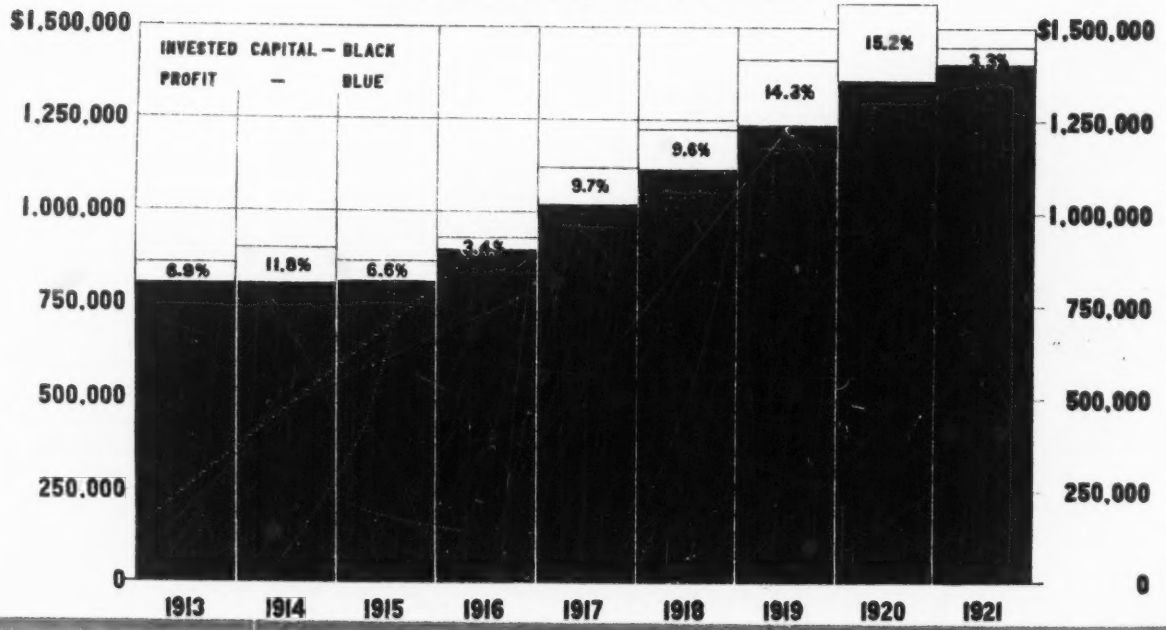
Deft. Ex. No. D 349

PENNSYLVANIA CEMENT COMPANY

PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES

INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



1389

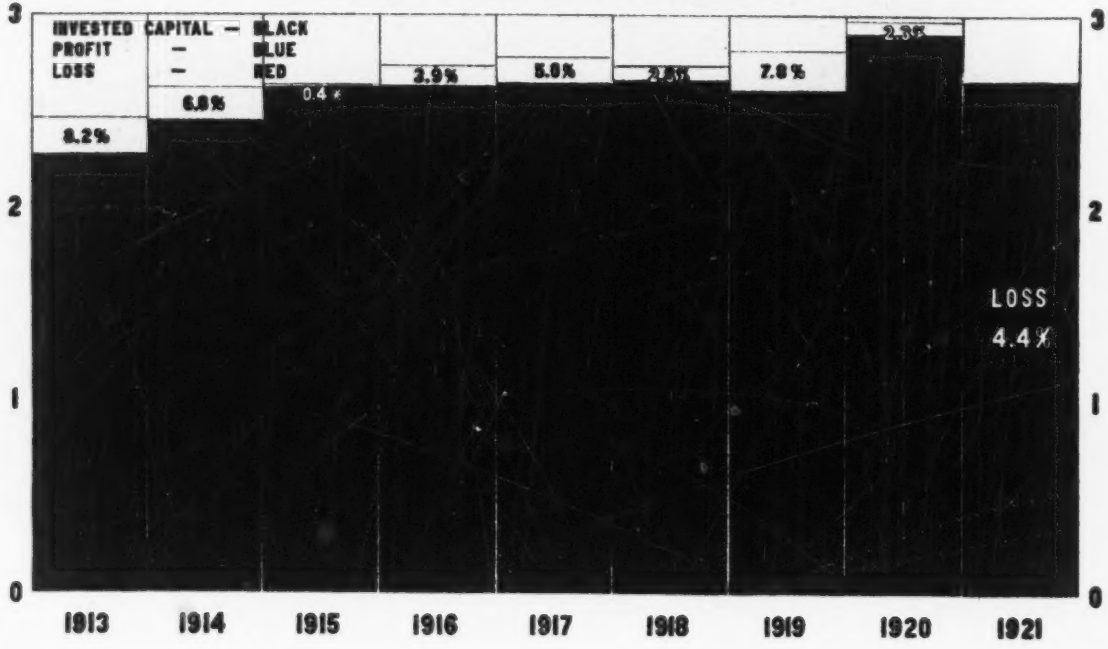
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VULCANITE PORTLAND CEMENT COMPANY

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PROFIT AND INVESTED CAPITAL

PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



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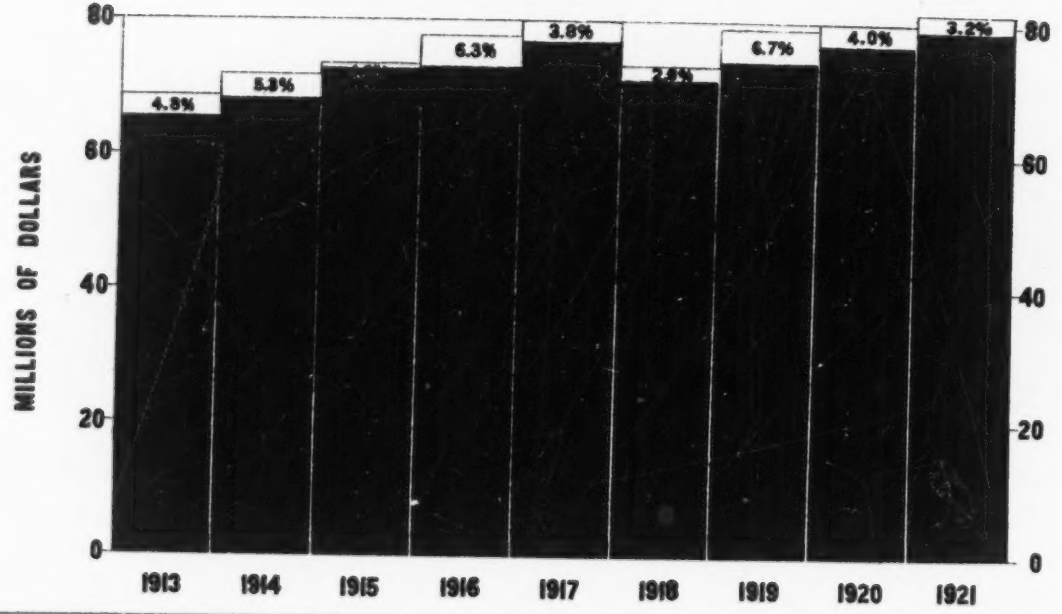
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19 COMPANIES

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PROFIT AND INVESTED CAPITAL

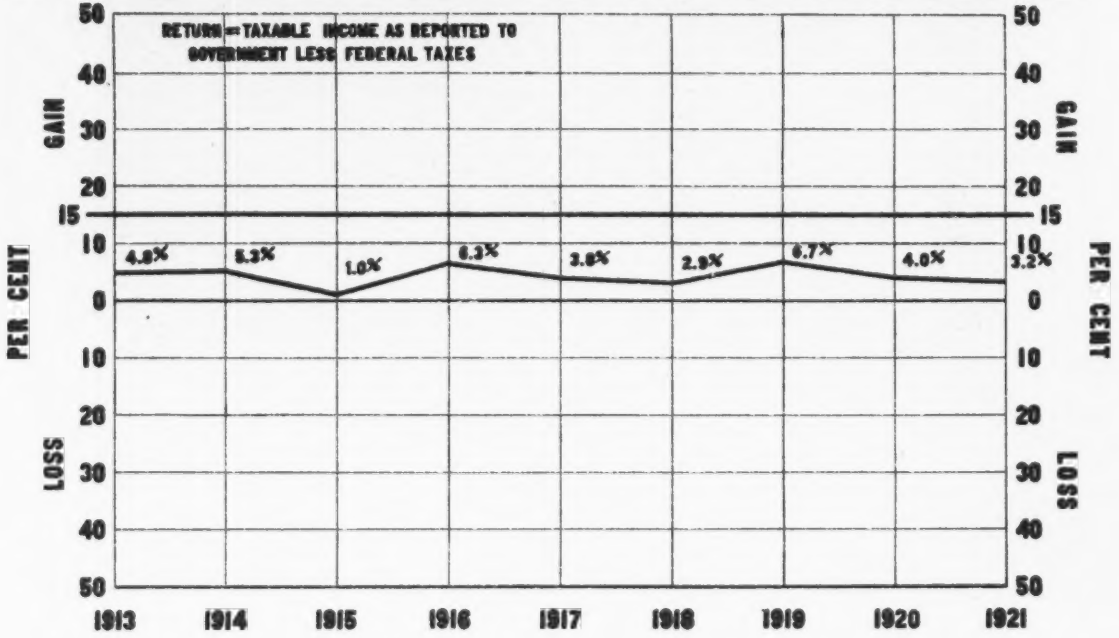
PROFIT = NET TAXABLE INCOME AS REPORTED TO GOVERNMENT LESS TAXES
INVESTED CAPITAL = AS REPORTED TO GOVERNMENT



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19 COMPANIES

PERCENTAGE OF RETURN ON INVESTED CAPITAL AS REPORTED TO GOVERNMENT



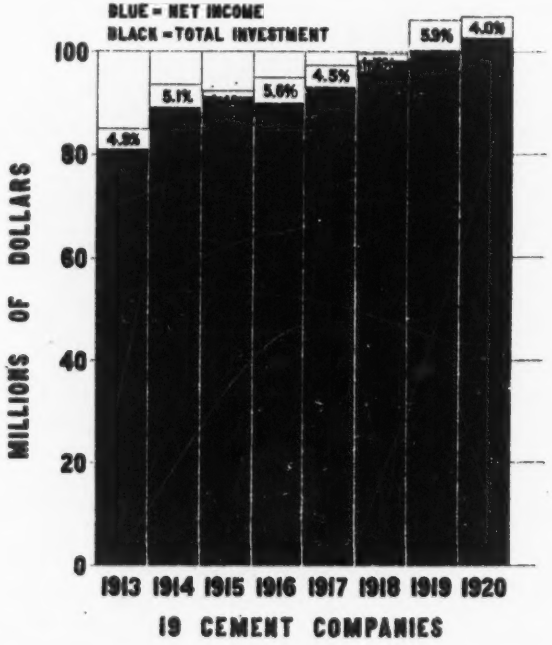
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19 COMPANIES

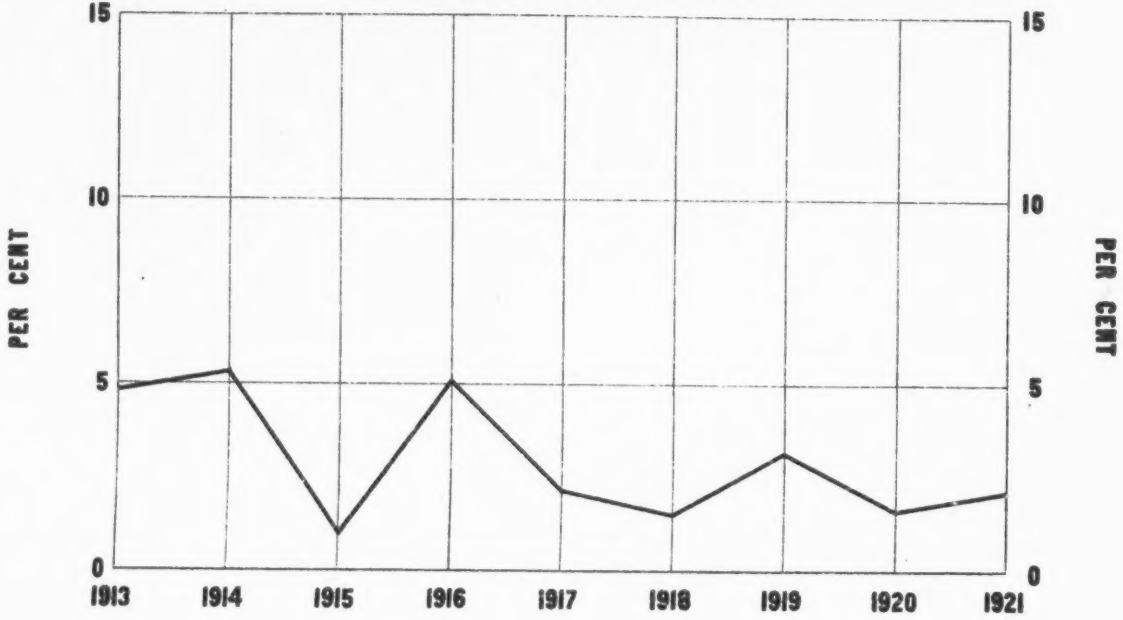
NET INCOME PLUS INTEREST PAID IN PROPORTION TO TOTAL INVESTMENT IN BUSINESS

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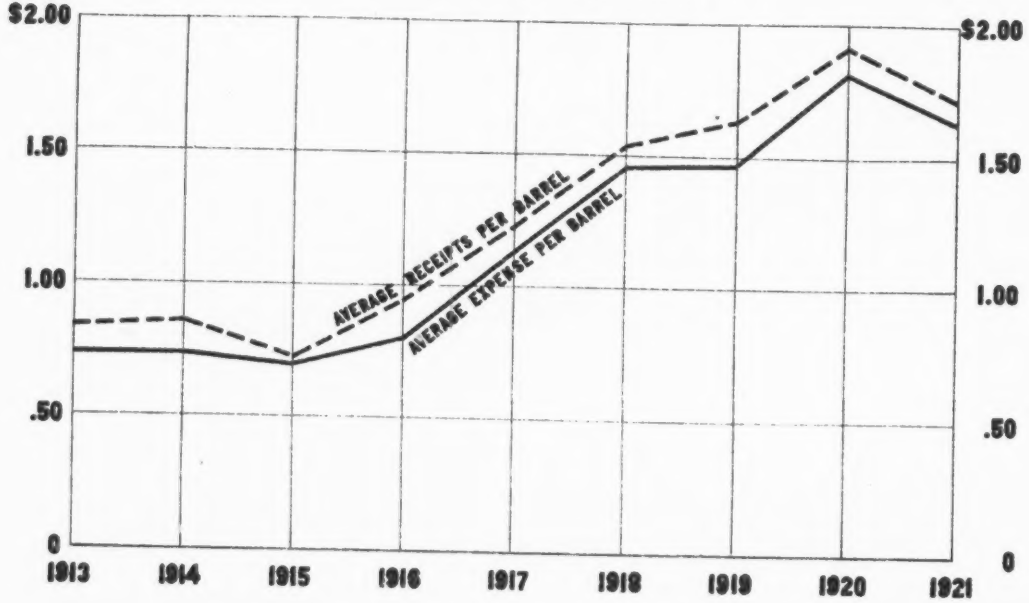
PERCENTAGE OF PROFITS ON INVESTED CAPITAL AS REPORTED TO GOVERNMENT BASED ON VALUE OF DOLLAR AS SHOWN BY INDEX FIGURES BUREAU OF LABOR STATISTICS



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19 COMPANIES

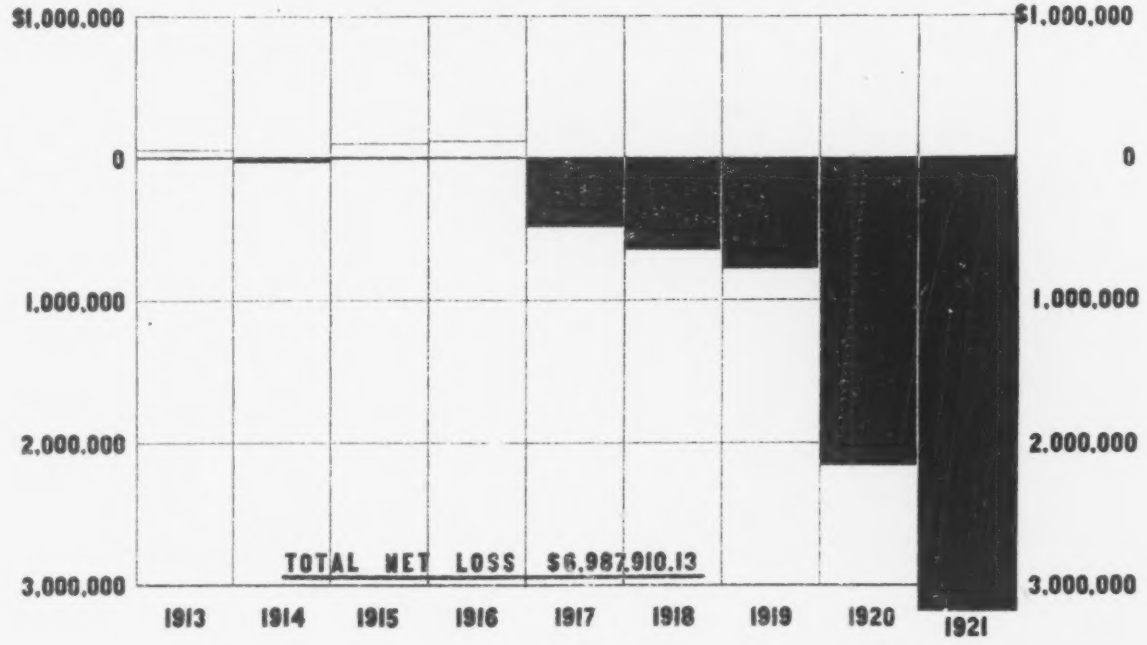
AVERAGE RECEIPTS PER BARREL FROM SALE OF CEMENT AT MILLS AND EXPENSE PER BARREL



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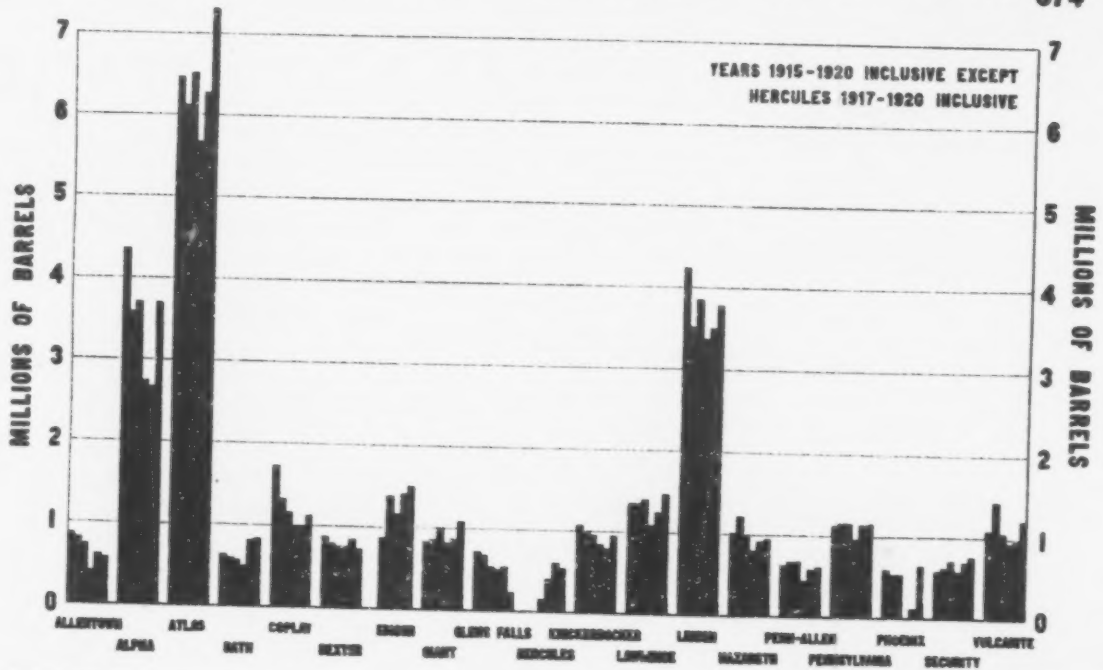
17 COMPANIES

PROFIT AND LOSS ON BAGS



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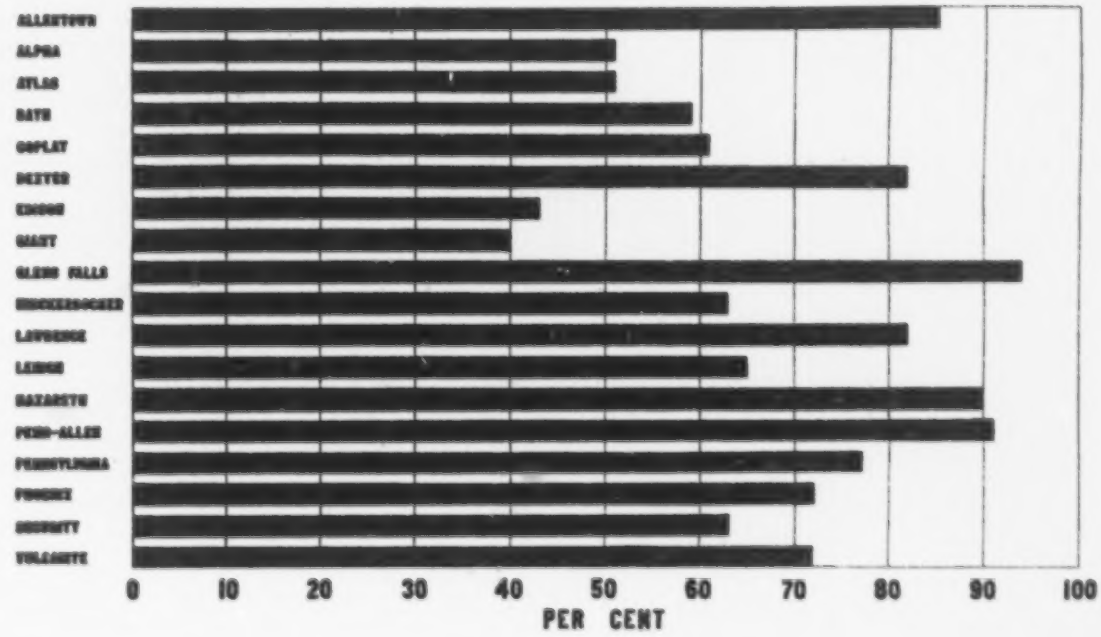


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YEAR 1916



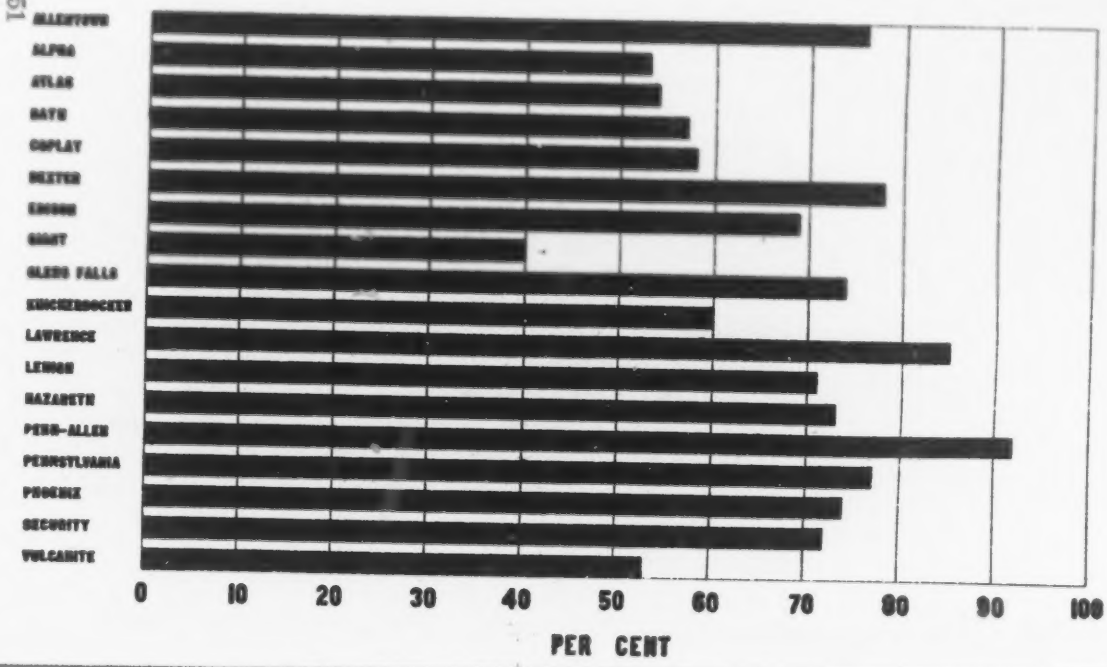
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YEAR 1917



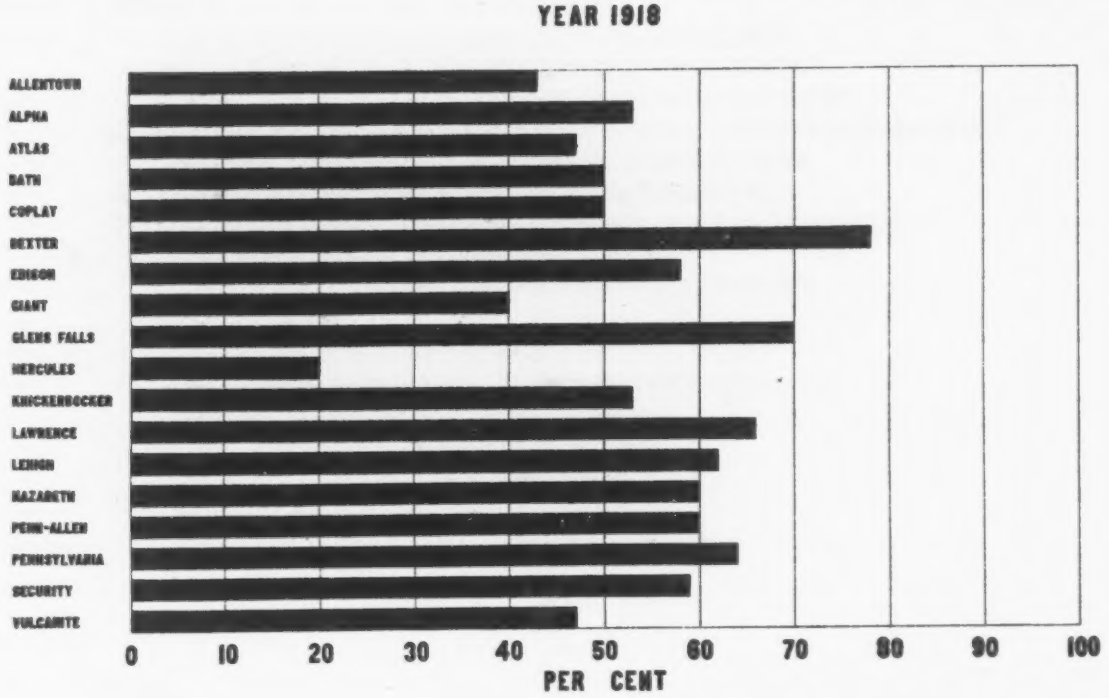
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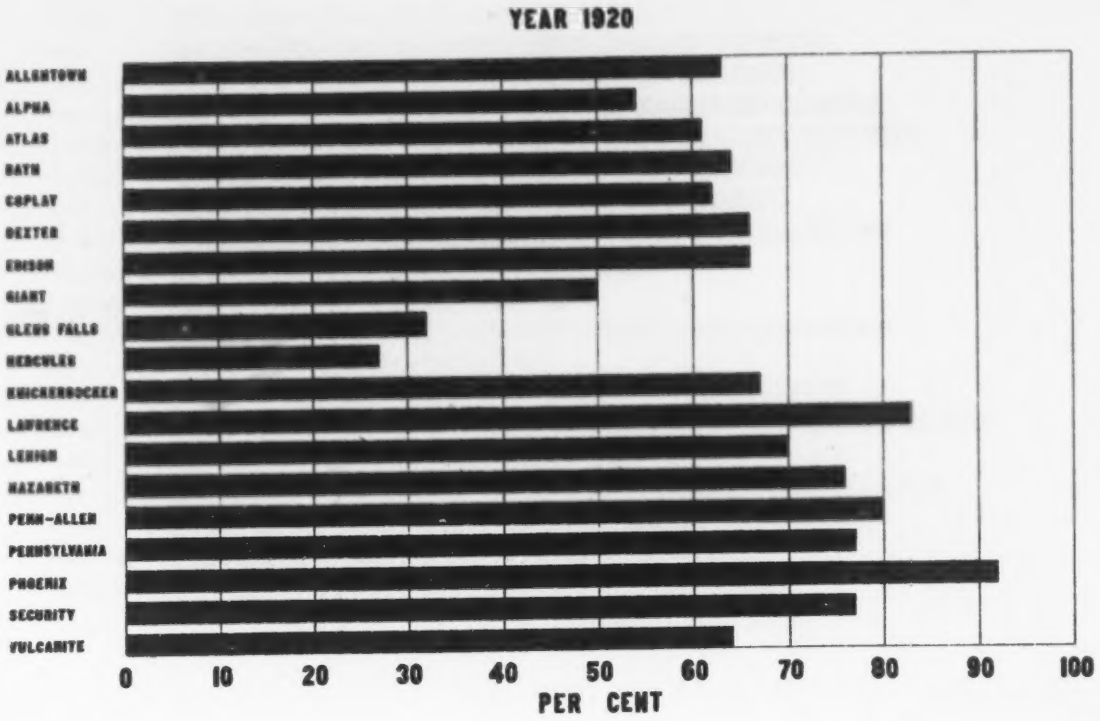
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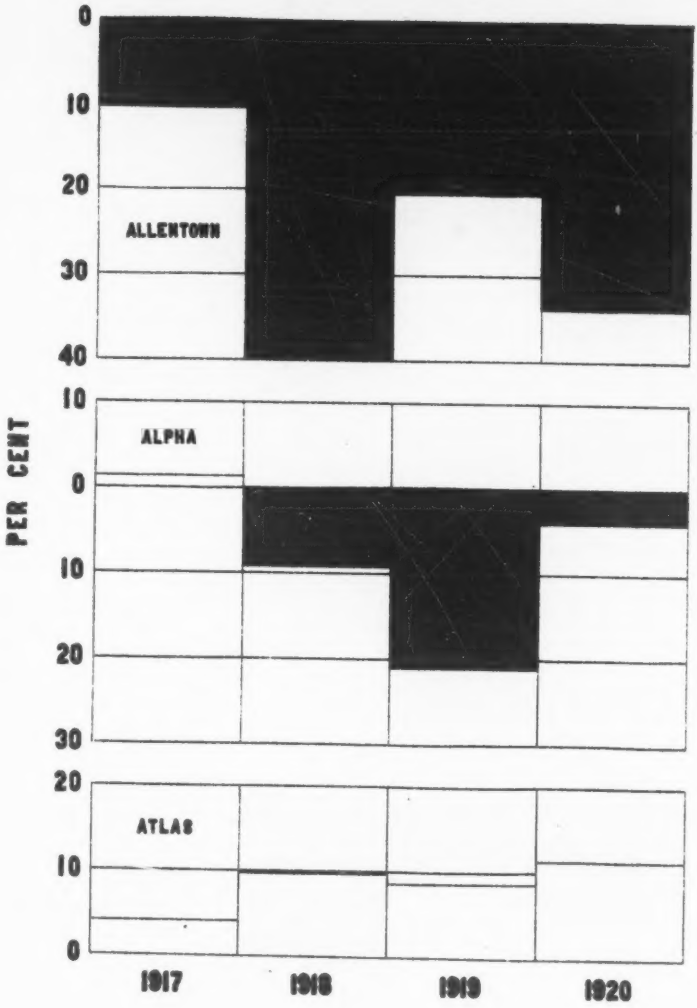
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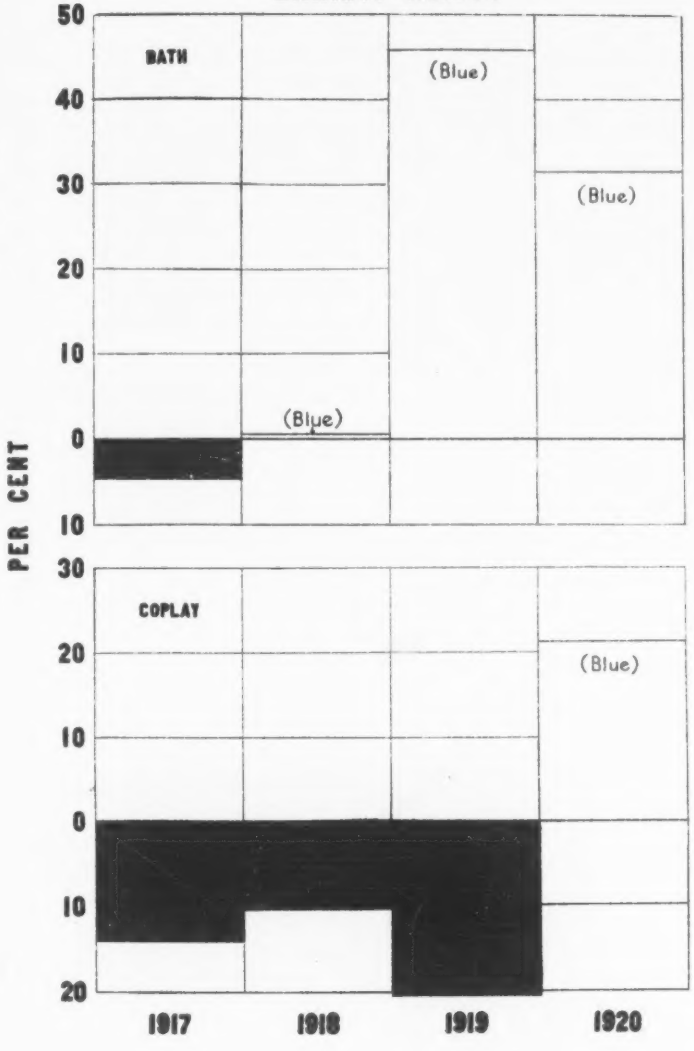
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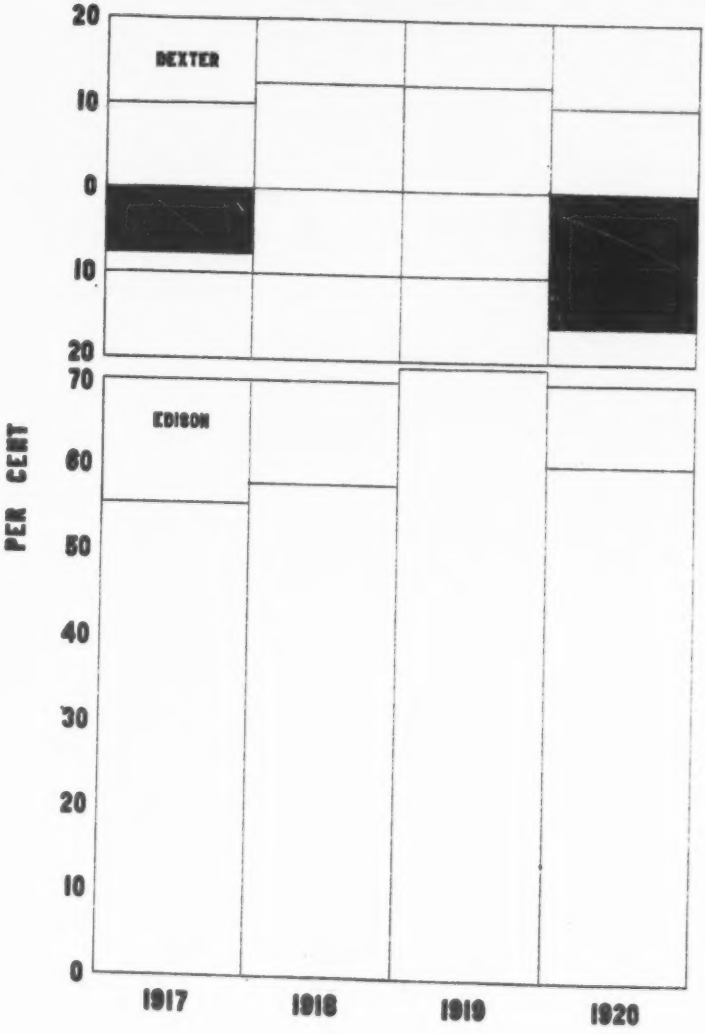
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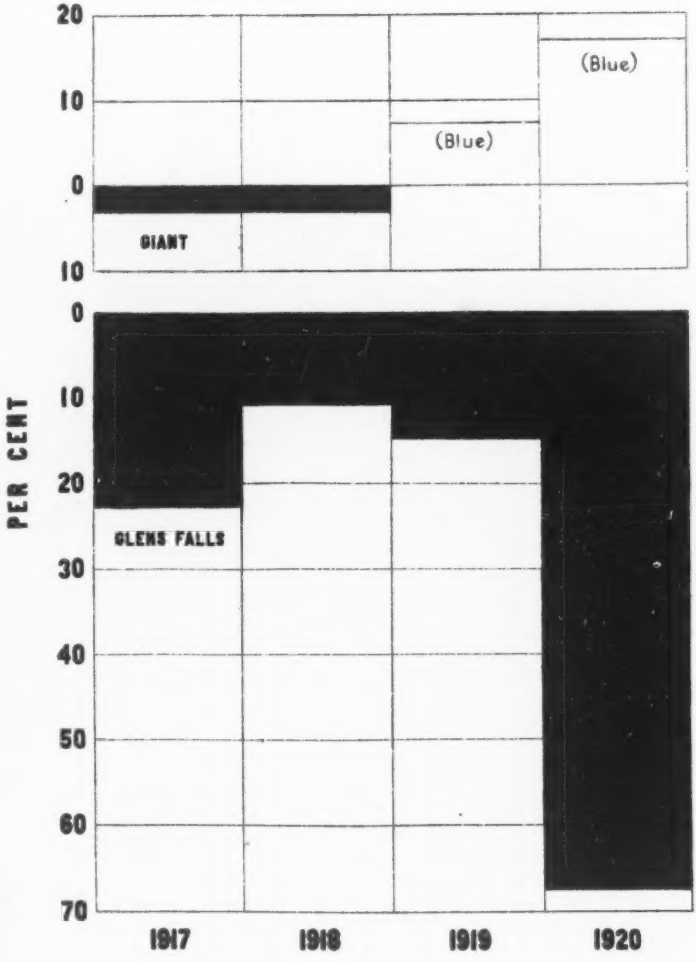
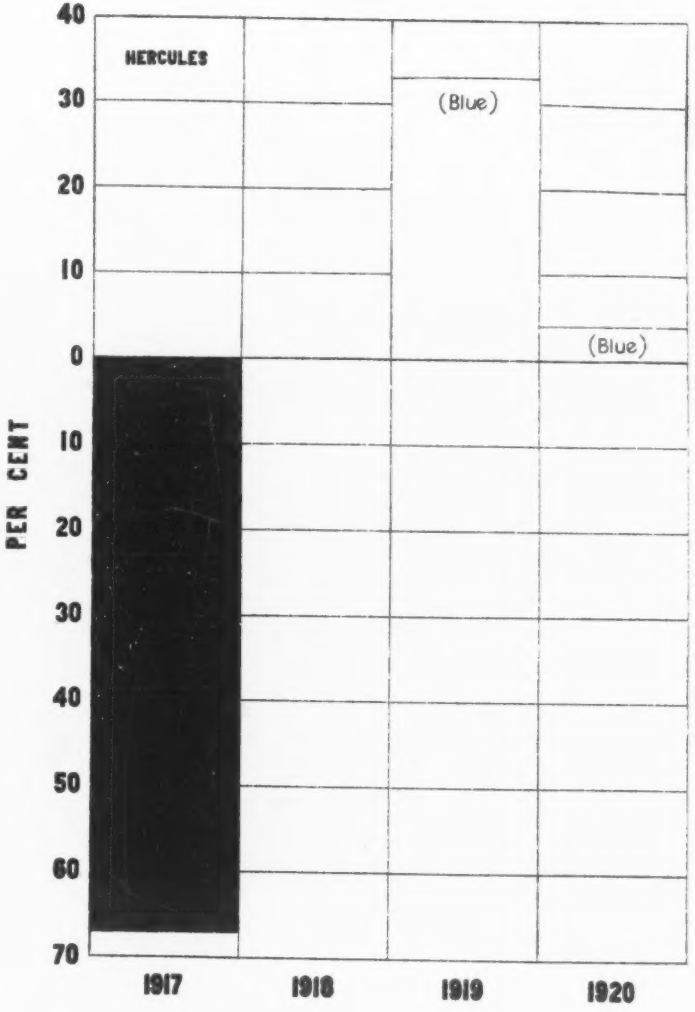
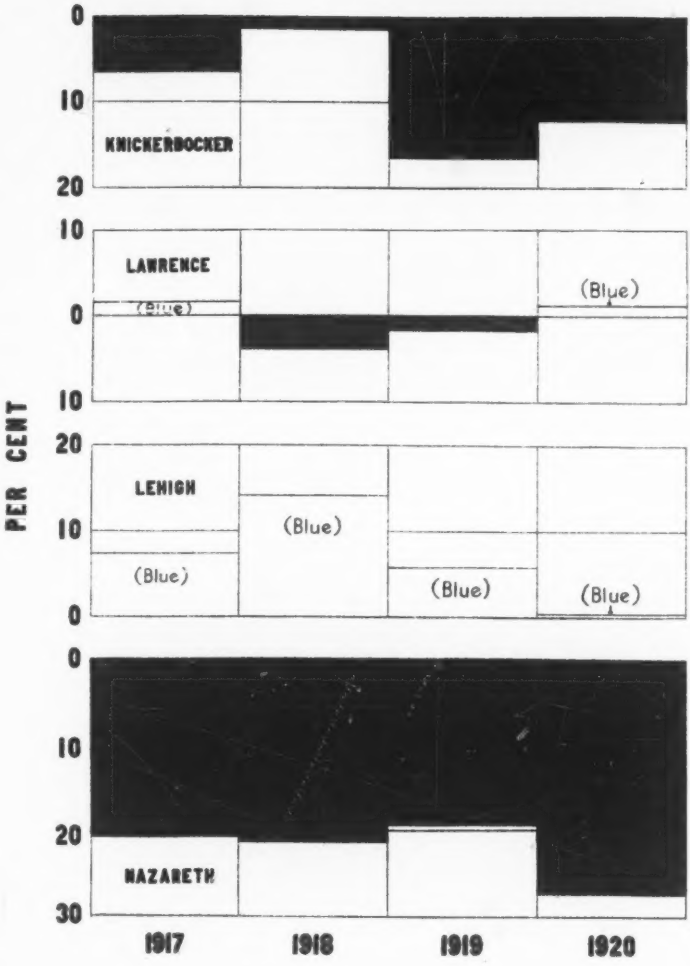


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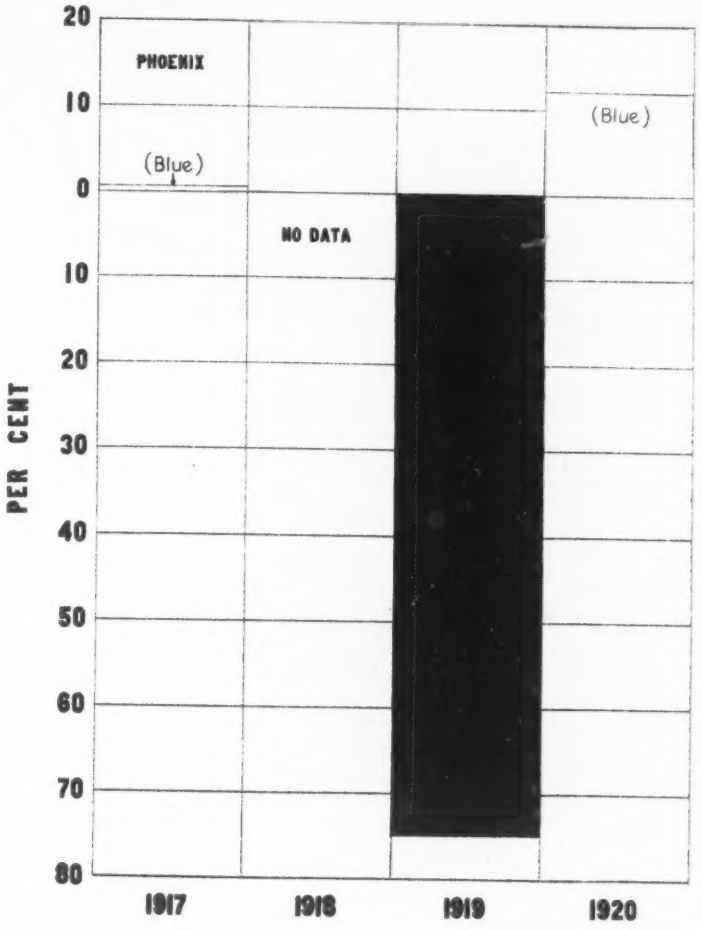
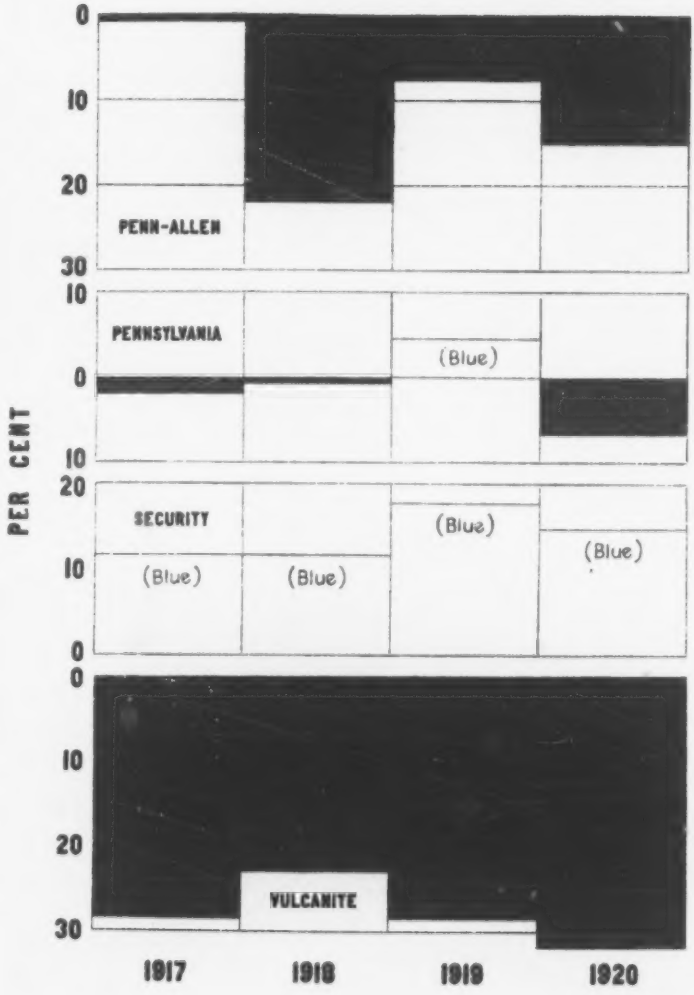
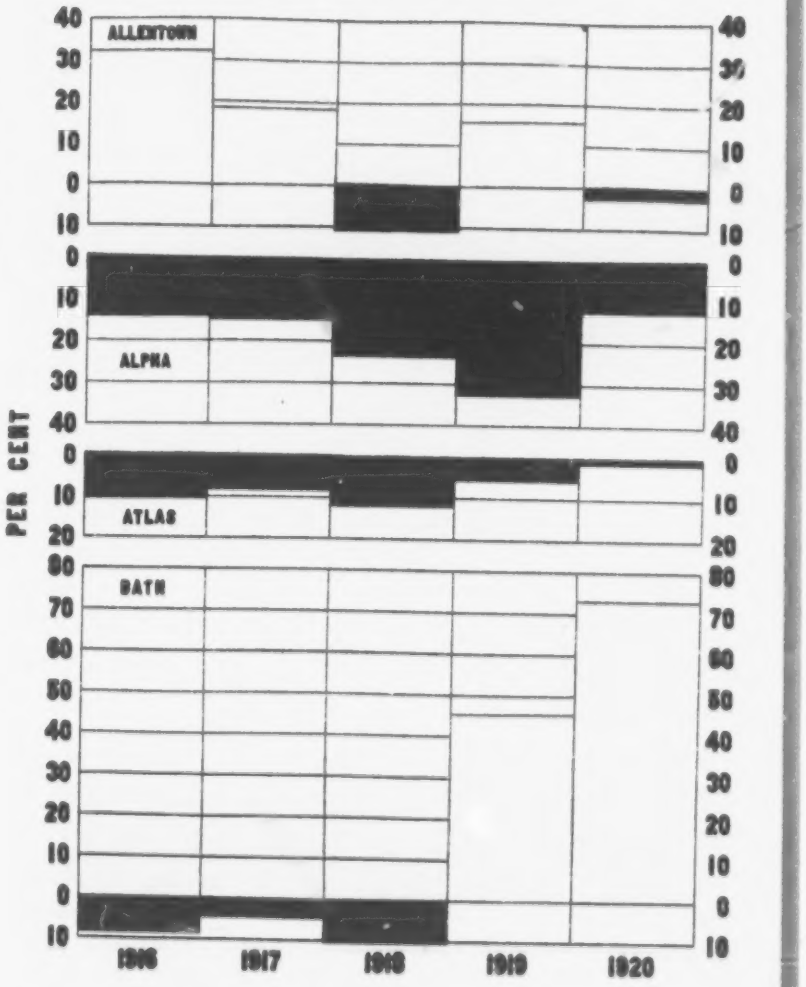


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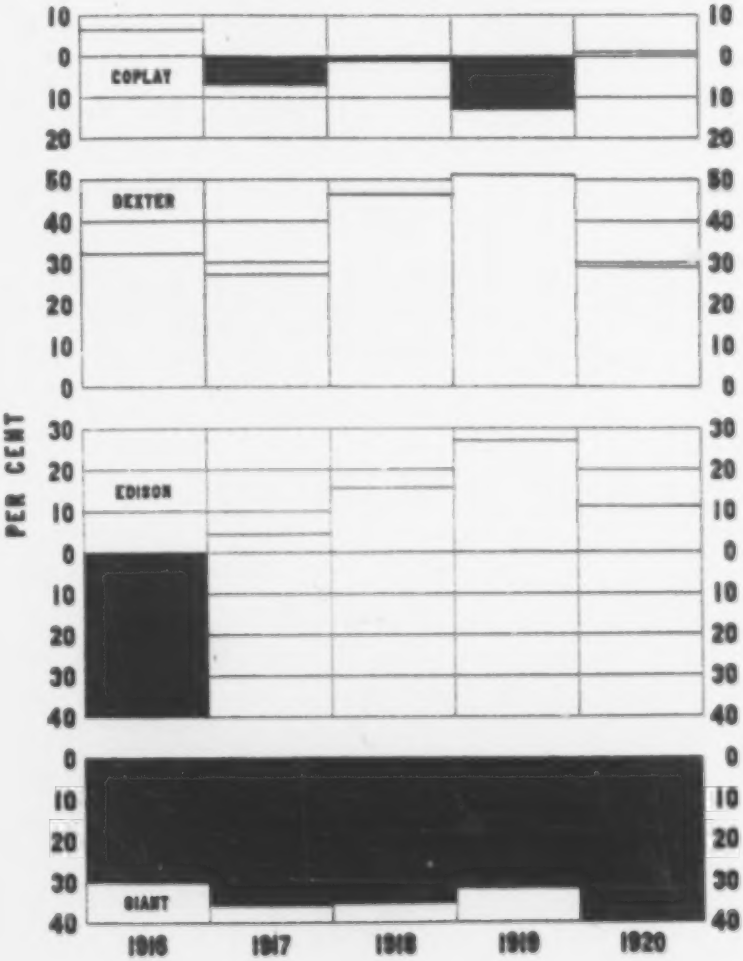
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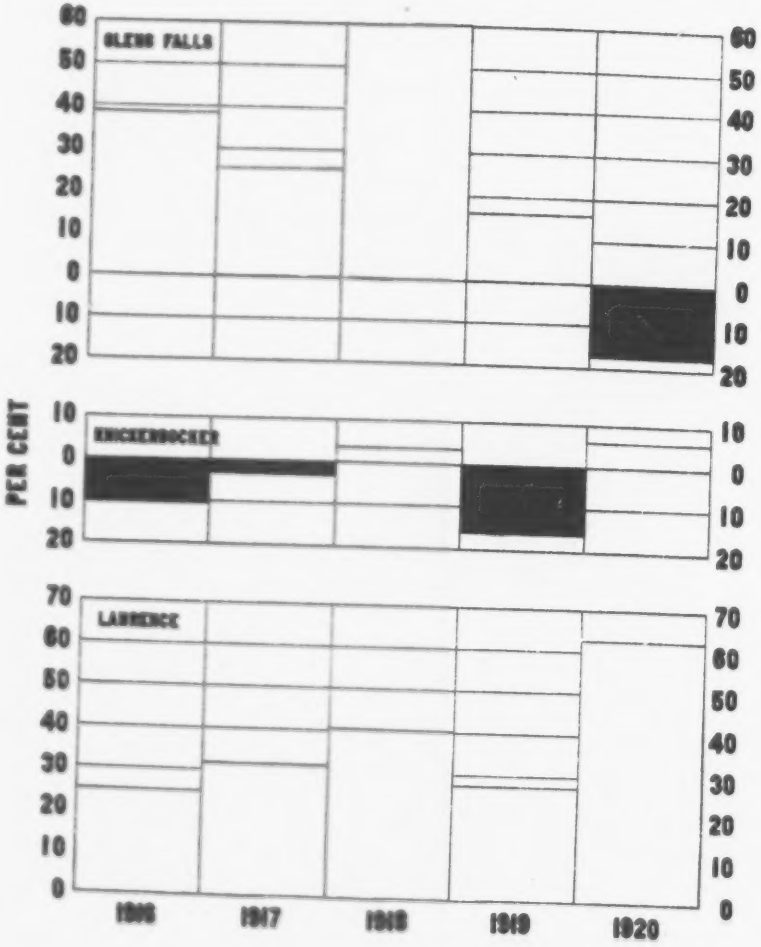
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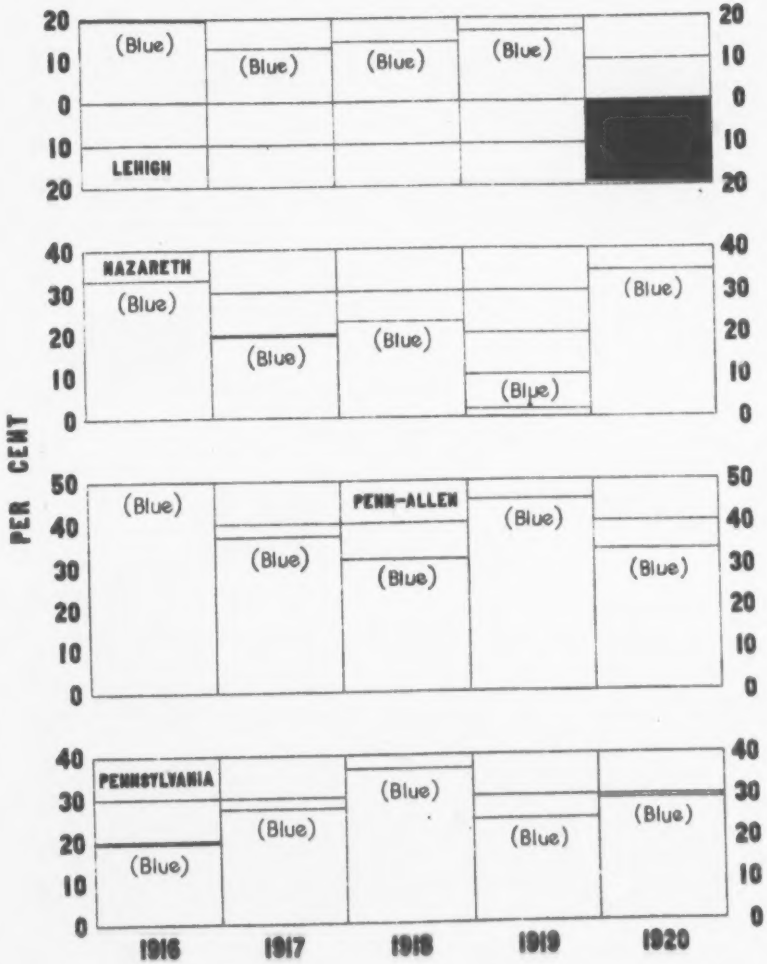
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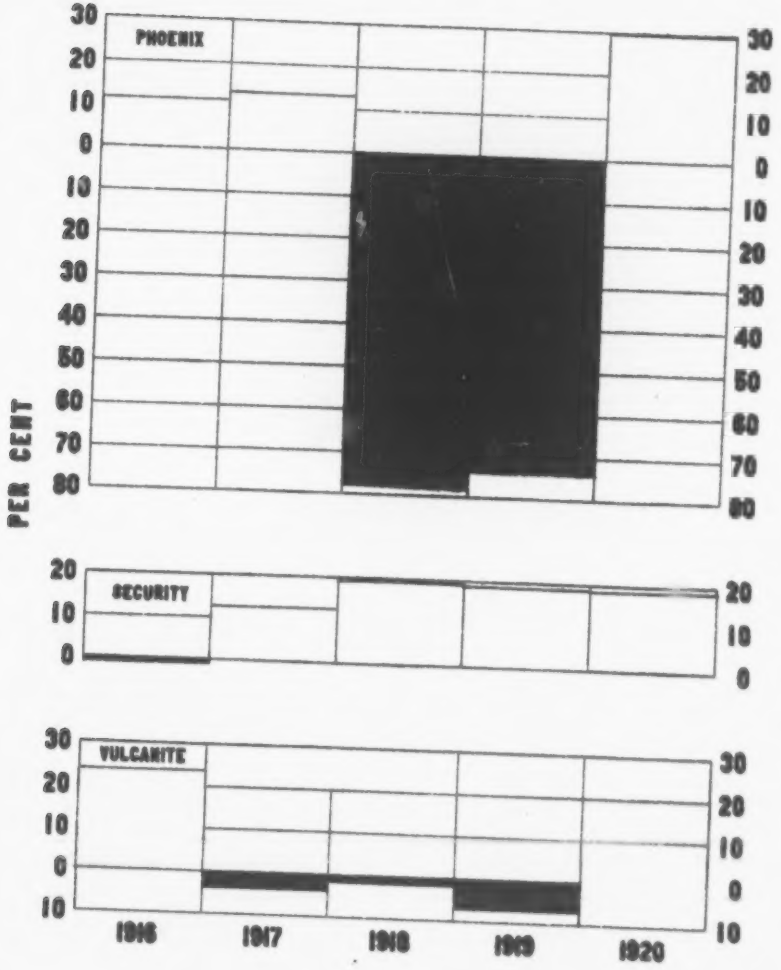
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[fol. 2414] DEF'TS' EX. No. D-371

Federal Trade Commission

Fundamentals of a Cost System for Manufacturers

July 1, 1916

[fol. 2415] Federal Trade Commission

Washington

Edward N. Hurley, Chairman; William J. Harris, Vice Chairman; Joseph E. Davies, Will H. Parry, George Rublee; Leonidas L. Bracken, Secretary.

July 1, 1916.

To the American Manufacturer:

The Federal Trade Commission has found that an amazing number of manufacturers, particularly the smaller ones, have no adequate system for determining their costs and price their goods arbitrarily. It is evident that there must be improvement in this direction before competition can be placed upon a sound economic basis.

With the object of aiding in the improvement of business generally we have endeavored in this pamphlet to show briefly the importance of accurate manufacturing costs and the fundamental principles underlying them. I commend it to your attention and feel satisfied that if you will read it carefully you will find many helpful suggestions.

The pamphlet has been prepared under my direction by Mr. Robert E. Belt, Chief Accountant, and Mr. R. W. Gardiner, Assistant.

Trusting we may have your hearty co-operation, I am,

Very respectfully yours, Edward N. Hurley, Chairman.

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[fol. 2417] Fundamentals of a Cost System for Manufacturers

[fol. 2418] [Several pages not printed by consent.]

Exchange of Statistical Information Beneficial

In the past many manufacturers disliked to give out information concerning their business. To-day the reverse is the case. Trade

associations are compiling statistics as to production, shipments, and costs for the benefit of their members, and the manufacturer instead of trying to keep this information to himself welcomes the opportunity to supply the data, knowing that his competitors are doing the same thing and that these statistics will be of benefit to himself and to his industry. The Federal Trade Commission is keenly alive to the value of this information.

The Commission is urging manufacturers to determine their costs accurately in the interest of better trade conditions. It believes that anything that is of benefit to an industry is of benefit to the public, and it is also of the opinion that the nearer cost systems approach uniformity the more valuable will be the results.

[Remaining pages not printed by consent.]

[fol. 2419] DEF'TS' EX. NO. D-372

Federal Trade Commission

Washington

August 2, 1916.

Mr. Charles F. Conn, Chairman Cost Accounting Committee, Portland Cement Association, Pennsylvania Bldg., Phila., Pa.

DEAR SIR: Relative to your request that the Federal Trade Commission review the Commercial Cost Summary and Cost Accounting system of the Portland Cement Association, I am glad to report that the Commission heartily commends the efforts of your Association to aid the cement manufacturers of the country in improving their accounting methods and business practices, and considers the accounting plan excellently designed along simple and practical lines and to be in accordance with the best accounting practice. Your work, therefore, has our unqualified endorsement.

We feel sure if manufacturers were in possession of adequate information about their business and knew definitely their true costs [fol. 2419½] of manufacture and distribution, unintelligent competition would be reduced to the minimum.

With best wishes for the success of your good work, and the welfare of your industry, I am

Very truly yours, Edward N. Hurley, Chairman.

[fol. 2420] DEF'TS' EX. NO. D-375

An Address by Edward N. Hurley, Vice Chairman Federal Trade Commission, Before the Portland Cement Association, at Chicago, Ill., May 10, 1916.

I am very glad to be with you tonight and to meet the members of the Portland Cement Association. When my personal friend,

Mr. John R. Morron, wrote me asking if it would be possible for me to talk to you, I replied by return mail that it would be a great pleasure to do so, first, because I wanted to grant Mr. Morron's request, and, second, because the opportunity of meeting a group of business men who are doing big things always appeals to me.

It has been my good fortune the past year to have met almost all of the business men appearing before the Federal Trade Commission. They have presented many of their problems and as a business man it has been particularly gratifying to me not to have had a question presented by them that did not show in every way honesty of purpose and straight-forwardness.

Many of the economic questions before the American manufacturer to-day are not so serious or so complicated that they cannot be worked out on a sound, practical basis. Within a reasonable length of time Government and business will undoubtedly reach a better [fol. 2420½] understanding and both recognize that in order to do big things they must have the same object in view and have confidence in each other. I believe these conditions are being realized to-day, and if co-operation continues the problems will be easy to solve and will make the effort worth while.

The Chamber of Commerce of the United States has a Federal Trade committee of which Mr. Harry A. Wheeler of Chicago is chairman. Last autumn this committee sought a conference with the Department of Justice with a view to ascertaining the probable attitude of the Department of Justice with respect to future prosecutions under the antitrust laws. It was explained to the Attorney General by representatives of the committee that if he would express himself, it might be regarded as reassuring to the public mind and at the same time dispel some uncertainty which heretofore has been said to exist. A number of conferences were held and the result was that the Attorney General made a statement in which among other things he outlined the policy of the department as regards the method of enforcing the law in those cases which are admittedly doubtful. He stated that where men have entered into a transaction, believing in good faith that the transaction is a lawful one, and subsequently upon complaint made the department reaches the conclusion that the transaction was not in accordance with the statute but is yet satisfied of the good faith and innocent purpose of the parties and can see that there was ground for the view upon which they acted, it has not been and will not be the policy of [fol. 2421] the department to invoke extreme penalties against them. In such a case the department would consider that the just and appropriate and quickest way of enforcing the law would be by a civil proceeding in which the question involved could be contested or a consent decree entered, according as the defendants desired, or by a notice to the parties of the Department's conclusion with opportunity to abandon or modify the transaction. It was further stated by the Attorney General that no proceeding is ever instituted until after the most painstaking and exhaustive investigation, in the course of which the person or corporation against whom com-

plaint is made is given full opportunity to submit its defense before any action is taken.

Groups of business men are constantly coming before the Federal Trade Commission, asking for information as to how they can improve conditions. Manufacturers come to us protesting against overproduction or complaining against their competitors, claiming unfair methods of competition and asking us for relief. They assert their competitors are selling goods below cost and ruining the industry in which they are engaged. For these evils, often of many years' standing, they request relief.

Lack of Adequate Information

The Federal Trade Commission, no matter how anxious it is to be helpful to those laboring under these industrial disadvantages, is confronted at the outset with a lack of adequate information regarding industry.

[fol. 2421½] With all the attention that has been given to business the past 15 years it is a remarkable fact that to-day there is no comprehensive data available, no constructive material at hand to furnish to a manufacturer, merchant or trade association desiring to improve the unsatisfactory conditions in their industry. Without such data it is impossible to make recommendations to Congress for helpful constructive legislation.

From the Government the railroads receive statistics giving them a broad view of the transportation situation of the country. The farmer is told frequently the conditions of the crops so that he may know how and when to dispose of his surplus products. The health of his stock is under the jurisdiction of the Government. The banker is furnished details as to the financial condition in the country by the Treasury Department. These are helpful fields of Government activity and the people of the country are heartily in accord with this work.

Manufacturers and merchants who are merchandising the farmers' product, shipping their goods over the railroads, depositing their money in the banks, and meeting the payroll of thousands of employees—these, too, should be furnished with data and information regarding their respective industries.

In order to cooperate intelligently with the manufacturers and merchants of the country, the Federal Trade Commission must have the facts about industry. With this thought in mind we recently submitted to the manufacturers of the country a form asking them to answer a few questions in regard to their business. Take the [fol. 2422] cement business for example. We hope to show for this industry the aggregate capital stock of all the cement manufacturers in the United States, the bonded and other indebtedness, the accumulated surplus or the earnings invested in the business, the net sales and the net profits. We will also show in the aggregate the depreciation charged off and the losses from bad debts. The amount of depreciation charged off will indicate in a measure whether this important item is being treated in a practical way.

These figures, when compiled, will show whether or not the industry is in a good condition. If the money invested in the business is not yielding a fair return, the industry is not very healthy. It may be caused by overproduction and unremunerative prices, or it may be that the business is not being as efficiently conducted as it should be.

If, after having these facts before us we find that the cement industry requires further attention and should desire our cooperation, we will be able to discuss intelligently with cement manufacturers or the Portland Cement Association remedies that may be helpful.

The subject of more uniformity in cost finding is one that is at present receiving careful attention on the part of many manufacturers and trade associations. A number of trade associations are in this way achieving marked success in strengthening their industries. It has been demonstrated that a knowledge of cost determined by uniform practice will improve trade conditions to a remarkable degree. By a uniform practice I mean a common classification of [fol. 2422½] costs, both manufacturing and selling, a uniform method of distributing overhead expense, and a uniform method of providing for depreciation with rates more or less standardized. If this condition existed, your association could then gather production statistics which would be comparable and which would be valuable to you for your information and guidance. You manufacturers could then talk the same language. You would be in a position to profit from each other's experience, to conduct your plants more efficiently, and, to price your product intelligently.

If this great cement industry is successful, your employees, your stockholders, your customers and our country generally would be materially benefited. It is time for the Government and business to realize that they have here as well as in other industries important tasks before them that can be successfully worked out by friendly cooperation.

Standard Accounting Methods

When business was done on a large percentage of profit, questions of accurate cost and of operating efficiency were not so important, but in most lines of industry to-day the large percentage of profit has passed. Manufacturers are working on smaller margins and must absolutely know what their goods cost. With margins of profit so close, any unreliable method of arriving at cost of production must be eliminated.

It is a fact well understood among business men that the general demoralization in a large number of industries has been caused by [fol. 2423] firms who cut prices not knowing what their goods actually cost to manufacture; the cost of selling also, which is equally important, is almost wholly lost sight of. Are the officers of the companies who are cutting prices right and left, irrespective of their costs, fair to their customers, stockholders, or competitors?

Quality and service are becoming greater factors in the field of

merchandise. Long after the price of a product is forgotten the quality of that product is remembered.

A manufacturer who does not know with a close degree of accuracy what it costs him to produce the different articles he manufactures, and what it costs him to sell them, is not in a position to meet intelligently competition and invites business disaster.

Many of the larger manufacturers have thorough cost accounting systems, which they recognize as necessary in order to give them the information essential to successful management. On the other hand, the number of small manufacturers who have no adequate cost accounting system and who price their goods arbitrarily is amazing.

Proper accounting for the smaller manufacturer is most essential. It is necessary for his success that he know on what particular article he is making a fair profit and on what he is making only a narrow margin of profit or losing money. If he has this information he can concentrate on the manufacture and sale of the product on which the profits are satisfactory.

[fol. 2423½] Whole industries, in many instances, are suffering from a general lack of intelligent knowledge of cost.

How the Commission Can Help

How can the Federal Trade Commission help to improve this situation?

The Commission has no intention and no desire to use compulsory methods. But it does hope to reach the desired end by encouraging improvements in accounting practice, by indorsing standard systems of bookkeeping and cost accounting, and by assisting in devising standard systems, either at the request of individual merchants and manufacturers, or through the association that represents the industry.

It is recognized that no one standard system of accounting is applicable to all classes of business, but that special systems are required for each group or class of commerce and industry.

The Commission, furthermore, while recognizing the commercial advantages to be derived from uniformity of systems, does not advise making a change where systems already installed give adequate information and are economically operated.

All of us are talking a great deal these days about mobilizing American resources. Mobilizing means simply organizing to achieve a common purpose. Many manufacturers seem prone to associate mobilization with expansion. I venture to suggest that you gentlemen may profitably devote some attention to the psychology [fol. 2424] of this error, with a view to getting the true situation indelibly impressed on the minds of the men of the business world.

I hope, now that our business has become normal and our factories are running on full time, that our manufacturers will place capacity ahead of expansion. I hope that, instead of rushing to build additions to their plants, they will ascertain whether or not their present equipment has reached the maximum of a day's work, and then develop the night shift so that every piece of machinery will be work-

ing to its limit. We have an example of what American manufacturers can do along this line in the automobile industry.

We should get away from that old-fashioned notion that the night crew is lacking in efficiency, and that its workmanship is not up to the standard.

There has been over-anxiety to enlarge our industrial plants before we have worked our present equipment to its capacity. Consequently, when there is depression in business in this country, we have an overproduction for our home requirements, and, with no large foreign markets for our surplus of manufactured goods, we immediately start to cut prices, on the plea that such action is necessary in order to keep the plants running to their large potential capacity. This always results in a general demoralization of our industries.

If we can stop this overproduction we will have a surplus of money to invest in foreign countries, instead of having millions tied up in plants that are running three days a week to supply our market, [fol. 2424½] with no returns on the investment.

With present business and profits holding through this year our industrial concerns will reach that commanding position which comes with great and ready cash resources. Among some of our larger concerns this position already has been attained. The United States Steel Corporation began the present year with $105,000,000 in cash. This largest of our industrial companies never before reported cash holdings in excess of $68,000,000. Other concerns, especially those engaged directly in war business, have immense cash holdings.

Our industrial concerns, in short, are fast getting into condition to finance greater business than ever before, not only at home but abroad. They are getting to a place where they will be able to make contracts, say with South American countries, on a basis never before possible to Americans, and to do it without special arrangements with bankers.

One of the commanding holds upon foreign trade which the German dyestuffs manufacturers had, before the war set a barrier against them, was their immense power in working capital, which enabled them to extend credits and to conduct all sorts of aggressive campaigns to get world business. We are getting into a position where we can profit by this example. This will aid us in getting the greatest benefit out of the situation.

Trade associations that are putting forth a special effort to improve their systems of cost accounting, bettering their processes of [fol. 2425] manufacture, obtaining credit information, and endeavoring to improve the welfare of their employees will be important factors in our country's development in the next few years.

Special commendation should be given to associations that are endeavoring to build up industry in these constructive ways. Successful production and successful merchandizing require many steps in the process of changing the form of the raw materials, and putting the product on the market at a figure adequate to cover the cost of production and the cost of selling and net some profit to the

producer, without charging the consumer an excessive price; and neither the individual manufacturer nor the Government alone can work out the many serious economic and business problems involved with the same success as can a group of associated producers, laboring and cooperating together. These associations, when conducted intelligently and rationally, with the thought of bringing about improved business conditions, will make it possible for our industries to compete in price and quality in the markets of the world.

Trade associations should not only be encouraged to increase their membership, but should be furnished by the Government with complete statistics in their particular line and be assisted in every way to develop and stabilize the industry which they represent.

There should be a greater degree of organization and of mutual helpfulness in all lines of trade and industry, so that American business may be welded into a commercial and industrial whole; the part of the Government is to cooperate with business men, on re-
[fol. 2425½] quest, and to bring about the results that will benefit business and hence promote our national welfare.

In European countries the cement industry is organized and centralized to a considerable extent. Wherever cement is manufactured, associations and combinations have been formed among manufacturers and dealers. We find such combines among the cement producers of England, France, Belgium, Russia, Sweden, Norway, Denmark, Austria, Switzerland, Italy, and even Roumania. England once virtually monopolized the world's markets in the cement industry, and by means of preferential tariff agreements with its colonies, which place other countries at a disadvantage, English cement is still exported in considerable quantities to Australia, Canada, Egypt, and other British possessions.

In recent years the German cement industry has made such remarkable progress that its products have superseded very largely those of English manufacture in several countries. The secret of success achieved by the German cement industry is to be found in the co-operation of manufacturers and dealers with a common aim to promote and improve their mutual business interests; and the employment of the most up-to-date results of chemical research and the application of efficient technical methods and standards.

Virtually the whole cement industry of Germany is organized into and controlled by five large cartels which combine about 90 stock companies. These different cartels are again interrelated with one another and have agreements and understandings among themselves as well as with cement syndicates in other countries.

[fol. 2426] All German cement interests are united in the Association of German Cement Manufacturers. In many respects this body is a model trade organization. It offers a typical example of how co-operation among manufacturers of a certain line of business can promote and further the industry in which they are engaged to the mutual advantage of all. Under the auspices of this association chemical research work on a large scale has been conducted for a number of years. It has proved highly successful from the technical

as well as from the financial point of view. As a result of the joint working together of the members of this association a standardized product has been established, and this has contributed materially towards the development of the German export trade in cement. The association requires its members to put a product on the market which comes up to certain specified minimum requirements. One of the main efforts of the association in fact consists in constantly impressing upon its members the fact that it is their duty to produce a uniform and high-grade product only.

Belgium is an important factor in the cement business of the world. The seventeen leading Belgian cement producers are combined in a syndicate whose central selling agency is located in Brussels. They act as a unit, and export cement to many countries. Their chief markets are Holland and Argentina.

The estimated production of Portland cement in the United States for 1915 was 85,732,000 barrels. This production is about 70 per cent of the capacity. If a foreign business could be developed that [fol. 2426½] would take up this surplus capacity and allow the mills to run at a maximum it would prove a great benefit to the country and to the cement industry.

The reason for the advantage enjoyed by European countries in exporting cement is due partly to their better transportation and credit facilities, but to a far greater extent to the co-operation or combination within the industry itself. Not only have combinations existed among cement producers of each European country but agreements or combinations have existed between different countries.

An international cartel has been formed by English, German, Belgian, Danish, Swedish, and Norwegian cement manufacturers for the purpose of regulating prices for oversea export.

The German cement syndicates also have separate agreements with Belgian, Swiss, Danish, and Austrian cartels. A few years ago the South German, Belgian, English, and Norwegian syndicates made a joint agreement with regard to supplying Holland, which produces little or no cement.

Conservation is the handmaiden of prosperity so far as our foreign trade is concerned. Right here I want to emphasize the fact that the owners of our vast natural resources are the trustees of the American people. When they sell their product at ridiculously low prices—the lumber, the copper and the coal that come from nature's storehouses—they are violating their trust, for ruinous trade spells a waste that brings nothing in exchange. Let me call your atten- [fol. 2427] tion to a few facts pertaining to our foreign trade in its relation to natural resources, and to facts concerning the methods to prevent waste that are employed by some of our competitors in the commerce of the world. With these facts the members of your association are well acquainted, but this is a propitious time to give special thought to them.

Frankfort-on-the-Main is the home of a combination of German metal buyers who control the world market for copper, lead, zinc, and various other metals. It is a family affair, and has subsidiary companies in England, France, Belgium, Switzerland, Australia,

Africa, Mexico, and the United States. It owns zinc mines in Oklahoma, smelters in Colorado, and controls one of the greatest metal trading companies in New York City. This giant organization with its affiliations dominates the metal markets of the world. Time and again it has depressed the price of our copper. It is a notorious fact that it has compelled our producers to sell copper to foreign buyers at lower prices than to our home users. In spite of the fact that this country supplies two-thirds of the world's copper, and ought to set the prices, the combination has been able to do this, because it deals with our producers as individuals and plays one against the other.

We don't export much coal, but we sell a great deal to foreign shipowners to bunker their vessels which call at our ports. At Newport News the Pocahontas and New River operators of West Virginia are dumping some of the finest coal in the world into foreign bunkers. The price is set for a year by a combination of English [fol. 2427½] brokers. Last year it was $3.30 per ton, but this year in the face of rising labor costs the combination was able to cut that price to $3.10 because it could get certain mine operators to make low bids. When freight and other charges are deducted this nets $1.38 to $1.43 per ton at the mine, an average of 6 to 7 cents per ton under that charged our own manufacturers. That advantage will be given to foreign shipowners on nearly 2,000,000 tons of West Virginia coal this year.

When conditions arise to threaten waste of the natural resources of our commercial rivals, prompt measures to stop it are taken. Several years ago the German potash miners were competing between themselves and selling potash to foreign countries at a ridiculously low price. Finally they formed a cartel to regulate prices, and were encouraged by the German Government. After this cartel had been in existence for several years a difference of opinion developed and several members withdrew and started negotiations with American buyers for the sale of their potash. One of the largest opened up negotiations with Armour & Company of Chicago, and a contract was made with this firm below the cartel prices. After the contract was sealed, signed and delivered, the German Government notified the independent potash producers that they would have to break the contract; that the prices quoted to Armour & Company were too low; that while the individuals were the owners of the mine they were in reality the trustees for the German people; that the selling of potash to American packers at the price quoted affected every man, woman [fol. 2428] and child in Germany, and that when the potash was gone one of the most valuable resources for Germany's future was destroyed.

That is what Germany does with one of her natural resources. We have a precisely similar opportunity and duty. Down in Tennessee and Florida, and out in the Rockies are the greatest known deposits of phosphate rock, a fertilizer material even more essential to general agriculture than is potash. We produce nearly half the world's output of phosphate rock, and 40 per cent of our production, made up of high grade, goes abroad, chiefly to Europe. Under normal conditions we send 1,000 tons to Germany every day of the

year. Do we follow the wisdom of Germany by combining our producers, charging the prices we ought, and conserving our limited supply of this vital natural resource, so necessary to the future of our agriculture and the low cost of living here? You know the answer. We are selling the best we have as fast as we can at Europe's price.

There are many instances where foreign nations have taken governmental action to prevent waste of natural resources. Italy thus saved its sulphur industry in Sicily from ruin threatened by overproduction and unbridled competition. Roumania has safeguarded its rich oil fields in the same way.

The outstanding fact that confronts us is this: When we buy abroad we are at the mercy of the foreign seller, and when we sell abroad we are at the mercy of the foreign buyer. In the language of the street, they "get us a-comin' and a-goin'." And the reason is [fol. 2428½] that the European industries are organized scientifically to capture foreign trade and to get all there is out of it, while we in America have suffered the consequences of this one-sided organization. There is no agency more able to put American trade on the footing it ought to occupy at the end of the war than the Association of American Portland Cement Manufacturers.

Our method of disposing of our natural products, containing our valuable raw materials, and constituting the chief wealth of our country, should be stopped by the adoption of some practical, reasonable business method. For every dollar's worth of additional wealth that we receive for these products the people of the United States profit, and when we do not receive a fair price for the products that we ship abroad we are impoverishing our people, and our country is that much poorer.

Competition is the same the world over, and it will be particularly keen when the business of peace is resumed among the nations. America's chance at the trade of the world will be helped beyond what it was before by reason of a new, even start with the others in the race, but we must be prepared to match systematized industry against the effective systematized industries of our competitors. We must meet conditions as they exist.

If our business men are to be factors in the world's markets they must receive encouragement to do as our foreign rivals are doing, and the Federal Trade Commission has recommended to Congress that a bill be passed giving the American manufacturer the legal right to form co-operating selling agency in export trade.

The Federal Trade Commission does not believe that Congress in- [fol. 2429] tended by the antitrust laws to prevent Americans from co-operating in export trade for the purpose of competing effectively with foreigners where such co-operation does not restrain trade within the United States and where no attempt is made to hinder American competitors from securing their due share of the trade. It is not reasonable to suppose that Congress meant to obstruct the development of our foreign commerce by forbidding the use, in export trade, of methods of organization which do not operate to the prejudice of the American public, are lawful in the countries where the trade is to be

carried on, and are necessary if Americans are to meet competitors there on equal terms.

By its investigation the Commission, however, has established the fact that doubt as to the application of the antitrust laws to export trade now prevents concerted action by American business men in export trade, even among producers of noncompeting goods. In view of this fact and of the conviction that co-operation should be encouraged in export trade among competitors as well as noncompetitors, the Commission recommended the enactment of declaratory and permissive legislation to remove this doubt.

We feel that we would fail of our duty if we did not urge the pressing need of such action immediately. If American business men are to make the most of the great opportunities now before them, are to build securely in foreign trade, and are to avoid disaster in the shock of the stern and determined competition that will doubtless follow the war, they must at once perfect the organization demanded by the conditions of international trade.

(Here follow Defendants' Exhibits Nos. D 376 F, D 376 E, D 376 D, D 376 C, D 376 B, D 376 A, D 377, marked side folio pages 2430-2437, inc.)

[fol. 2438] DEFT'S EX. NO. D 378

UNITED STATES

vs.

CEMENT

Lehigh Valley

December 1, 1919—December 31, 1920

Dates When Changes Were Made Effective by Each Company in the Base Price used by It in Figuring Most of Its Quotations

(Here follow side folio pages 2439-2451, inc.)

[fol. 2452] DEF'TS' EX. NO D-379

Date: Jan. 13/16.
Lehigh Portland Cement Co.
Handling Cement at present? Yes.
Considering placing Cement in stock? Yes.
Send dealers' assortment of advertising features.
Remarks: I handle the Allentown Portland Cement at present.
Name: J. P. Williams.
Address: Arcola, Pa.
Rail Road delv'y: Reading R. R. Jan. 14th, 1916.

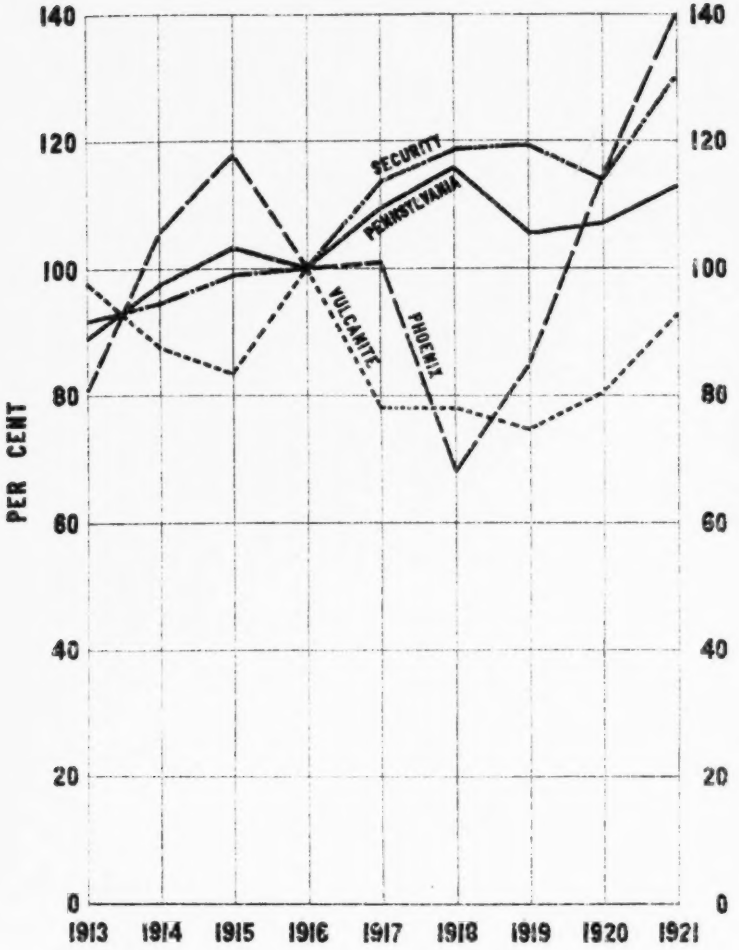
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2430

PENNSYLVANIA PHOENIX SECURITY VULCANITE

SHIPMENTS IN PERCENTAGE OF TOTAL EACH YEAR

1916=100%



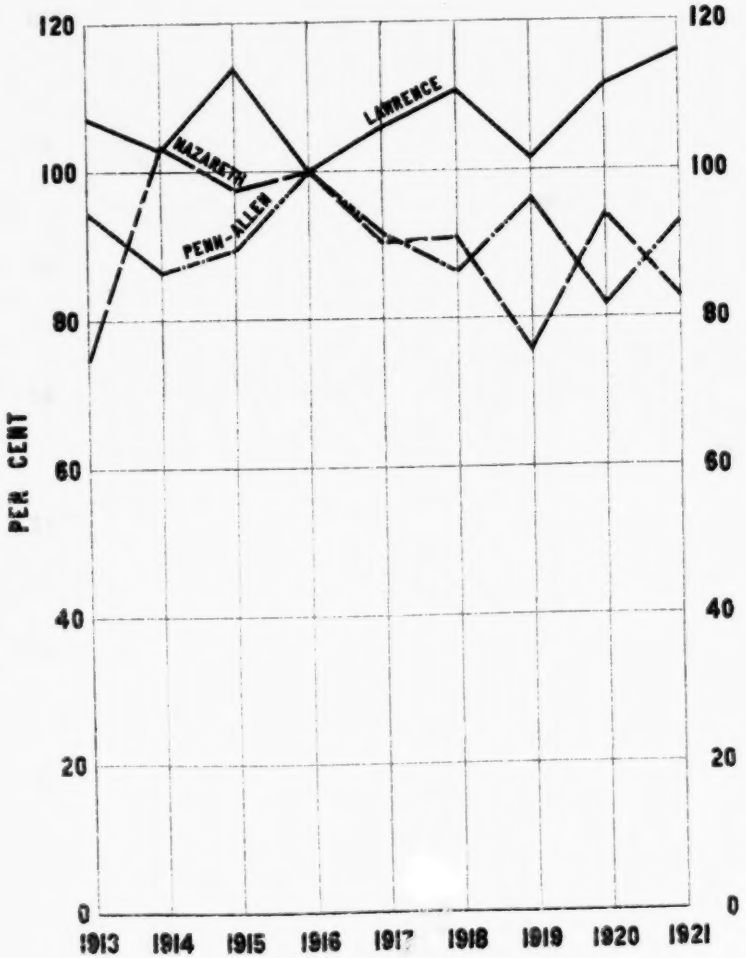
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2431

LAWRENCE NAZARETH PENN-ALLEN

SHIPMENTS IN PERCENTAGE OF TOTAL EACH YEAR

1916 = 100%



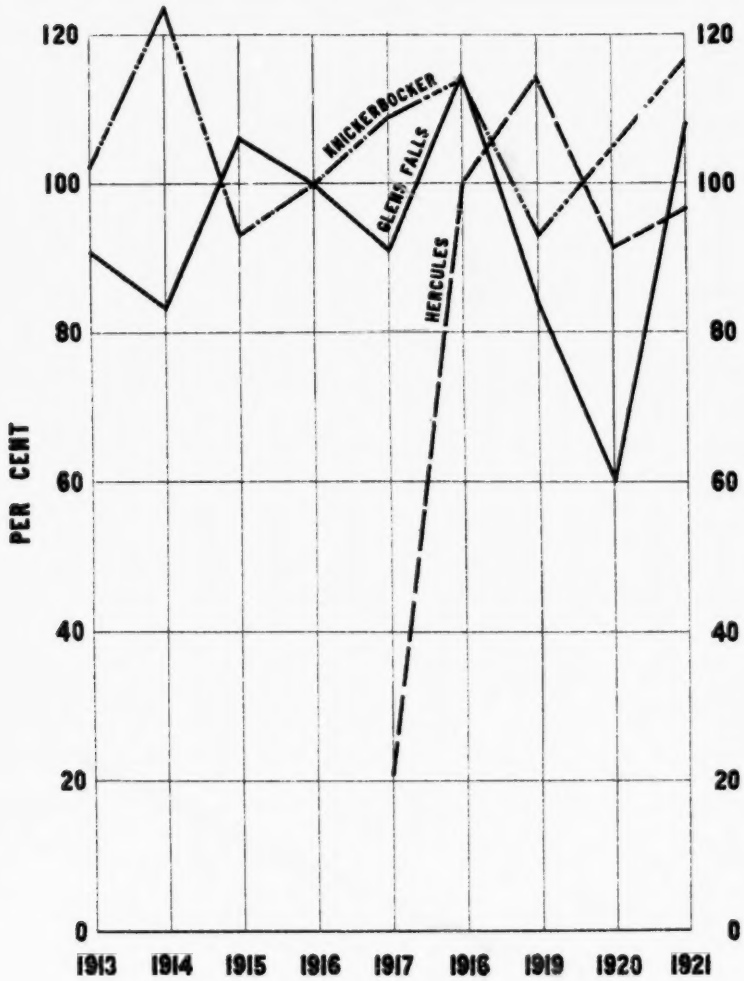
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2432

GLENS FALLS HERCULES KNICKERBOCKER

SHIPMENTS IN PERCENTAGE OF TOTAL EACH YEAR

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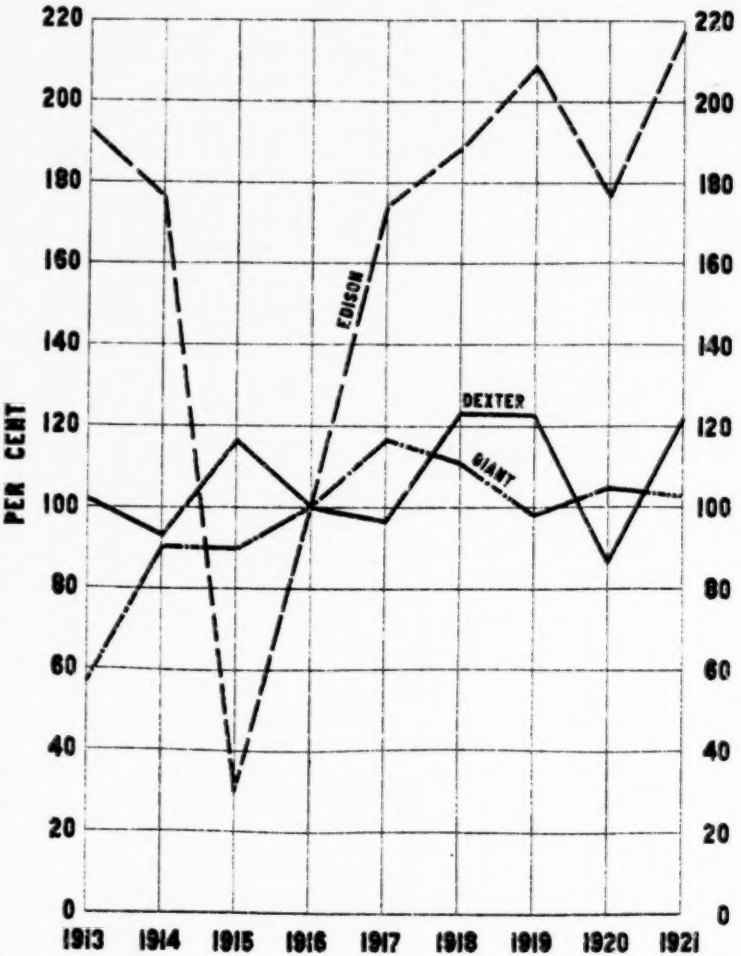
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2433

DEXTER EDISON GIANT

SHIPMENTS IN PERCENTAGE OF TOTAL EACH YEAR

1916 = 100%



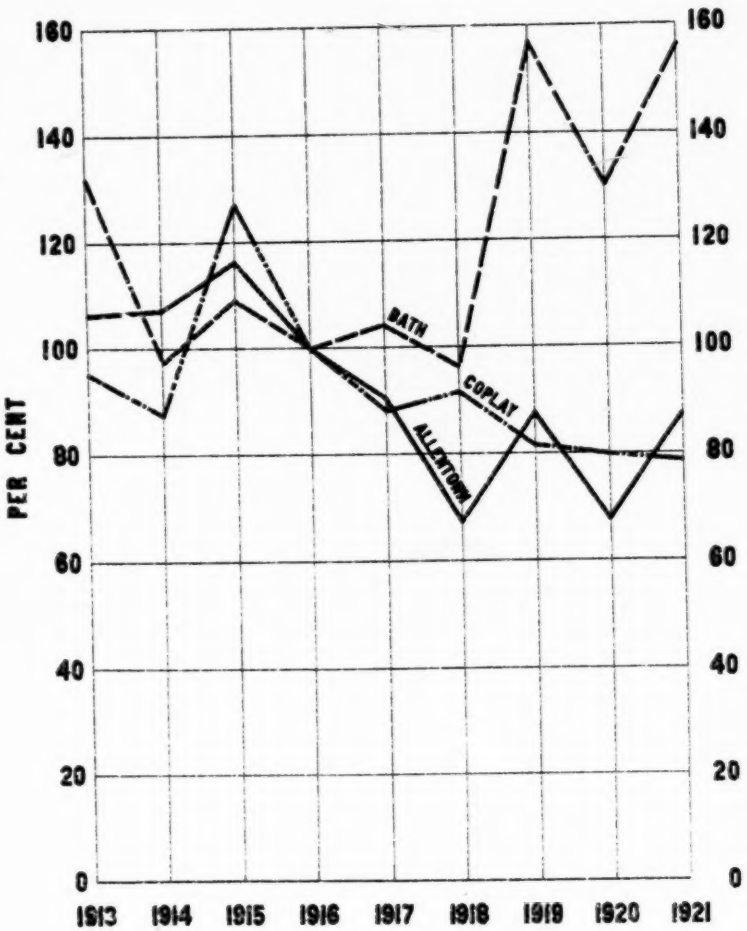
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2434
+
2435

ALLENTOWN BATH COPLAY

SHIPMENTS IN PERCENTAGE OF TOTAL EACH YEAR

1916=100%



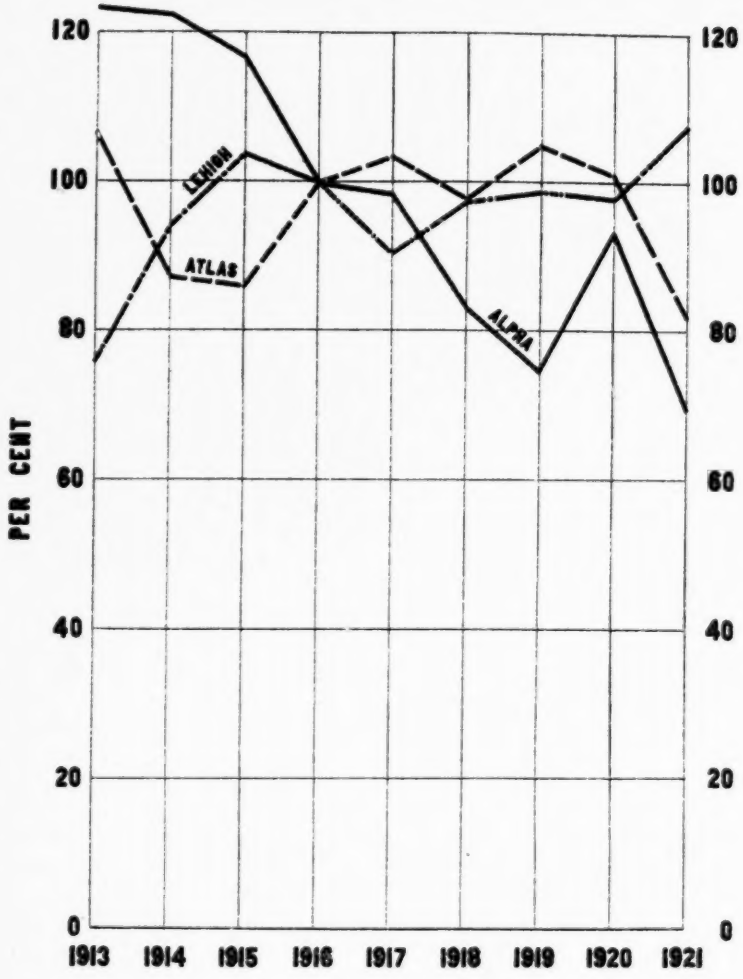
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2435½

ALPHA ATLAS LEHIGH

SHIPMENTS IN PERCENTAGE OF TOTAL EACH YEAR

1916=100%

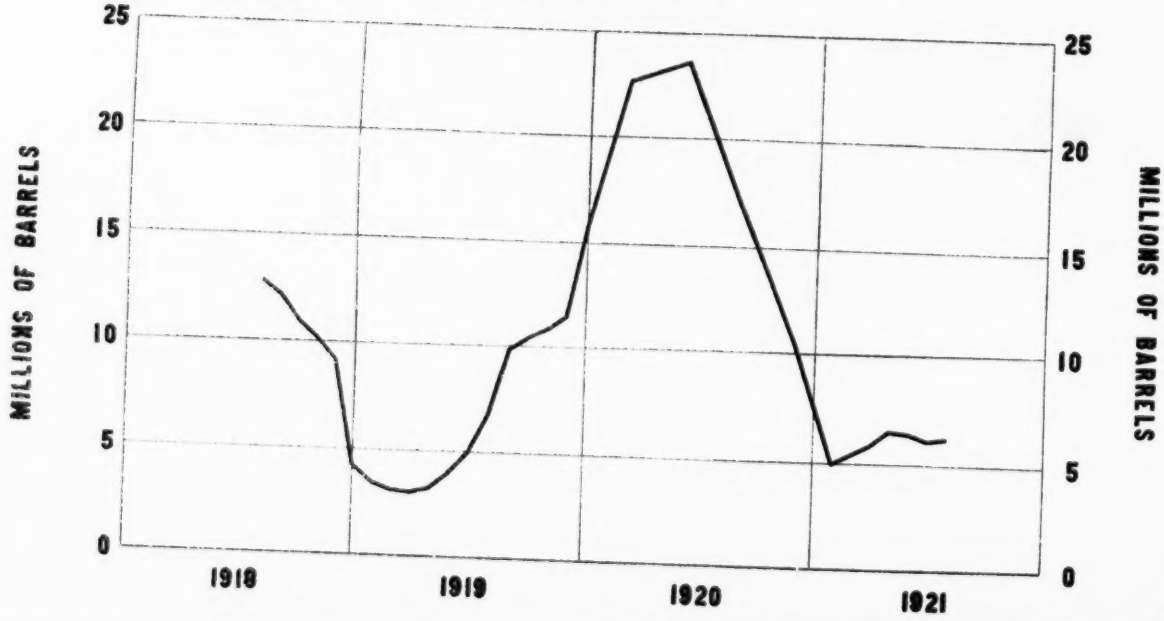


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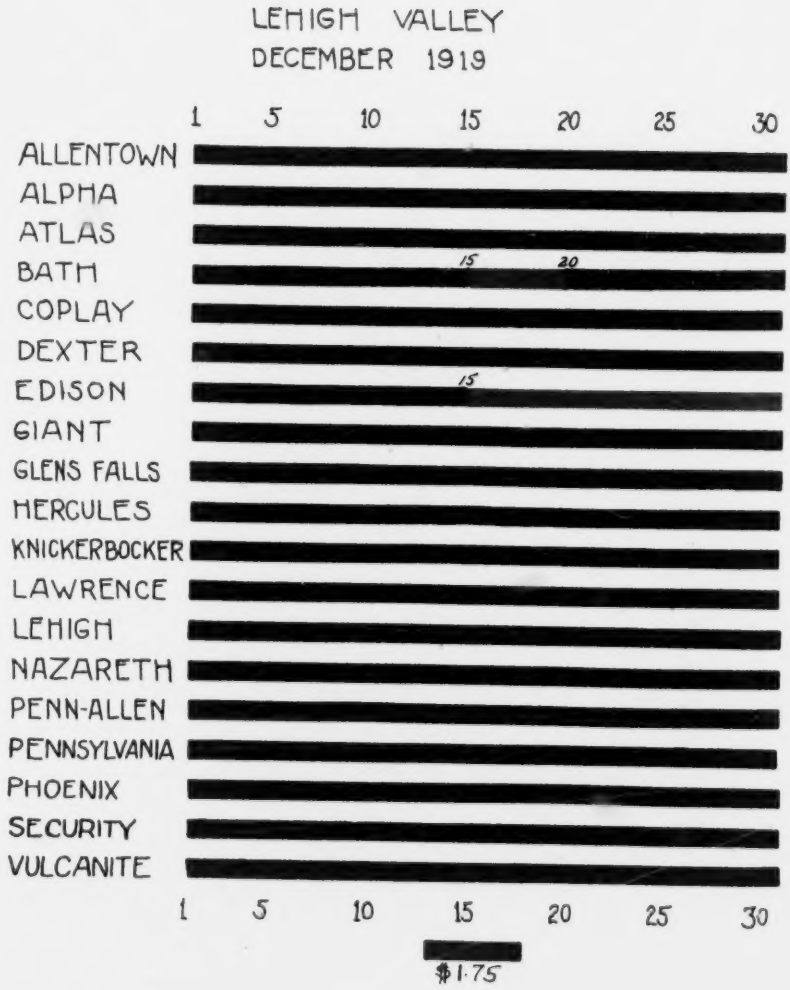
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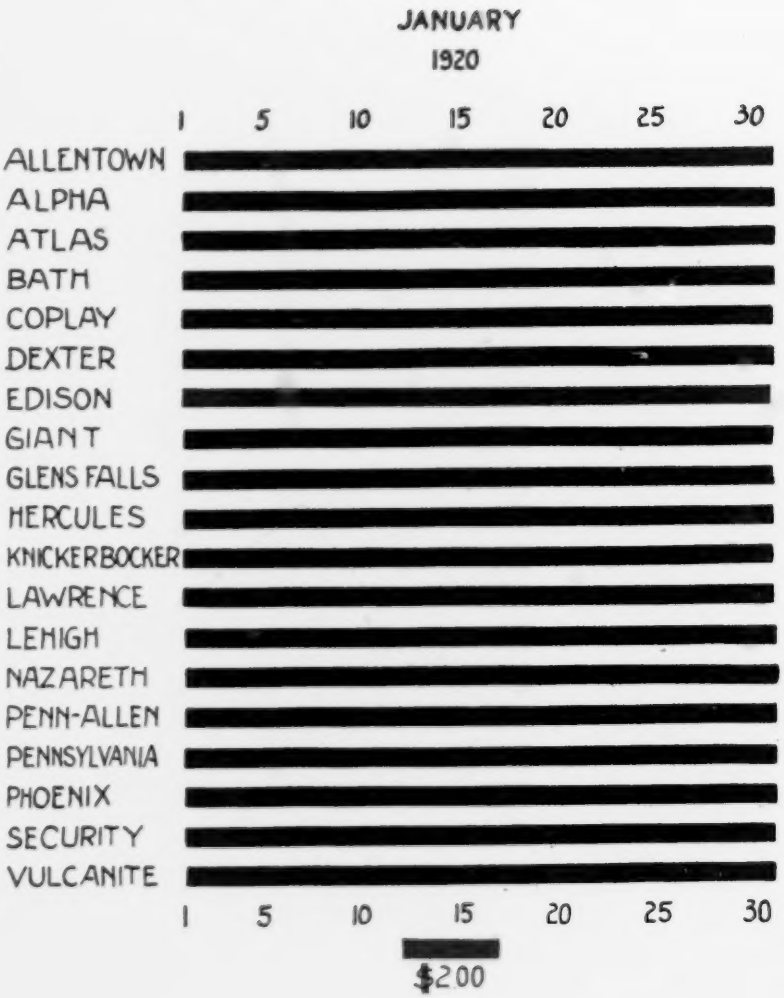
TOTAL COMMITMENTS ON SPECIFIC JOB CONTRACTS AT THE END OF EACH MONTH

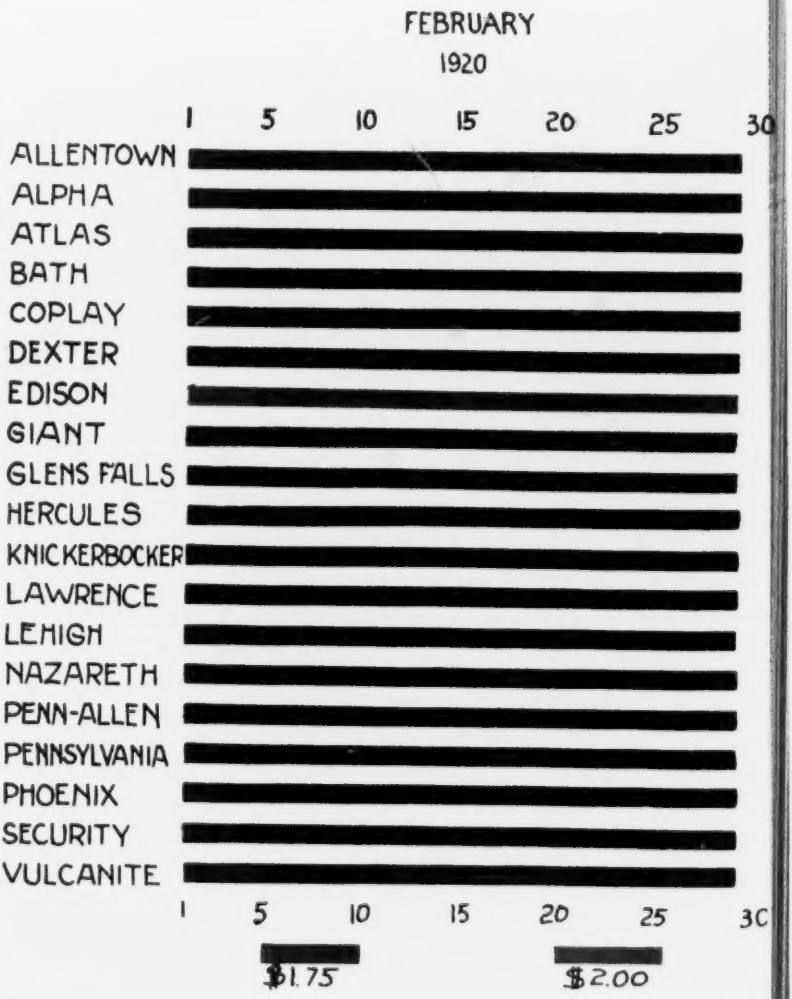
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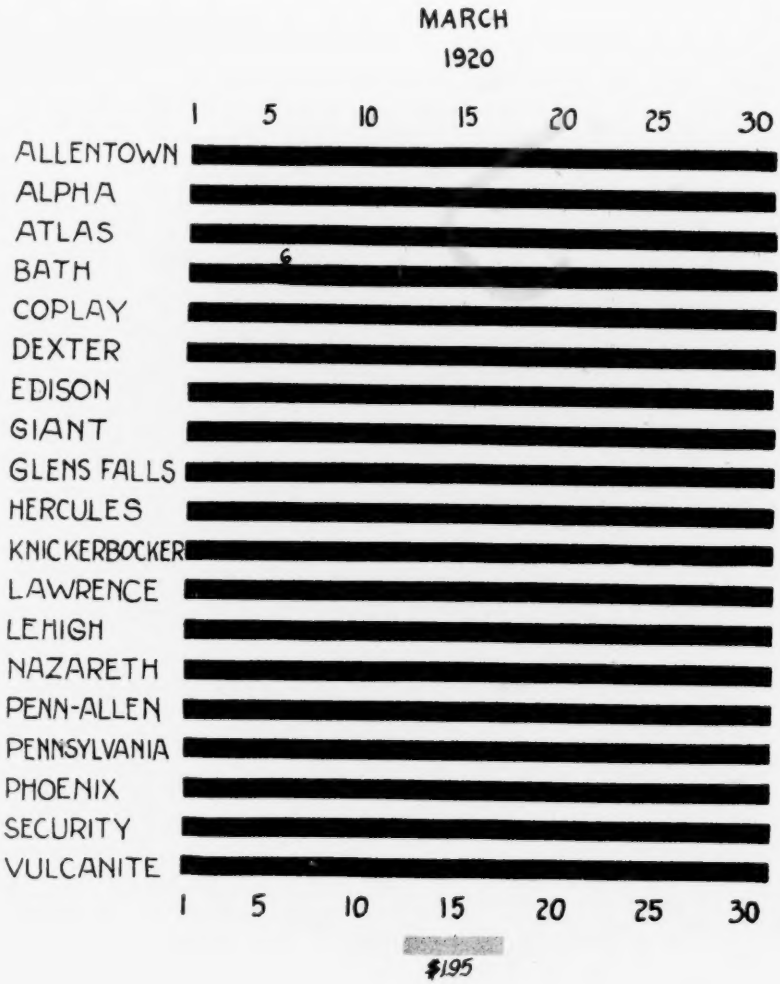


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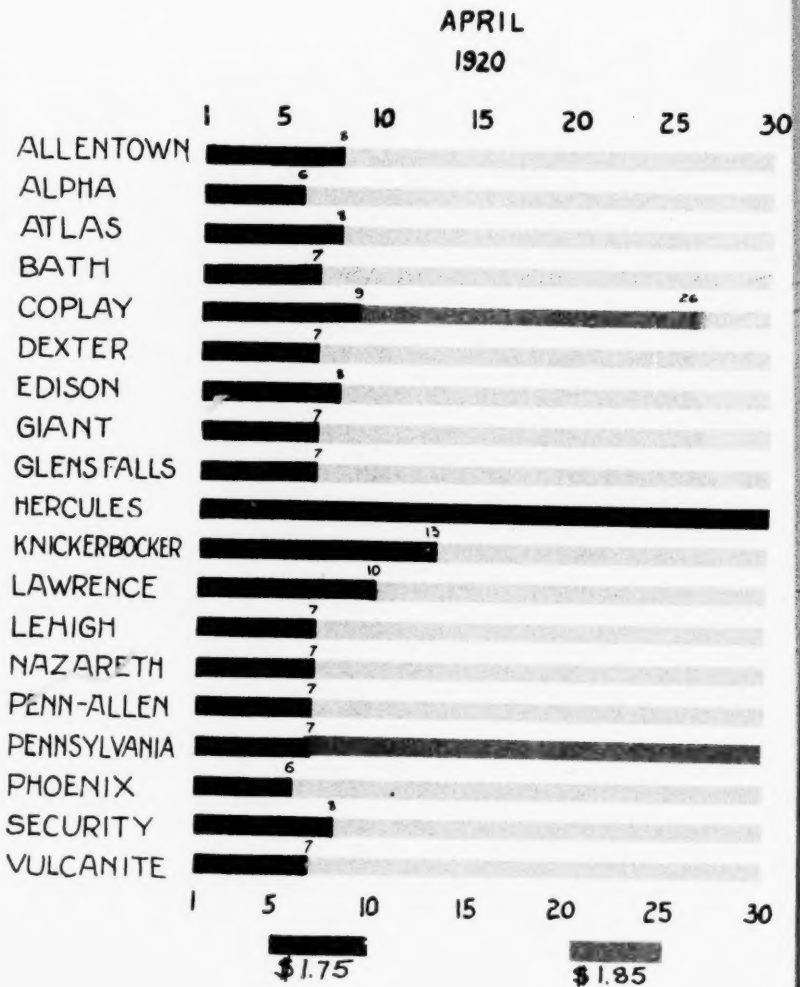

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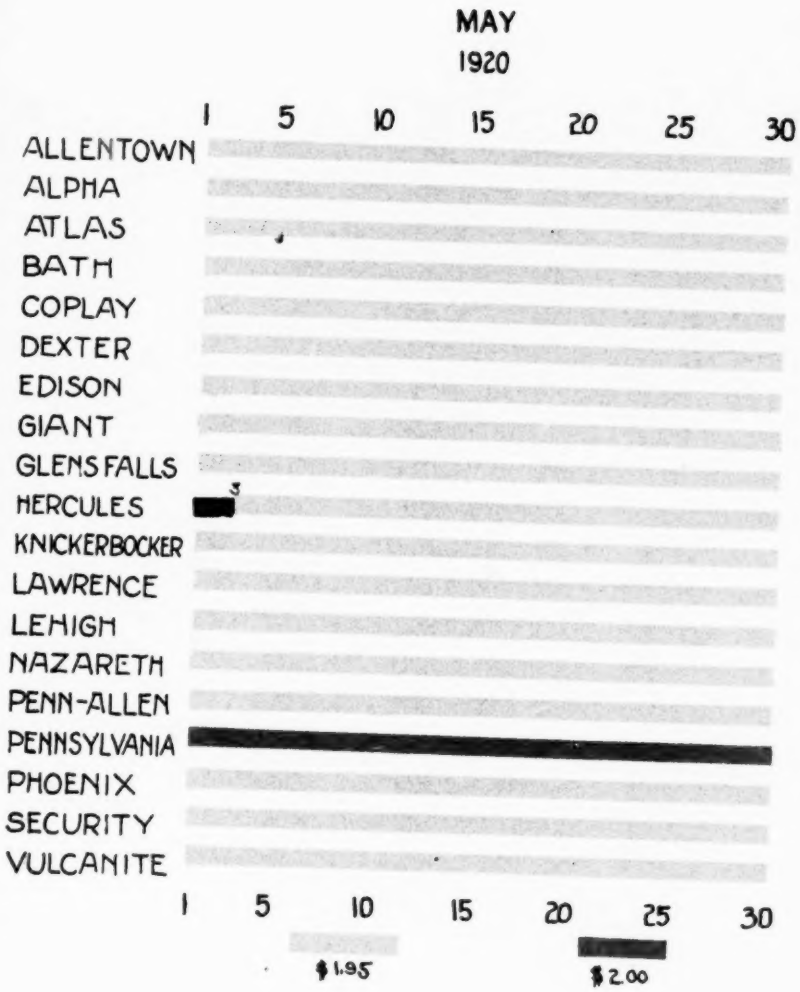

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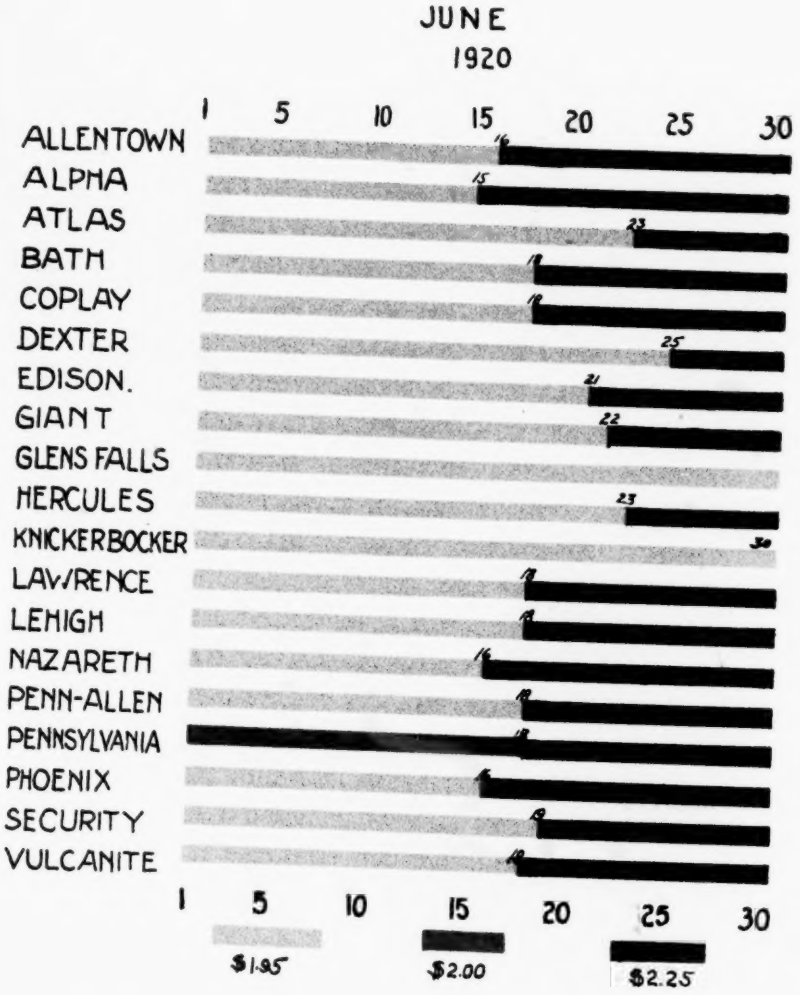

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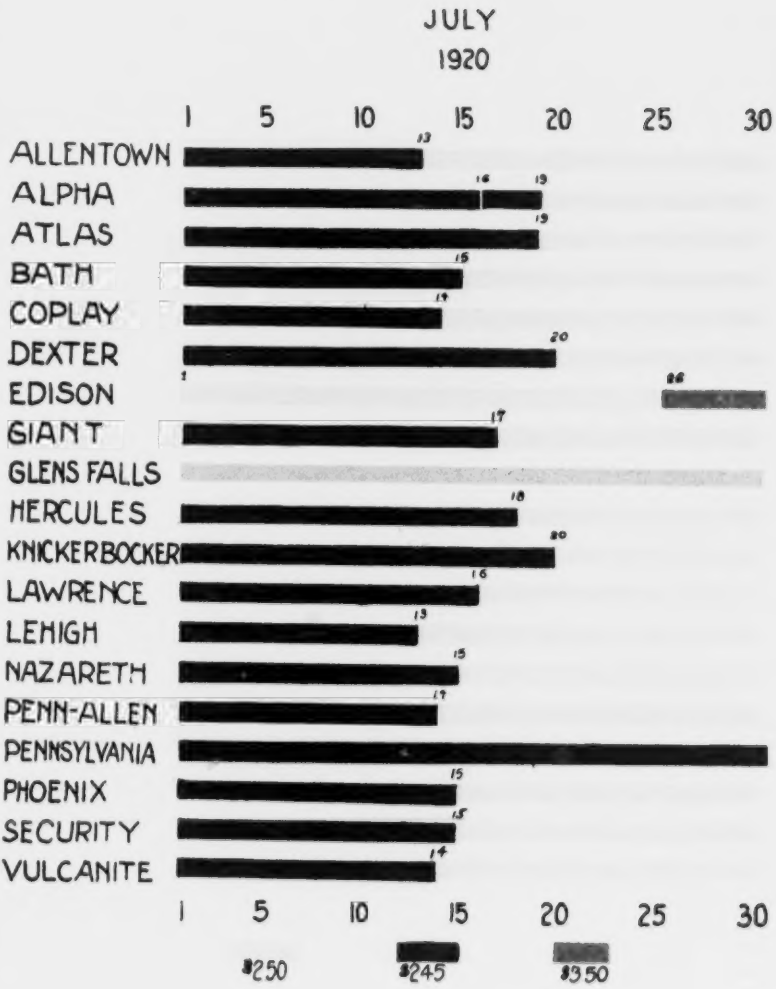

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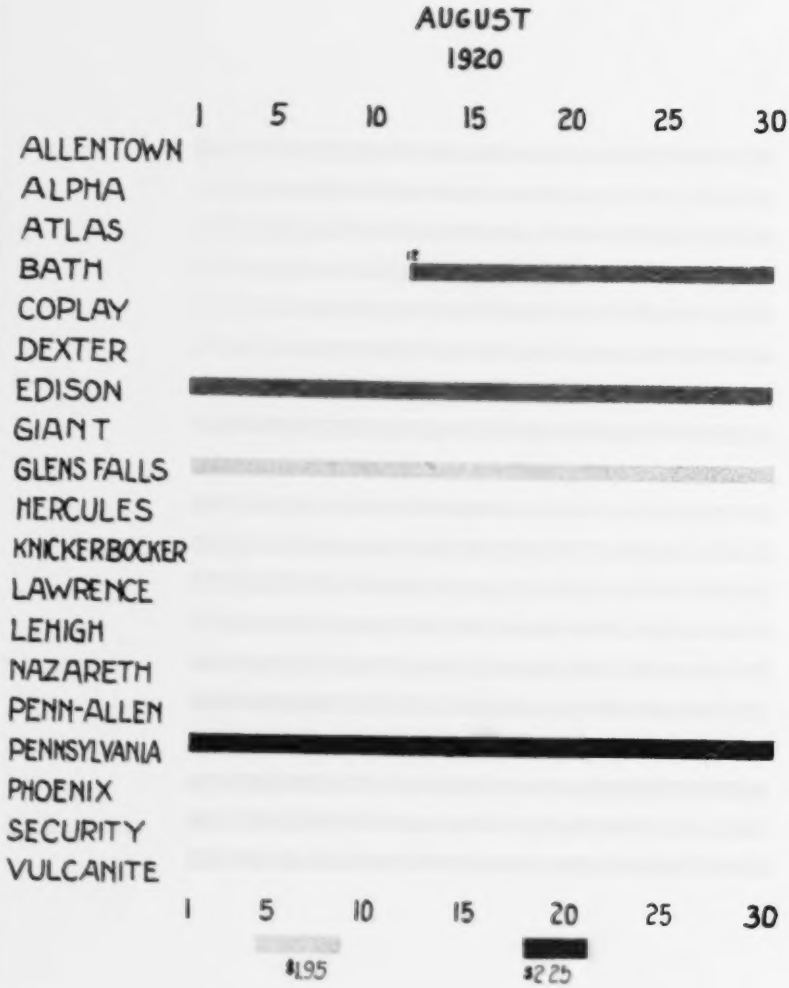
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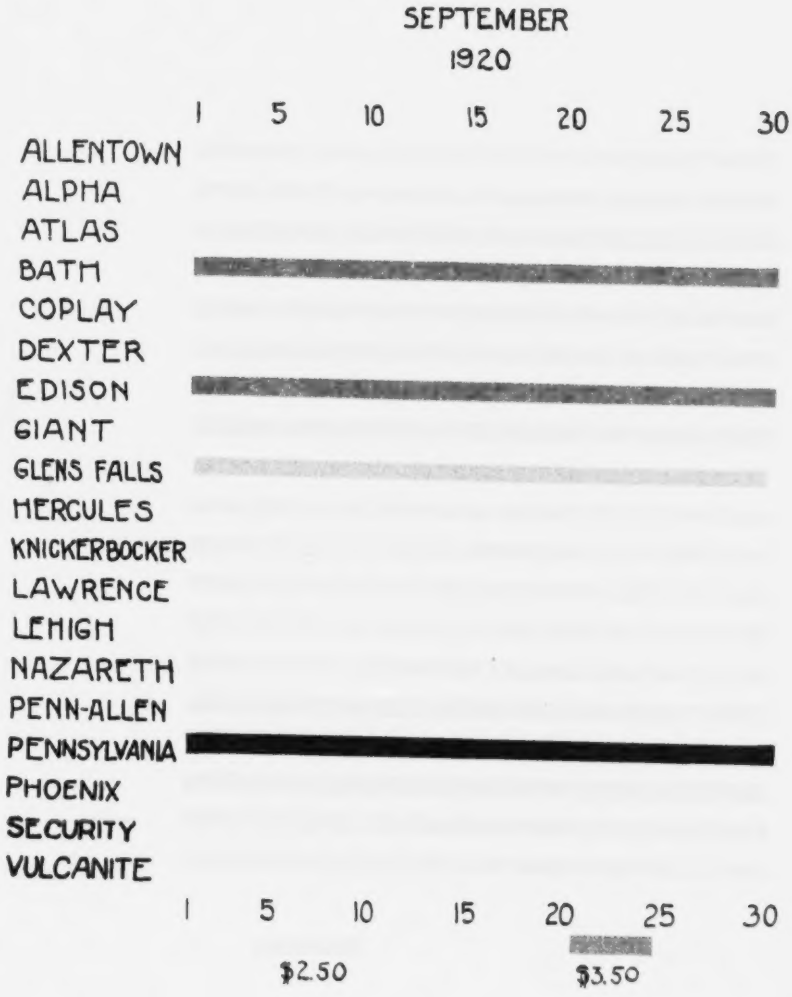

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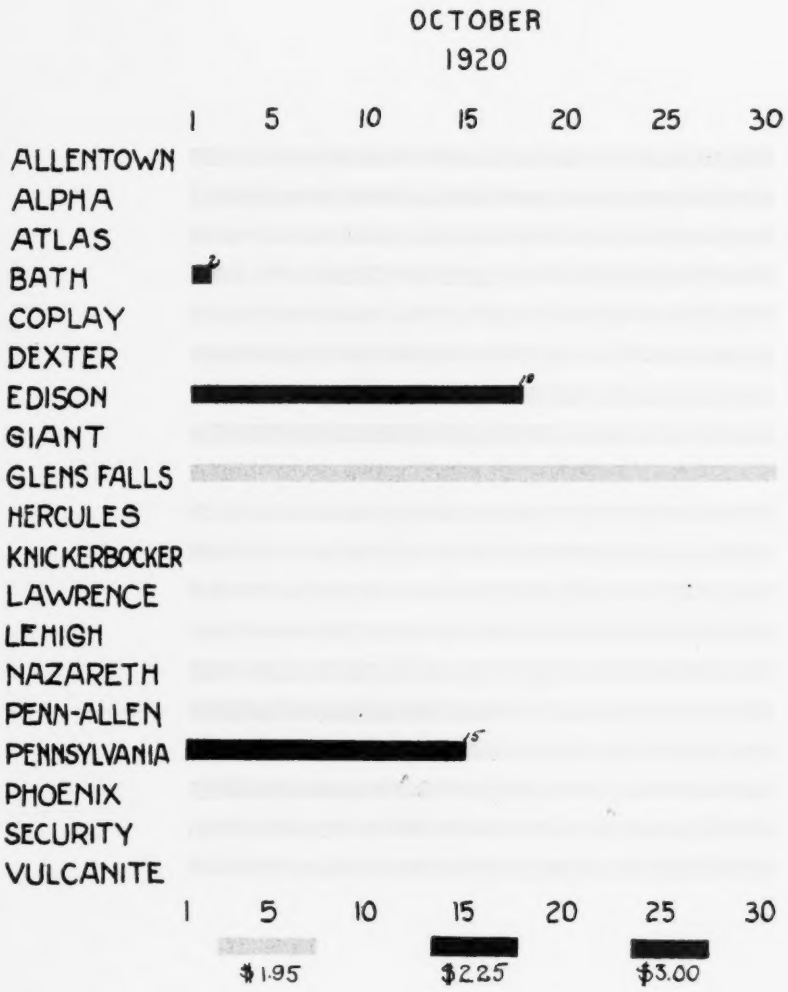

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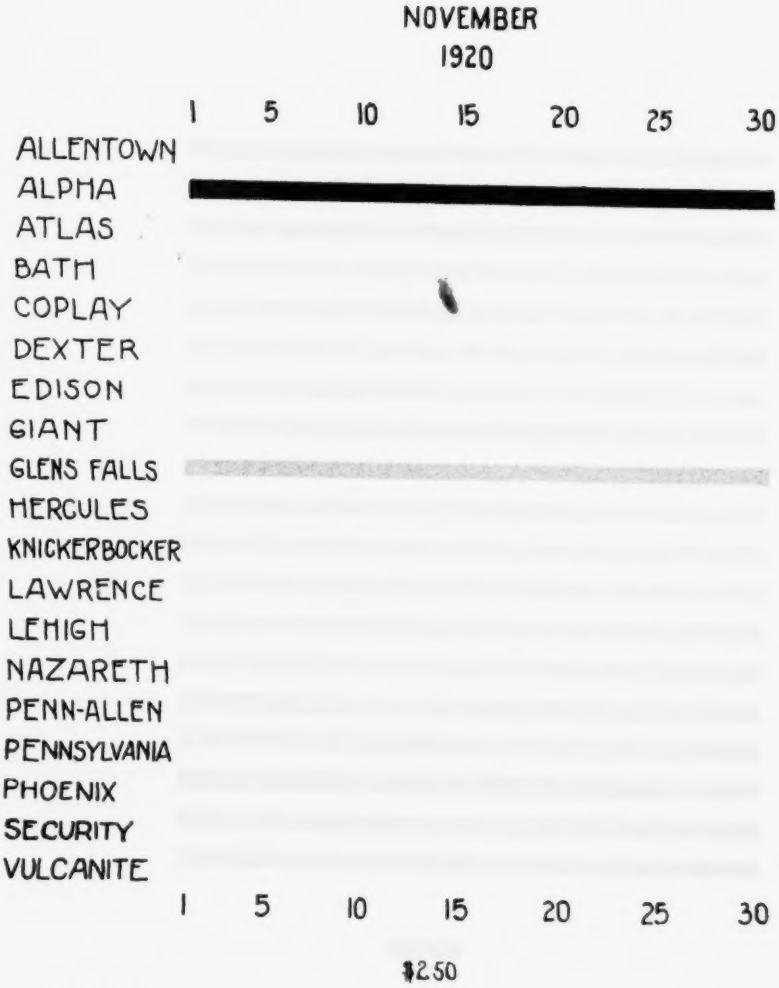

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PENN-ALLEN
PENNSYLVANIA
PHOENIX
SECURITY
VULCANITE
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$1.95
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$2.25


JULY
1920
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$245
$350

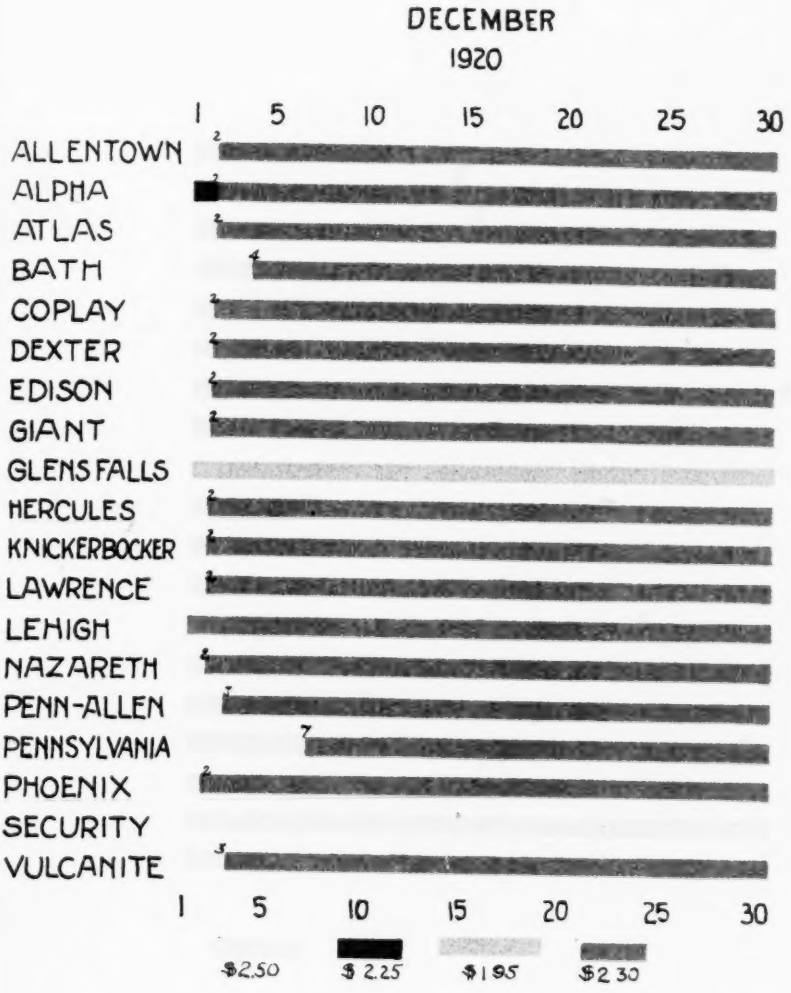

AUGUST
1920
1 5 10 15 20 25 30
ALLENTOWN
ALPHA
ATLAS
BATH
COPLAY
DEXTER
EDISON
GIANT
GLENS FALLS
HERCULES
KNICKERBOCKER
LAWRENCE
LEHIGH
NAZARETH
PENN-ALLEN
PENNSYLVANIA
PHOENIX
SECURITY
VULCANITE
1 5 10 15 20 25 30
$1.95
$2.25


SEPTEMBER
1920
1 5 10 15 20 25 30
ALLENTOWN
ALPHA
ATLAS
BATH
COPLAY
DEXTER
EDISON
GIANT
GLENS FALLS
HERCULES
KNICKERBOCKER
LAWRENCE
LEHIGH
NAZARETH
PENN-ALLEN
PENNSYLVANIA
PHOENIX
SECURITY
VULCANITE
1 5 10 15 20 25 30
$2.50
$3.50


OCTOBER
1920
1 5 10 15 20 25 30
ALLENTOWN
ALPHA
ATLAS
BATH
COPLAY
DEXTER
EDISON
GIANT
GLENS FALLS
HERCULES
KNICKERBOCKER
LAWRENCE
LEHIGH
NAZARETH
PENN-ALLEN
PENNSYLVANIA
PHOENIX
SECURITY
VULCANITE
1 5 10 15 20 25 30
$1.95
$2.25
$3.00


NOVEMBER
1920
1 5 10 15 20 25 30
ALLENTOWN
ALPHA
ATLAS
BATH
COPLAY
DEXTER
EDISON
GIANT
GLENS FALLS
HERCULES
KNICKERBOCKER
LAWRENCE
LEHIGH
NAZARETH
PENN-ALLEN
PENNSYLVANIA
PHOENIX
SECURITY
VULCANITE
1 5 10 15 20 25 30

$2.50


DECEMBER
1920
1 5 10 15 20 25 30
ALLENTOWN
ALPHA
ATLAS
BATH
COPLAY
DEXTER
EDISON
GIANT
GLENS FALLS
HERCULES
KNICKERBOCKER
LAWRENCE
LEHIGH
NAZARETH
PENN-ALLEN
PENNSYLVANIA
PHOENIX
SECURITY
VULCANITE
1 5 10 15 20 25 30
$2.50
$ 2.25
$1.95
$2.30

Mr. H. B. Shelly:

J. P. Williams, who has a general store and coal business at Arcola, Montgomery Co., Pa., advised that he handles Allentown Cement at present.

We would like to interest Mr. Williams in Lehigh, and hope that you will find it convenient to call on him towards that end in the near future.

Yours very truly, Allentown Office, Penna. Desk.

[fol. 2452½] DEF'TS' EX. NO. D-380

May 16th, 1916.

Mr. H. A. Swett, Plainfield, N. J.

DEAR SIR: I do not like your report on J. S. & S. Thompson, Elizabeth. You state that Mr. Thompson was not in. Had Penn Allen in stock and a good chance of getting Lehigh in later. Am afraid that you secure more promises than orders. There is no reason in the world why we should not secure a good share of Thompson's business at equal price, and if you put up a proper fight, you should come away with the business.

I have written you under another cover regarding Elizabeth and hope to secure much better results.

In reference to the South River Brick Company, South River, pay close attention to this business. There is no reason why they should not handle Lehigh exclusively, if handled properly and pushed hard enough. I guess you agree with me.

Yours very truly, —— ——, Eastern Sales Manager. BLS/N.

[fol. 2453] DEF'TS' EX. NO. D-381

May 17th, 1916.

Mr. A. M. Houser, Lock Haven, Pa.

DEAR SIR: I am very much disappointed in your report on Baird Rickenbaugh & Co., Osceola Mills, Pa. In 1913 we shipped them 1482 barrels, in 1914-396 barrels and in 1915, not a barrel. It is very evident they are favoring Atlas brand. You are just as good a man as the Atlas man—why don't you make yourself a better?

My idea is that you should get back to Osceola Mills as soon as possible and fight with Mr. Cobenslaw until you can be sure of at least fifty per cent of their business. You have a better brand of cement and with the proper sales talk, you should increase the tonnage in this market.

Your records show that in June 1913, this concern purchased 300 barrels; July-300; August-300 September-300 and October 150 barrels. Why has this business gone to the Atlas Co.? Keep your

records before you at all times and make up your mind that you will not only equal the best year's record in each town, in your territory, but you will beat it.

Yours truly, —— ——, Eastern Sales Manager. BLS/N.

[fol. 2453½] DEF'TS' EX. NO. D-382

May 16th, 1916.

Mr. A. M. Houser, Lock Haven, Pa.

DEAR SIR: I have before me your report on Beyer Trading Company, Ramey, Pa. You state that this concern gives preference to Universal because Lehigh hardened on them and that the Junior member of the concern was the man to see regarding this matter.

Houser, I am beginning to feel that you do not look upon your job seriously enough, and do not realize how necessary it is to fight when you run up against a proposition of this kind. Of course, this party does not use large quantities of cement, but I cannot understand how a Lehigh salesman would allow a statement of this kind to pass on without putting up a good argument. I never before have had knowledge that Universal Cement was better quality and would stock better than Lehigh, and if I had been in your position, I would have waited over in Ramey, seen the son and put up a stiff fight.

This concern handled 672 barrels in 1914 and 405 in 1915 and now you allow the Universal Company to walk in and take this account away from you at an even price. How can you expect to keep your territory in good shape if you work along these lines?

[fol. 2454] Your report on the Pennsylvania Lumber & Construction Co., South Fork, Pa., reads as follows:

"Will probably need a car before long but will not order now. Says we will get the order anyhow when cement is needed." This might be true, but I cannot understand why you could not have secured a 15 day order, if you had gone about it the right way. Our records show that this concern used last year, 350 barrels in March; 150 barrels in April; 200 bar-els in May. Up to date we have only shipped 135 barrels, consequently if they are handling Lehigh exclusively—and I imagine they are as you have not advised otherwise—why should they not be in a position to place an order for delivery within the next fifteen days. If you had used your record book properly, you would have had this information in mind and could have worked along the lines suggested in this letter.

In reference to A. Hostetter, Scalp Level, you state that he has part of a car on hand. Will not order now but when in the market will send us an order. Here is a case where the dealer handles two brands of cement and you should have made a special effort to secure a 15 day order for Lehigh, as it is a very easy matter for him to forget his promise and send his order to Atlas Company when in the market. This party only purchased a small car of cement this year,

which was shipped on March 10th, and it seems to me that with the proper amount of persuasion, he would have placed an order for a 15 days delivery, and you would be assured of the business that might now possibly go to a competitor.

[fol. 2454½] In your report on C. S. Schoff & Bro., Madera, you claim they have a few barrels on hand. According to our records—records which you should have—the last shipment to this concern was made during September of last year and even though Madera might be an extraordinarily small market for cement, it seems to me that inasmuch as this concern only had a few barrels of Lehigh in stock, that with proper salesmanship, you could have secured an order for 15 day delivery. It is dangerous for a dealer at this time of the year with the season opening up, to be short of cement. You could have called their attention to the fact that some one was liable to call on them for a much larger quantity of cement than they had in stock and if immediate delivery could not be made, the order would go to a competitive dealer, and if there was not a competitive dealer in their town, to some dealer in another town.

Buying cement at this time is not the same as buying cement at the end of the season. If there is not an immediate call for it, there certainly will be a call later on. You should have pointed out the fact to them that they used a carload of cement in April last year and a large car in May and that there would no doubt that the demand would be as heavy early this season as it was early last season. You must use more pressure in soliciting business.

Yours truly, —— ——, Eastern Sales Manager. BLS/N.

[fol. 2455] DEF'TS' EX. NO. D-383

Copy for Mr. Horner. N-CP-7.

July 26, 1916.

Mr. F. M. Hoover, Philadelphia Office:

Referring again to the Dayton, Ohio work, this was given to Schaeffer & Gengnagle last night for the Lehigh brand, at a price of $2.02 per barrel in cloth, on the cars, with a cash discount of 12¢ per barrel instead of 5¢, for payment ten days from date of shipment. I do not want you to give this information to anybody, as it is only for your own use. You can readily realize that if it does get out, it will cause me a lot of trouble with contractors in this City who are doing the work.

Very truly yours, John W. Ramsay.

[fol. 2455½] DEF'TS' EX. NO. D-384

Coplay Cement Manufacturing Co.

Philadelphia

September 29, 1916.

Coplay Cement Mfg. Company, New York City.

GENTLEMEN:

Re Little Bros.

I note Mr. Bale's report of the 27th inst. regarding the above dealers of Englewood, N. J., advising us that they state they will not handle any more Saylor's Cement on account of our selling Humphrey direct on the Pallisade Ave. work.

Our records show that we have shipped Little Bros. nothing this year, and I imagine it will take a good many years for us to supply them anything like the amount of cement we are shipping to Humphrey. It is rather amusing for a dealer to make a report to [fol. 2456] a salesman which is as weak as the above report referred to; however, I think it might be well for Mr. F. A. Bale to have another talk with Little Bros. and explain to them the entire transaction, for if we had not sold Mr. Humphrey direct there were plenty of other manufacturers who would have stepped in and sold him, and our records do not show that Little Bros. ever gave us enough business to take a chance of losing an account similar to the above.

Very truly yours, Coplay Cement Mfg. Company. W. G. Dutton, General Sales Manager.

[fol. 2456½] DEF'TS' EX. NO. D-385

The H. Wales Lines Co.

Meriden, Conn., Jan. 31, 1917.

Allentown Portland Cement Co., Allentown, Pa.

GENTLEMEN: Norcross Bros. Co. advise that they are protected on Atlas Cement for the High School at Waterbury, Conn. until Thursday February 1st, when it is expected the contract will be awarded to them.

If you wish us to do anything further with this matter please wire us on receipt of this letter.

Respectfully, The H. Wales Lines Co. S. Tredennick.

[fol. 2457] DEF'TS' EX. NO. D-386

Western Union Telegram

February 1, 1917.

The H. Wales Lines Co., Meriden, Conn.

Your letter thirty first. You can meet Atlas competition.
The Allentown Portland Cement Co.

Charge to us.

[fol. 2457½] DEF'TS' EX. NO. D-387

February 1, 1917.

The H. Wales Lines Co., Meriden, Conn.

GENTLEMEN: We have your letter of the 31st ultimo in regard to school job at Waterbury, Conn., and wired you that you could meet Atlas competition. This means that if you have been shown that the Atlas quotation is good until February 1st, you can make Allentown quotation good until the same date.

Yours truly, The Allentown Portland Cement Co. ——
——, Manager of Sales. RLC/S.

[fol. 2458] DEF'TS' EX. NO. D-388

Branch Office Pennsylvania Cement Company

Buffalo, N. Y., September 11, 1916.

The Pennsylvania Cement Company, New York City,

DEAR SIRS:

Attention of Mr. E. P. Alker

I wish again to bring to your attention the matter of the John
[fol. 2458½] W. Cowper Construction Company, Buffalo, N. Y., I was in conversation with Mr. Cowper today, he having called me to his office, and he informed me that the Edison Company was still shipping him cement at the old price of $1.66 and within a day or two this would be advanced 15 cents per barrel. This still makes their price five cents per barrel lower than the price in our contract with him and he wishes to take the balance on our contract but does not want to lose the five cents per barrel which the Edison Company have allowed him. He asked me to keep this information from you but I thought best to write you.

If you have anything further to say I would be very glad to hear from you

Yours very truly, Wm. Kraetz.

[fol. 2459] DEF'TS' EX. No. D-389

Sept. 12, 1916.

Mr. William Kraetz, Ellicott Equare, Buffalo, N. Y.

DEAR SIR: We have your favor of Sept. 11th, and note your interview with Mr. Cowper. If the Edison Company agrees to sell him at 5¢ per barrel lower than our price, we do not see what we can do, as we will not cut our price to meet theirs.

Also note your letter to the Kelley Island Lime & Transport Co., for the requirements of a new plant they propose to erect at Buffalo, New York. This undoubtedly will be Lehigh as the Kelley Island Lime & Transport Co. is controlled by the same people who control Lehigh.

I wish you would make it a point to see Mr. Brennan or Mr. Bitterman relative to what the Cheektowaga Constr. Co., propose doing as unless the matter is decided definitely this week, we will have to take steps to finish the job ourselves. Will you let me hear at once regarding this.

Very truly yours, Pennsylvania Cement Company. ——
——, Sales Mgr. EPA:Y.

[fol. 2459½] DEF'TS' EX. No. D-390

Railroad Quotations

New York, June 12th, 1916.

Mr. Edw. Nennig.

DEAR SIR: Referring to conversation on Saturday regarding price named on contract for P. & R. R. R. work of $1.50 delivered f. o. b. cars South Bethlehem Pa., beg to advise that this price is necessary in order to compete with the cement companies who might have a plant located on the P. & R. R. R. This would also apply to price named to any Railroad (other than the C. R. R. of N. J.) where that railroad had a cement plant located. Our price would then be f. o. b. cars the nearest Junction point to this certain railroad. For instance if the P. R. R. asked us for price, we would quote $1.50 f. o. b. cars Phillipsburg to meet the competition of cement plants located on the P. R. R.

Yours very truly, Vulcanite Portland Cement Co. Albert Moyer, Manager of Sales.

[fol. 2460] DEF'TS' EX. No. D-391

New York City, November 14, 1916.

Mr. B. F. Stradley, President, Essex Building, Newark, N. J.

DEAR SIR: The John P. Kane called up today and wanted to know if we would not change our contracts to read: "For the life of the job" or "Until completion of the work". We have been making them out with a date for completion, such as September 1, 1917 and Kane says that in some cases in their experience work has been held up and owing to the late start the job has run beyond the date specified in contracts and they have had to pay more for their material. They say that they sell the cement to their customers for the life of the job without restriction as to time and want to protect themselves; they want to buy their materials in the same manner. As you know, this course is being followed by some of our competitors and I shall be glad if you will let me have your views as to following this plan with Kane in respect to the contracts we have recently booked with them approximately 10,000 bbls. and any other contracts which we may make with them.

Yours very truly, —— ——, Vice-President.

[fol. 2460½] DEF'TS' EX. No. D-392

May 16th, 1916.

Mr. Jos. Fraker, Fairmount, W. Va.

DEAR SIR: I have before your report of the 12th on Grafton Feed & Storage Company, Grafton, W. Va., which reads: "Has car Universal in stock."

I must say Joe, that I am more than surprised to receive a report of this kind from you. It absolutely gives me no information and if I did not know you better, I would imagine that you were not interested in your work whatsoever. Is it fair to the Lehigh Company, when you figure the cost of sales, that you should give us only this limited information?

We are just as much interested in Grafton, W. Va., as we are in New York City or Allentown, Pa., and if we do not sell the cement, we want to know the reason why, as, if it is the fault of our sales organization, we want to remedy it immediately. It is up to you men on the firing line to give us the information in detail, so we can work together. We are just as anxious to sell a carload in a small town as we are to sell a 15,000 barrel contract for a road job.

[fol. 2461] We sold the Grafton Feed & Storage Company in 1913—1142 barrels, in 1914—1625 barrels, in 1915 only 535 barrels, and up to date this year, not a barrel of Lehigh Cement. You have only made two visits in five months time to this town. On your first visit you stated they had 100 barrels in stock and on your second visit you absolutely gave us no information at all.

I realize of course, that you opened up a new account in Grafton last year—the Crystal Ice Company—and we sold them a much larger quantity than we ever sold the Grafton Feed & Storage Co. We have shipped this concern only 300 barrels this year.

I am inclined to believe that Grafton is an important market and should be visited oftener.

In your report on the Crystal Ice Company you stated that Mr. Starcher the buyer was out of town and that you did not see him. You do not give us any information as to the amount of cement they had on hand and as to why we did not receive any business during April or the early part of May.

I believe in this case you should have pushed hard for more information, at least, and I certainly hope that you have in mind to phone Mr. Starcher within a day or so regarding new business. Our records show that this concern also handles Giant cement. In your report you do not give us information as to whether they are continuing to handle this brand.

Yours truly, —— ——, Eastern Sales Manager. BLS/N.

[fol. 2461½] DEF'TS' EX. NO. D-393

Sunbury, Pa., Aug. 15, 1916.

Mr. E. P. Alker, Sales Manager, Penna. Cemt. Co., N. Y. C.

Attention of Mr. Beach

DEAR SIR: Messrs. Eister & Weist state they ordered a small car by mail last evening. Please give same your prompt attention and hurry car through.

Some time ago I received a letter from Mr. Beach stating he understood these people were contractors and not entitled to the dealers price.

In my reply I stated that the Giant and French Co's had each sold them a car this year at the dealers price also that they were advertising our cement for sale and that I did not know whether they used their own teams or not but would find out the next time I called here.

Eister & Weist come under the name of Contractor Dealers and are running and operating a yard here and have their own team with which they make deliveries.

They have sold in small lots all of the cement from the last car we shipped them and have several small contractors who are [fol. 2462] buying our cement of them and who like same.

This is a good connection for us here and as these people are pushing the selling of our cement and I am sure that in another year their business will be worth having. Am enclosing a quotation from the French People at the dealers price and we must give them this price if we want their business.

Please advise.

Yours very truly, A. K. Widenor.

[fol. 2462½] DEF'TS' EX. NO. D-394

August 16, 1916.

Mr. A. K. Widenor, 519 Adams Avenue, Scranton, Pennsylvania.

DEAR SIR: We have yours of August 15th relative to Eister & Weist and believe that you are correct in stating that they should be considered as contractor dealers. We are therefore shipping the car on order at the dealer's price.

Yours very truly, Pennsylvania Cement Company. ——
——, Sales Manager. EPA-H.

[fol. 2463] DEF'TS' EX. NO. D-395

October 27, 1916.

Mr. J. P. Maloney, Boston, Mass.

DEAR SIRS: I note on the Association Report of Contracts under date of Oct. 26, that W. N. Potter & Son at Millers Falls, Mass., have contracted with Vulcanite for five thousand (5000) barrels of cement, evidently, for resale for the Cast Stone Work of the Art Stone Company. Is this our Potter, and do you know of any reason why he should have made a contract with Vulcanite, as it is my understanding that he has not been accustomed to buying that brand.

I also note that Berry & Ferguson made a contract with Atlas for three thousand (3000) barrels for the 1917 requirements of the Cochrane Chemical Company.

Kindly also investigate and report.

Yours very truly, Smith, Sales Manager.

[fol. 2463½] DEF'TS' EX. NO. D-396

Lehigh Portland Cement Co.

Allentown, Pa., July 7th, 1916.

Mr. W. A. Fuchs, Asst. Sales Mgr.

DEAR SIR: We wish to call your attention to conditions in Suffolk County, L. I., Mr. Kunkel's territory. In looking over our records we find the following facts with reference to this county.

#1. Number of Dealers—35.
#2. Number of dealers who bought Lehigh in 1915—20.
#3. Number of dealers who have bough- Lehigh so far this year—11
#4. Of the 19 active dealers records show that 11 stock Atlas in addition to Lehigh, the remainder dividing their business up among several different brands.
#5. Number of inactive dealers—15

#6. Eight of the above inactive dealers handle Atlas only, three handle Atlas with other brands and four have divided their business up among several brands not including Atlas.

[fol. 2464] From the above it will be seen that Atlas have on their active lists approximately 23 dealers against 19 which we had last year and 11 which have bought so far this year.

We also wish to call your attention to the following copies of reports received from Mr. Kunkel this morning with reference to his call on some of the inactive trade in this county handling Atlas.

Northport Lumber & Coal Co., Northport.—"Mr. Coplay says trade has been very good so far this season. Is very pleasant but does not care to add another brand to his cement so long as Atlas is even in price and continues to give satisfaction."

N. B. Rogers & Son, Westhampton, L. I.—"Mr. Rogers friendly as usual. Have some Atlas in stock and nothing moving at present. Shed capacity only one car and he does not care to change so long as trade likes Atlas."

George L. Penny, Mattituck, L. I.—"Mr. Penny says trade is dead here. Just about the time our car was getting low he had an inquiry for some Atlas so he put in a car and has a good part of it in stock. As soon as this moves out will buy some more Lehigh."

John J. Randall Co., Freeport, L. I.—"Mr. Randall not very encouraging. Says they have two brands and will not consider another at present. He prefers Alpha as he has used considerable of that brand in his own work in the past and has added Atlas to meet [fol. 2464½] a local demand. Says two brands are enough and will not consider any more under existing conditions."

From the above it would appear as though the Atlas Company had done considerable missionary work in this county in building up a demand for their brand. According to our records Mr. Kunkel has not covered Suffolk County before this year since April and it would seem to us as though more frequent visits should be made to this particular territory if we intend to increase our tonnage or even hold the accounts which we now have. Possibly we could be of some assistance to Mr. Kunkel by starting a special compaign in this territory and following these dealers closely from this office and the writer will be glad to receive from you any suggestions along this line.

Respectfully submitted, New York Desk, per Hoe. RMH.

[fol. 2465] DEF'TS' EX. NO. D-397

July 10, 1916.

Mr. Fred Kunkel.

DEAR SIR: Referring to Suffolk County, L. I., we find the following facts as obtained from your reports from time to time:

1. Number of dealers, 35.

2. Number of dealers who bought Lehigh in 1915, 20.

3. Number of dealers who have bought Lehigh so far this year, 11.

4. Of the 19 active dealers, records show that 11 stock Atlas in addition to Lehigh, the remainder dividing their business up among several different brands.

5. Number of inactive dealers, 15.

6. Eight of the above inactive dealers handle Atlas only, three handle Atlas with other brands and four have divided their business up among several brands not including Atlas.

From this statement of facts, it appears very much as though Atlas was regaining some of the prestige which they had on Long Island, possibly due to the fact that our canvas- of Suffolk County has not been sufficiently intensive.

Our records show that you have not covered Suffolk County between April and your last very recent visit in this vicinity, and if [fol. 2465½] we intend to increase our tonnage or even hold the accounts which we had last year, it would appear that more intensive work must be done.

mand that more frequent visits must be made, and in this con-

It may be possible that your analysis of the situation does not denection will be glad for your suggestions as to the best method of creating a demand in this territory.

You will possibly recall that we have not been writing special follow-up letters to any of the dealers in your territory owing to the fact that you have previously succeeded in getting around to see your trade sufficiently frequent to preclude the necessity for letter writing.

If there is any way that you feel that we can be of service in helping out this unfortunate condition in Suffolk County, we will be glad to have you advise us. In any event, will you let us hear from you in detail on this proposition.

Very truly yours, —— ——, Asst. Sales Manager. WAF-M.

[fol. 2466] DEF'TS' EX. No. D-398

Lehigh Portland Cement Co.

Elmhurst, L. I., July 15, 1916.

Mr. W. A. Fuchs, Asst. Sales Mgr. Lehigh Portland Cement Co., Allentown, Penna.

DEAR SIR: Your favor of July 10th, showing analysis of Suffolk County, Long Island received.

While the number of dealers who bought Lehigh last year is greater than this year, I would call your atten— to the fact that a number of the yards went into the winter with large stocks of other brands, bought on cheap contracts. I am sure that before the next

six months have passed, we will have back our usual number of Lehigh dealers in this County, as I can think of no one who has dropped Lehigh, to whom we cannot sell cement under present conditions.

Unfortunately, last fall, the Atlas people regained some of their lost ground, when their price did not raise on the same day that ours did, but in several instances we have been able to get back some of our dealers.

[fol. 2466½] Incidently, I am pleased to call your attention to Mr. Swett's letter to me under date of the 11th, on which statement, Suffolk County shows an increase in June's shipments over 1915. However, we cannot expect much increase for the next two months as most of the East end of Long Island is a summer resort section, and the building is generally done in the fall of the year.

At the present minute I cannot think of anything that we can do, outside of our regular campaign, and I will endeavor to cover Suffolk County more often during the next six months of the year.

I would be pleased to go over the situation further with you when you are again in the New York Office, and, in the meantime, will use every effort possible to increase sales and win back any friends which we have lost.

Very respectfully, Fred Kunkel.

[fol. 2467] DEF'TS' EX. No. D-399

February 5th, 1917.

Mr. G. A. Morgan.

DEAR SIR: I note from your week-end letter of the 3rd that Ironclad is very strong with the contractors in Balston and points in that vicinity, although the dealers would prefer to handle Lehigh.

Here's an excellent opportunity for you to put in some good work by calling on the contractors and giving us a list of them so that we may get busy on the advertising campaign. Let us hear from you as to how we can cooperate on this proposition.

Yours truly, —— ——, Eastern Sales Manager. BLS.

[fol. 2467½] DEF'TS' EX. No. D-400

March 1, 1917.

Mr. G. A. Morgan.

DEAR SIR: Wish you would pay special attention to R. P. and L. R. Mead at Ticonderoga and Shook & Putnam at Port Henry, N. Y. Both of these accounts are in the heart of the Ironclad district and we consider ourselves very fortunate in securing the volume of business which we have in times past. You state that Shook &

Putnam have a new manager this year who is favorable to Ironclad. Due to the fact that Feeks is also with this company, we think it behooves you to double your energies to hold this account. In the case of R. P. and L. R. Mead we are positive that the reason for our loss last year was due to salesman's neglect and this is another point for you to follow closely. Kindly govern yourself accordingly.

Yours very truly, Allentown Office, by —— ——. GJB.

[fol. 2468] DEF'TS' EX. No. D-401

Lehigh Portland Cement Co.

Allentown, Pa.

April 16, 1917.

Mr. H. A. Swett.

DEAR SIR: On April 6th you were in Carteret and Roosevelt, Middlesex County, N. J.

The situation at this point certainly does not look as though we are going to line up a new account. As we understand it, Roosevelt is not on a railroad and deliveries must be taken at Carteret. The dealer in Carteret is supplying trade in Roosevelt and vice versa—are we correct?

If, at your request, we remove from our quotation list A. J. Miller Co. who are not handling cement, it leaves but one prospect in a town of 5,000 population, that is Herman Bros. Surely there is more than one building supply dealer in this town and you should have looked up every last one of them, giving us at least two of the most desirable ones to work on.

[fol. 2468½] Understand, we may be wrong and there may not be another dealer in this town but if there is, we will be quick to realize that we have not been fully advised. Your kind attention will be appreciated.

Yours very truly, Allentown Office, by G. J. Bickel.

4/17/17.

Herman Bros. only dealer now at these above two points.

H. A. S.

[fol. 2469] DEF'TS' EX. No. D-402

Lehigh Portland Cement Co.

Allentown, Pa., April 21st, 1917.

Mr. H. A. Swett.

DEAR SIR: With further reference to our letter of April 16th regarding prospective dealers in Somerville on whom you did not send us reports when you were last in that city, we would appreciate your

further word as to whether you called on Sargeant Bros. and if so the chances for our securing their business.

Yours very truly, Allentown Office, by G. J. Bickel.

4/27/17.

Failed to see Mr. Dun on my call to Sargeant Bros. these people tied up with Dragon Co. on acct. of relationship between Dun, Smith & Ackerman of Lawrence Co.

H. A. S.

[fol. 2469½] DEF'TS' EX. No. D-403

March 12, 1917.

Mr. G. A. Morgan.

DEAR SIR: Anibal & Karg, formerly very good dealers of ours at Gloversville, N. Y.

Last year we did not get a very good deal.

You called on them on the 19th and find that prospects for 1917 look good. With the idea of getting a good tonnage out of this town this year we wish you would follow these people very closely as we know they are the only good-sized dealers in the place.

Would suggest you talk advertising strong to these people as it occurs to us that dealers of this size should be interested in this feature.

We await your reports.

Yours very truly, Allentown Office, by —— ——.

[fol. 2470] DEF'TS' EX. No. D-404

March 29, 1917.

Mr. G. A. Morgan.

DEAR SIR: You report your call on the 27th inst. on Anibal & Karg, our dealers at Gloversville, N. Y.

We have impressed upon you many times the importance of our being familiar with the standing of the other dealers in a town. If Anibal & Karg are not going to recognize us and favor us with some business, it is up to you to look around and get a line on the other dealers handling competitive brands. For instance A. E. Brace who we understand handles between five and six thousand barrels of Alpha and Atlas. This is a good account and if you cannot get Anibal & Karg, you should go after these people. Our worst fault in this territory in previous years is that we have been content to follow one account and paid no attention to others, even though we could obtain their business.

We will expect to hear from you as to why you have passed up this town without covering it thoroughly.

Yours very truly, Allentown Office, by —— ——.

[fol. 2470½] DEF'TS' EX. NO. D-405

Copy to G. A. Morgan.
Call these people on the phone and see if you can't pull an order.

April 30th, 1917.

Messrs. Anibal & Karg, Gloversville, N. Y.

GENTLEMEN: On March 26th we quoted you on Lehigh $2.36 per barrel in cotton and $2.11 in paper, f. o. b. cars Gloversville, N. Y. These prices are still effective and are good for your acceptance within five days from date and for shipment within fifteen days from date of your order.

Building statistics show that there is more work contemplated and under way this year than any other previous year. This does not only apply to large undertakings but to small constructions.

The traffic congestion is somewhat relieved but the car shortage is still serious and it has been found necessary to anticipate requirements and give as much time as possible to the railroad companies to supply the shippers with cars.

[fol. 2471] Thinking that you are in the market about this time, we enclose a post card for your use in ordering a car for immediate or fifteen day shipment.

Anticipating the pleasure of supplying you with Lehigh and assuring you of our desire to cooperate with you, we are

Yours very truly, Lehigh Portland Cement Company. ——
——, Eastern Sales Manager.

[fol. 2471½] DEF'TS' EX. NO. D-406

May 11th, 1917.

Mr. G. A. Morgan.

DEAR SIR: We wish you would pay especial attention to the dealer situation at Gloversville, N. Y., which is far from satisfactory.

We are not going to get our share of business out of this town unless we hammer incessantly at Anibal & Karg or else line up a new account.

Wish you would run in here as often as it is possible.

Kindly advise us what, in your opinion, is the best way to go about getting some business out of this place.

Yours very truly, Allentown Office, by —— ——

[fol. 2472] DEF'TS' EX. NO. D-407

August 6th, 1917.

Mr. H. A. Swett.

DEAR SIR:

Re Job NJ-6288, South River, N. J.

You say you reported on this work July 24th. We have no such report, the only one we have received from you being dated July 16th.

July 27th, Brown, Rose & Company, Inc., closed for 4,000 barrels Edison on this work. You cannot expect to get 4,000 barrel contracts unless you stick around and work them.

Yours truly, —— ——, Eastern Sales Manager.

[fol. 2472½] DEF'TS' EX. NO. D-408

Lehigh Portland Cement Co.

Allentown, Pa., October 23rd, 1917.

Mr. F. E. Smith.

DEAR SIR: We note from your report of October 16th that W. C. Nicholson & Co. are going out of the cement business. What prospects can we follow in this town? We certainly should start a campaign so that we can have a live wire in the Spring.

Yours very truly, Allentown Office, by G.

[fol. 2473] DEF'TS' EX. NO. D-409

Use of telephone in conjunction with quotations.

July 28, 1917.

Mr. A. E. Smith.

DEAR SIR: After a thorough analysis of your follow up in conjunction with quotations which have been issued from this office and from Allentown I feel that you can assist your tonnage considerably if you will make use of the telephone when you have received copies of quotations and find that you will not be in the specific town for an extended period.

Of course there is not any doubt in your mind that the best indications we have that a prospect is in the market for cement is receipt of his inquiry as he surely needs cement or is endeavoring to find out the market price, and it is only natural for us to arrive at the conclusion that the former is effective.

I know it is difficult to arrange satisfactory transportation in

South Carolina, and therefore were I you I would make use of the telephone as I know full well that you have plenty of time in every town on account of the limited train schedule.

[fol. 2473½] Take for instance a town like Sumpter you can do all of the work necessary in following all of the dealers both our own and competitors, also following any jobs and then still have several hours on your hands, and I believe that when you have received your morning's mail it will be of considerable advantage to you to sit down and communicate with some of your recent inquirors by telephone.

Of course, we are not anxious for any of our men to resort to the telephone in favor of personal calls, but as stated above I believe that you can keep in touch with the general situation better and receive more favorable consideration in placing orders if you will resort to the immediate touch which is by telephone when you cannot arrange to make the long jump by train.

I will also take this opportunity of requesting you to be pleased in your telephone communications as I believe that the usual three minutes' charge can cover any situation, and if I am sufficiently conversant with the South Carolina territory there is hardly a place where the total charge will be over one dollar for three minutes unless you are located in a far western section and would be calling the eastern section or vice versa.

Kindly accept this letter in the spirit of endeavoring to assist you in additional tonnage and acknowledge receipt, and express your views.

Yours very truly, Virginia Portland Cement Company.
—— ——, District Sales Manager.

[fol. 2474] DEF'TS' EX. NO. D-410

May 17th, 1916.

Mr. A. M. Houser.

DEAR SIR: Keep after the J. T. Foulks Co., Houtzdale, Pa. This looks like an elegant prospect and I certainly would be pleased to see you secure this account.

I am very sorry that you did not call earlier upon Rumberger & Mills at Houtzdale. Try hard to secure this business; after all the time and money spent on this account last year, it would have been good business on your part to have been the early bird. As it is the business has gone to the Universal Company at an even price.

Yours truly, —— ——, Eastern Sales Manager. BLS.

[fol. 2474½] DEF'TS' EX. NO. D-411

July 17th, 1917.

Mr. H. A. Swett.

DEAR SIR: Referring to your notation on our letter of the 11th inst., requesting that you make a report on Force & Steel, a new building material firm starting in business in Trenton, to the effect that we are represented by J. B. Richardson & Son exclusively.

If you are satisfied to let this concern do business in Trenton and know nothing about them, we are not, and we must insist that you find out all details connected with their business, what brand they are handling, and advise us of same. While it is not our intention to solicit their business at this time, we must be fortified with this information.

Yours very truly, Allentown Office, by —— ——.

[fol. 2475] DEF'TS' EX. NO. D-412

October 19th, 1917.

Mr. H. A. Swett.

DEAR SIR: Under date of September 20th you reported on this work—"This job will come up about October 5th, undecided whether it is to go ahead or not."

Evidently the work did come up and did go ahead, for Charles E. Burd has been awarded contract, closed for 2,500 barrels Lawrence. I regret that you did not see fit to follow the matter further.

Yours truly, —— ——, Eastern Sales Manager. BLS.

[fol. 2475½] DEF'TS' EX. NO. D-413

Nazareth Cement Company

Interdepartmental Correspondence, Boston Office

Date: January 2, 1918.

Subject: ——.

To Mr. J. A. Horner, Nazareth, Penna.:

I have seen a quotation of the Lehigh Cement Company's dated December 29th, quoting on Cement and nothing is mentioned in regard to advance in freight rates. In other words, they are not protecting themselves against an advance and in this way it is hurting us as we are trying to do it.

Very truly yours, John W. Ramsay.

[fol. 2476] DEF'TS' EX. NO. D-414

Security Cement & Lime Co.

Baltimore, Md., February 26, 1918.

Mr. John K. Barbour, Hagerstown, Md.

DEAR MR. BARBOUR: John Kelly seems anxious for security to go in on the Davision contract, and thought he might put it in cotton. He said Tidewater, as well as Atlas, is keen for it and he thought we ought to make him a special price which after considerable parleying I did. I made him a price of $2.18 in cotton and $1.93 in paper. Understand that the first shipment would not go off until the 8th of March, and this would require 10,000 barrels. The balance, 20,000 to go later. I think we have no chance whatever to get this business, but Mr. Kelly will let you know as soon as he gets anything definite and then you can confirm in writing.

Very truly yours, Loring E. Cover, President.

[fol. 2476½] DEF'TS' EX. NO. D-415

The Addison

Middlebury, Vt., Mar. 28, 1918.

E. H. Button, Brandon, Vt.:

As you remember that Mr. Button called up last Friday the 22d and claimed that he had covered a local contractor on work to the extent of 3 cars at the old price. We told him that he could have but one car at the old price, and that I would explain when I saw him.

His attitude is this, he is a director in the Bank where the work is to be done, and he will surely sell the cement. Our quotation dated Mch. 21 arrived the 22d and the Edison Co. who quote him regularly did not quote him until Mch. 23, which quo. did not arrive until the 25th, and that were he an Edison account instead of an Iron Clad dealer, he could have had time to be covered at the old price of 2.40 between the time that our quo. reached him and Monday the 25th when the Edison quo. arrived. I enclose the Edison quo. in question. I told Button that you would let him know direct just what your decision was.

Button seems quite positive in his statements and gave me the impression that we were in danger of losing his business. He is about the only dealer in town.

Donahue.

[fol. 2477] DEF'TS' EX. NO. D-416

Mar. 30, 1918.

Mr. E. H. Button, Brandon, Vt.

DEAR SIR: Our Mr. Donohue, has written us regarding his interview with you, as to the 3 cars which you talked with us about on the 22nd inst., and which you wish us to enter your order for at $2.40, the price prevailing prior to March 21st.

In view of the explanation made us by Mr. Donohue, we have decided to accept your order for 3 cars for delivery on or before July 1, 1918, and have so entered it.

We trust that this arrangement will be perfectly satisfactory to you, and would be glad to have you advise us regarding it.

We are returning herewith the quotation from the Edison Company, which you kindly loaned Mr. Donohue.

Yours truly, Glens Falls Portland Cement Co. —— ——,
President. GFB:MLC.

[fol. 2477½] DEF'TS' EX. NO. D-417

Western Union Telegram

Glens Falls Cement Co., Glens Falls, N.Y.:

Lehigh are quoting paper price thirty cents less than cotton.

Donahue.

[fol. 2478] DEF'TS' EX. NO. D-418

Postal Telegraph-Commercial Cables Telegram

Boston, Mass., 4/15/18.

Nazareth Cement Company, Nazareth, Penna.:

Lehigh Alpha quoting thirty cents differential cloth and paper. Answer.

John W. Ramsay.

[fol. 2478½] DEF'TS' EX. NO. D-419

Telegram

Nazareth, Pa., April 16, 1918.

Sent to John W. Ramsay, 161 Devonshire St., Boston, Mass.

Understand Alpha quotes 30c. differential cloth and paper. Will advise upon Mr. Horner's return.

Nazareth Cement Company.

[fol. 2479] DEF'TS' EX. NO. D-420

Nazareth Cement Company

Inter-Departmental Correspondence, Nazareth Sales Office

Date: April 23, 1918.
Subject: ——.

To J. B. Vandever, Sales Mgr., New York office:

Inasmuch as a number of the other companies have changed the differential between cotton and paper from 25c to 30c we will do likewise to met competition. In the future, therefore, when quoting on paper make this differential 30c until further advised.

Yours truly, —— ——.

[fol. 2479½] DEF'TS' EX. NO. D-421

Nazareth Cement Company

Inter-Departmental Correspondence, Boston Office

April 26, 1918.

Subject: ——.

To Mr. S. J. Feland, Nazareth, Penna.:

Your favor of the 25th received, and on order B-1852, we cannot charge the additional freight as when this contract was made, we had to meet the situation as created by the Lehigh Cement Company, or in other words, they were not protecting themselves against the advance in freight.

The following contracts show that we cannot charge increase in freight rates:

Contract B-197.
Contract B-205.
Contract B-262; this is a mill price so of course the increase freight will be paid by the customer.
Contract B-265; cannot charge increase in freight rates.
Contract B-269; this is a mill price so of course the increase freight will be paid by the customer.
Contract B-270; cannot charge increase in freight rates.

Very truly yours John W. Ramsay.

[fol. 2480] DEF'TS' EX. No. D-422

Alpha Portland Cement Company

General Offices: Easton, Pa.

Important Change in Bag Terms

Effective May 1, 1918

Some dealers in and users of cement are not returning our bags but are using them for other purposes and in some cases are selling them. New bags are very hard to get and the present price is about 27c each. If we are to continue in business our bags must be returned. Therefore on and after this date the following regulation will be effective on all shipments:

When cement is shipped in cloth sacks, the cloth sacks containing the cement are not sold, but remain the property of the Cement Company. The purchaser agrees to return all of said sacks to the Cement Company within ninety (90) days from date of shipment of cement by Cement Company.

A rebate of ten cents (10c) for each sack returned will be allowed by the Cement Company from the invoice price of the cement when the sacks are returned, within said time, to the Cement Company in good condition, freight prepaid, subject to the Cement Company's count and inspection.

[fol. 2480½] Included in the price for cement is a charge for the use of the sacks. All sacks not returned as above shall be considered as bought by the purchaser and shall be paid for at the rate of fifteen cents (15c) each additional; payment to be due one hundred days from date of shipment of cement by Cement Company. Purchaser also agrees to pay fifteen cents (15c) each additional for returned sacks which have been wet or otherwise abused and rendered unserviceable.

The dealer should by all means arrange to protect himself as far as his own customers are concerned, either by charging 25c each for the bags or by holding his trade to the terms shown above.

Alpha Portland Cement Company.

May 1, 1918.

[fol. 2481] DEF'TS' EX. No. D-423

The Lawrence Cement Company

No. 1 Broadway, New York

August 22, 1917.

Mr. R. A. Pruden:

It would appear from an examination of the daily report sheets, that the other companies doing business in territories east of Pitts-

burgh are beating us out on new contracts. The indications are that there is going to be very little winter business, and we are especially anxious to get contracts upon which we can furnish cement between now and April 1st next. We therefore urge that you give special attention to such work.

In an attempt to make up an estimate of the probable shipments by months during January, February and March, we would appreciate your sending an estimate of the probable shipments into your territory during that period.

Yours very truly, Frank H. Smith, Sales Manager.

[fol. 2481½] DEF'TS' EX. No. D-424

The Atlas Portland Cement Co.

New York

For the Attention of D. H. MacFarland.

New York, July 26, 1917.

In line with our conversation of this morning and yesterday—I believe it would be good business for us to offer a substantial premium to the district making the best showing in securing business during August, September and October—especially business which will augment our shipments during these months.

I believe that the award of this premium should be based on two factors—

1st. The percentage of trade business in proportion to the trade in same territory in previous years, and in proportion to the general trade business in the territory where it is possible to get a line on this condition. For instance, if all our districts are off 50% except one, on their trade business, and if conditions in that territory [fol. 2482] are similar as near as we can determine, to the other districts, and yet the trade business is only 20% off, the difference would undoubtedly be due to superior activity on the part of the district making that good showing.

2nd. The largest percentage of contracts placed in the territory covered by each district, giving special consideration to contracts which will be active before the first of November.

A committee should be appointed in the general office to determine the award of the premium, and various factors should be taken into consideration by this committee in connection with the specific work orders reported to the two associations—East and West; whether or not orders placed with competitors are over-estimated or bona fide, and to what extent; also to what extent orders placed with us have been influenced by conditions removed from the control of the district office; also orders placed with our competitors where our dis-

trict office had no chance to secure the business. (This last classification should be small in total).

My suggestion would be to have the premium announced immediately to district managers, and tell them the general outline under which we are working; also tell them that the prize will be awarded in a lump to the district, to be divided up by the district manager according to his best judgment. I believe we should also incorporate in our announcement to the district managers the fact that we expect to get our money back; in other words, we want this prize to stimulate more than enough business to reimburse us for the actual money expended.

[fol. 2482½] It might be advisable to offer two premiums; that is, one on trade business and the other on specific work, and in view of the rather dissimilar conditions between Eastern territory and Western territory, I think we should offer two sets of premiums—one for territory west of Ohio, and one for territory east of and including Ohio. This is not in accordance with our present organization, but I believe that the conditions in the Ohio district are more nearly typical of those in the East than they are of those in the West, although in view of the building-up process we have been undergoing in Ohio, we might feel it necessary to handicap the Ohio district by some arbitrary figure.

I have no suggestion to make regarding the amount of the premium except that it should be large enough to really stimulate activity clear down the line through the district organization without being exorbitant or extravagrant from our standpoint; in other words, each salesman and individual in the district organization should feel that his share of the premium, if he earned it, would be well worth working for.

I have a definite thing in mind in putting the division of the premium up to the district manager. If the district manager is the right sort, I think he will divide the premium up so as to exclude himself from the division. If he does this without any suggestion on our part, I think it will be up to us to give him a special personal premium. If he is inclined to be grasping, he will take his personal premium.

LGM-MH.

[fol. 2483] DEF'TS' EX. NO. D-425

July 31, 1917.

C. A. Kimball, L. G. McConnell:

Just before the President left on his trip to the Front, he discussed the necessity for making every special effort to get our shipments for the balance of the shipping season, that is, the months of August, September and October, pushed just as hard as possible so that the gain we made early in the year will not be offset by a loss for the balance of the season.

You know that in the month of June we just got over the line by being a little better than June of last year. July will be from 6%

to 10% less in total shipments than July last year. This, despite the fact that our contract bookings both East and West were very much heavier than last year, which you will see means that dealers' warehouse trade has fallen off tremendously.

Now, as an extra incentive for the special push for the next three months, the President has authorized me to say to you that he is willing to put up a cash bonus for the best percentage increase of shipments as compared with the percentage of shipments each District has borne to the total shipments for the fiscal year to date. One prize for the best Eastern District, and one prize for the best Western Dis-
[fol. 2483½] trict. The main factor in determining the bonus winning will be the amount of new business taken that actually moves during the three months, and the surest way to win will be to get the maximum in dealers' immediate shipment, or fifteen-day orders. In making the award we will consider the present business actually on our books in relation to the perecentage it bears to the total bookings.

This amount of money to be divided by the winning District among the men who helped make the District the winning one, and will be an amount in addition to any regular bonuses that we may determine the different men have earned by their year's performances.

I wish you would send a copy of this letter to each of the District Managers, and let them start right away in the competition.

Yours very truly, —— ——. DHM/MK.

[fol. 2484] DEF'TS' EX. NO. D-426

Nazareth Cement Company

Philadelphia Sales Office

Subject: Warner Price. 5/20/18.

To Mr. S. J. Fehnel:

Note attached check. We shipped this car before he exepected it and we agreed to allow the discount in order to get settlement.

In connction with additional deduction of 1¢, we also allowed this to meet the Lehigh quotation which was 1¢ below ours.

J. W. Watkins.

[fol. 2484½] DEF'TS' EX. NO. D-427

Nazareth Cement Company

Philadelphia Sales Office

Date: 6/6/18.
Subject: Wright & Collins.

To Mr. S. J. Fehnel:

Kindly change the price on our order #8233 to $2.77 delivered. For your information, this one cent difference on our orders for

Mr. Watkins territory is to meet the competition of the other mills who are quoting on the Universal basis. The Universal rate is 48¢, plus 4¢ increase, 40¢ for bags, and $1.85 Universal base makes a delivered price of $2.77 or 1¢ less than our price. When our order #8233 was put in, we had not discovered this fact.

F. M. Hoover.

[fol. 2485] DEF'TS' EX. No. D-428

New York, July 9th, 1918.

Mr. Geo. J. Bickel.

DEAR SIR: I want you to pay particular attention to obtaining new dealers and as much open-market business as possible. In looking over the list of territories I find that your territory January 1st to May 31st only shows 9,000 barrels of open-business. Five other territories show over 10,000 barrels running from 14,000 barrels to 21,000 barrels. The real test of a salesman is the number of new dealers he obtains and the amount of open-business he puts on the books.

Very truly yours, Vulcanite Portland Cement Co. —— ——,
Manager of Sales. AM.

[fol. 2485½] DEF'TS' EX. No. D-429

Alpha Portland Cement Company

Change in Bag Terms

On May 1, 1918, this Company sent you a circular calling attention to revised bag terms. There were two reasons for making these revised terms. The first was that there had sprung up throughout the country a number of dealers in second-hand bags, who were offering more for bags than the so-called redemption value fixed by the cement manufacturers; the second reason was that bags were not being returned to us promptly and consequently replacement cost was excessive.

We are pleased to note that the users of our product are cooperating with us very efficiently and bags are now being returned in goodly numbers.

We do not wish to impose a burden on dealers handling our product in competition with those manufacturers who do not make a sufficient charge for replacing bags which are not returned. We, therefore, withdraw that portion of our circular which provided for an additional payment of fifteen cents for bags not returned within ninety days, and will not collect this charge on any shipments of Alpha Cement made since the first of May, 1918.

Alpha Portland Cement Company.

Easton, Pa., July 15, 1918.

[fol. 2486] DEF'TS' EX. No. D-430

The Atlas Portland Cement Co.

New York

For the Attention of Mr. Holman.

New York, January 25, 1919.

When the daily reports of the Protective Association come in we analyze them by districts—that is, we check out the total number of contracts place- in territory covered by each District, and the number of Atlas contracts secured in the territory.

I see this analysis every day or two and keep right after the District managers on the basis of these analytical figures. I also of course, write the District Managers regarding specific orders as they go to our competitors, with a view to making it very hard for them to lose an order. I am attaching some files of last summer which will show you the method of operation in the correspondence between here and the District Offices.

I do not think that we can go into much more detail on this check-up without running into the danger of putting a premium on [fol. 2486½] alibies, which I do not want to do. I do not want to put the sales staff too much on the defensive nor to encourage them to spend too much time or thought on the contracts that have already gone, except on the basis of correcting our methods of solicitation of business. We try not to have anyone on the staff whose intentions are not of the best—that is, we do not want to have any salesmen or district managers who are not doing everything in their power to secure business, and my idea of the check-up of the orders is always to direct their energy, time and attention to securing business which has not been placed, rather than a backward look toward orders which have already gone.

L. G. McConnell. LGM/WH.

[fol. 2487] DEF'TS' EX. No. D-431

Lehigh Portland Cement Co.

Buffalo, N. Y.

March 27, 1918.

Mr. B. L. Swett, Eastern Sales Mgr. Lehigh Portland Cement Co., Allentown, Pa.

DEAR SIR: I have just been talking to A. E. Dye, Forestville, N. Y., and was informed that he purchased a car of Universal Portland Cement yesterday at the $1.50 mill base. Evidently the Universal Company have not changed their price, as I have not seen any of their quotations so far quoting the $1.90 price. For your infor-

mation, J. E. Van Dusen, Gowanda, N. Y., has also bought a car of Universal at the old price and you no doubt are familiar enough with the Gowanda situation to know how strong he is for Lehigh. This for your information.

Yours very truly, L. E. Browning.

[fol. 2487½] DEF'TS' EX. No. D-435

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, April 6th, 1918. Salesman: Browning. Office: Allentown.

1. What information regarding competitors or quotations did you get during the week?
I am sending Alpha quotation four cents below our price in Wellsville, N. Y. I have already reported numerous cases where Universal have taken business on the $1.50 basis several days after the price had advanced.

2. What special inducement of any nature are competitors offering in your territory?
The above.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
Number one.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Bickel, Vulcanite.

[fol. 2488] 5. Give the complete history of any complaints that you may have on competitors' brands of cement.
No complaints.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Yes.

7. What suggestions have you for improving our methods of handling business in your territory?
None.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
I do not.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Business has been very good for the past two weeks, but most of them have their spring orders in, and the next thirty days will see a lull in order taking.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
I called on three County farm bureaus this week, all of whom are interested in our advertising, and these Bureaus certainly can do us a lot of good with the large farmer membership which they have, and they would be very much pleased if we considered *do* a little advertising in their monthly papers to the farmers.

Remarks: ——.

Yours very truly, Browning, Salesman.

[fol. 2488½] DEF'TS' EX. NO. D-436

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, March 22, 1919. Salesman: E. F. Stickles. Office: N. Y.

1. What information regarding competitors or quotations did you get during the week?
Nazareth quoting 3.37 Far Rockaway. Lehigh quoting 3.45.

2. What special inducement of any nature are competitors offering in your territory?
——.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
——.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
——.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.
——.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and [fol. 2489] state reason of dissatisfaction.
Yes.

7. What suggestions have you for improving our methods of handling business in your territory?
——.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
——.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Good.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
Good.

Remarks: ——.

Yours very truly, E. F. Stickles, Salesman.

[fol. 2489½] DEF'TS' EX. No. D-437

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, 12/20/1919. Salesman: Gottwals. Office: Utica.

1. What information regarding competitors or quotations did you get during the week?
Knickerbocker selling J. L. Smith & Son of Lyons Falls (Contractor Dealer) at Dealers' price for Delivery at Watertown or Calcium for Watertown & Phila. Rd. job.

2. What special inducement of any nature are competitors offering in your territory?
See above.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
——.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
None.

[fol. 2490] 5. Give the complete History of any complaints that you may have on competitors' brands of cement.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Yes.

7. What suggestions have you for improving our methods of handling business in your territory?
None Now.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
No.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Good.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
Well Liked.

Remarks: ——.

Yours very truly, A. M. Houser, Salesman.

[fol. 2490½] DEF'TS' EX. No. D-438

Apr. 20, 1920.

Mr. E. P. Alker, H. C. Merritt:

We are in receipt of your letter of Apr. 19th and note what you say in regard to Mr. Fanelli. We have written him today asking him when we may expect payment for car of cement which he obtained from the Fireproof Construction Co.

We would like very much to know where you got your information from that the Atlas Cement Co. are shipping cement over the N. Y. N. H. & H. R. R.

In regard to price of cement to dealers f. o. b. Yonkers, Mount Vernon, White Plains, Tuckahoe, New Rochelle and Port Chester, please refer to our notice of April 7th in which we stated that we had increased our price to $2.00 Lehigh Valley Base and $2.10 Hudson Base. Lighterage rates from Hudson, Alsen and Catskill, N. Y. to water delivery points in Greater New York will be 30¢ per bbl. You will note however that this increase is 5¢ per barrel more than the price quoted by the Lehigh or Atlas Companies. We have therefore decided to meet the prices quoted by Lehigh & Atlas to those dealers with whom we have been doing business.

Also note that were all rail rates to Lehigh Valley points adjacent to the water make a less price the rail rates will govern. This will apply to some points on the Hudson River and Staten Island.

Yours very truly, —— ——, Sales Manager. EPA:MC.

[fol. 2491] DEF'TS' EX. No. D-439

American Clay and Cement Corporation, General Contractors & Builders Supplies

Rochester, N. Y.

October 21, 1919.

Knickerbocker Portland Cement Company, 30 East 42nd Street, New York City.

GENTLEMEN: Beg to acknowledge receipt of your favor of October 20, and note what you have to say in reference to securing Road No. 517 for Knickerbocker, and we will do everything we can. The contractor, we are advised, has a price of $2.78 at this point, but we think that we can get the business in some form. It may be a case of where you will have to carry the account.

The companies in the field surely are not holding to any kind of prices.

Also note that you quote us price of $2.78 per barrel, f. o. b. Lockport on Barge Canal Contract No. 152, for which kindly accept our thanks.

Yours very truly, American Clay and Cement Corporation.
C. W. Denniston, Vice-President.

[fol. 2491½] DEF'TS' EX. No. D-440

Oct. 23, 1919.

Mr. C. W. Denniston, Vice-President American Clay & Cement Corp., Insurance Building, Rochester, N. Y.

DEAR MR. DENNISTON: Yours of Oct. 21st received, and I note your contractor states he has a price of $2.78 per barrel for Cement to be used on Highway #517, at Palatine Bridge.

This is 2¢ per barrel less than the dealer's price and we would like very much to know the name of the Company quoting such a figure. If you can give us this information, we would appreciate it very much.

Very truly yours, —— ——, Sales Department. WMF:CMB.

[fol. 2492] DEF'TS' EX. NO. D-441

Nazareth Cement Company

Inter-Departmental Correspondence, Nazareth Sales Office

Date: February 19, 1920.

To the Offices:

We have just learned that the Lehigh have changed prices to $1.85 Universal basis and $2.00 Fordwick basis when quoting to points in these districts. We have also been told that when they want the business they will use the lower base and when they do not care to take the business on they use this higher base to make sure that they will not be in the running. The other large companies we understand have not changed the Universal base or the Fordwick base, leaving it just as it has been since April 1st.

Thought we had better advise you of this so that you would be posted.

Yours truly, —— ——.

[fol. 2492½] DEF'TS' EX. NO. D-442

Memorandum from Washington, D. C.

Jan. 25, 1920.

To —— Department, National Surety Company, 115 Broadway, New York, N. Y.:

In re ——

The following bids were received at the Army Construction Div., Washington, D. C., for furnishing 12,500 bbls. of Cement, under circular #331.

Pennsylvania Cement Co., $2.97 per bbl.

New York, N. Y., 15¢ per sack. F. O. B. Dover, N. J., del. prior to Dec. 31, 1920.

Lawrence Cement Co., $2.74 per bbl. 5%-10 da. F. O. B. Dover.

Edison Portland Cement Co., $2.74 per bbl. 15¢ per sack.

8 W. 40th St., New York, N. Y., 3,000 Feb. 10. Balance a car per day.

Alpha Portland Cement Co., $2.74 per bbl. 15¢ per sack. F. O. B. Dover.

[fol. 2493] Atlas Portland Cement Co., 30 Broad St., New York, N. Y., $2.72 per bbl. 15¢ per sack. F. O. B. Dover.

Alsen Portland Cement Co. of America, Washington, D. C., $2.90. 15¢ per sack. F. O. B. Dover.

N. Y. C. N. Y. D. C.

For the sake of brevity and economy, we have discontinued the use of such phrases as "Dear Sir," "Yours very truly," etc., in our correspondence with the company's representatives.

[fol. 2493½] DEF'TS' EX. No. D-443

November 3rd, 1919.

Mr. Frank L. Leach, c/o Hotel Bond, Hartford, Conn.

DEAR LEACH: I would keep in touch with Bradlee on the Hartford Rubber job, because he is keeping after Mr. Foss in Boston. I can not do anything from here, but he can be of material help to you from the Boston end.

I do not think you can do anything with the Aberthaw Company, because from the best reports I can get, they have closed for their season's requirements with the Portland Stoneware Company, I think.

Now in regard to the Connecticut State Highway work, I am not prepared to go to the $2.92 price, but probably will know more about this shortly. We, of course, wish to meet competition, and I guess in order to do so, we will have to sell them at the $2.92 price. You mention that the war tax is exempt. Do you mean by this that the Government is refunding this war tax, or just how is it done?

Tell Mr. Jackson the next time you see him that I was very glad to hear from him and that I shall be very glad to see him on my next trip to New England.

Yours very truly, Charles H. Cox.

[fol. 2494] DEF'TS' EX. No. D-444

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, April 20, 1918. Salesman: Browning. Office: Allentown.

1. What information regarding competitors or quotations did you get during the week?

Saw two quotations quoting five cents per barrel above our price. Edison and Hercules.

2. What special inducement of any nature are competitors offering in your territory?
None.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Did not meet any.

[fol. 2494½] 5. Give the complete history of any complaints that you may have on competitors' brands of cement.
No complaints.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Yes.

7. What suggestions have you for improving our methods of handling business in your territory?
None.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
I do not.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
This week was exceptionally good in view of the low priced cement in so many warehouses. Got 12 cars on the high price, with one new town lined up.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
No unusual comments this week.
Remarks: ——.

Yours very truly, Browning, Salesman.

[fol. 2495] DEF'TS' EX. NO. D-445

The Commodore

Pershing Square, New York

Oct. 3/19.

Mr. Chas. H. Cox, Sales Mgr. Phœnix Portland Cement Co., Phila., Pa.

DEAR MR. COX:

* * * * * * *

I had a long talk with Mr. Saunders at the Capitol today He showed me a straight quotation of 2.92 from the Edison Co. signed by Bruff from this Boston Office. Also showed me one from the Windsor Cement Co. same price on Dragon & Alsen. Also had one from the Lines Co. Meriden on Allentown, these were all made for cement F. O. B. Thomaston, Ct. Now Lehigh quoted 2.94 same [fol. 2495½] as we did, and owing to a mixup they had with Lehigh they are going to give them 5M bbls. or half of this order, and Edison gets the rest, and he states that is all they will get.

* * * * * * *

I am

Yours truly, Frank L. Leach.

[fol. 2496] DEF'TS' EX. NO. D-446

Phœnix Portland Cement Co.

Philadelphia, Pa.

Oct. 14, 1919.

Attention Mr. Cox

GENTLEMEN: In my conversation with Mr. Masserman today he told me that another cement company had offered him cement at a less price than 2.92.

At the present time he would not state who it was but I believe it to be the Edison Co. as he is giving them little business at the present time and they feel rather upset about it, so he told me.

Yours very truly, Preston E. Bradlee.

[fol. 2496½] DEF'TS' EX. NO. D-447

Oct. 17, 1919.

Mr. Preston E. Bradlee, 3 Strathmore Road, Brookline, Mass.

DEAR BRADLEE: I have your note of the 14th about Masserman buying below $2.92; keep me in touch with the situation.

I congratulate you on getting Phillin Brothers at Clinton, Mass., as I am sure this will be a good account for us.

Yours very truly, Charles H. Cox, General Sales Manager.

CK.

[fol. 2497] DEF'TS' EX. No. D-448

Mr. Horner

January 6, 1920.

Mr. F. M. Hoover, Philadelphia, Pa.

Referring to correspondence we have had with you in regard to Warren Brothers Company's work in Pennsylvania, wish to advise that we had a long session with them yesterday. They finally decided they would rather pay the full consumers' price and deal with us direct than through any country dealer at a cut price. They offered us 40,000 bbls. to be shipped to Delmont in Westmoreland County, 26,000 bbls. for Clearfield County and 18,000 for Elk County.

As we would have to absorb about 28¢ a barrel to meet competition at Delmont we passed this up, and understand they will probably place it with the Alpha Company.

The other two jobs we accepted, and will handle direct with them, although when they get around to ordering out shipments, if they want to place them direct with the mill or with your office of course we will so arrange.

As we understand it you are not fussy what you do with the Hyde-Murphy Company at Ridgway, and as they have not landed the business suppose you will have no trouble with them.

[fol. 2497½] Before accepting this business I telephoned to the "Boss," and he has O. K. the above, and hope it fits in with your views all right.

As I wrote you a while ago I except to be in your vicinity, and will probably drop in on you either next Saturday or Monday.

In regard to work that the Warren Brothers have around Swathmore, which we have had up with you, wish to advise that they closed this with some local dealer in your section, who offered them 14¢ per barrel as a cash discount. In other words all the dealer gets is 1¢ per barrel, unless he is getting something from the mill.

Very truly yours, John W. Ramsay.

[fol. 2498] DEF'TS' EX. No. D-449

Knickerbocker Portland Cement Company

Boston, Mass., July 30, 1919.

Mr. W. M. Floring, Sales Manager Knickerbocker Portland Cement Company, Inc., 30 East 42nd Street, N. Y., N. Y.

DEAR SIR: For your information would advise that the Portland Stone Ware Company told Mr. Daniels and myself this morning that when the Atlas Portland Cement Company went to Portland to close the order on the American Company job, they told Mr. Hersey of Winslow & Company, Inc., that the Turner Construction Company had 5¢ per barrel lower price which they would have to meet. They asked Winslow & Company to make a 5¢ per barrel cut which they in turn refused to do. The Atlas Company however, went to Chase & Company, another dealer in Portland, and got them to take the business on this basis.

[fol. 2498½] I cannot understand why the Atlas Company went to Winslow & Company to see if they would take the business, as Chase & Company have always been Atlas dealers. The only reason for this must be that Chase & Company do not push Atlas.

Very truly yours, Knickerbocker Portland Cement Company, Inc. J. W. Stinson, Local Manager.

[fol. 2499] DEF'TS' EX. No. D-450

May 9th, 1919.

Mr. Preston E. Bradlee, 3 Strathmore Road, Brookline, Mass.

DEAR BRADLEE: The State Board of Public Roads, Providence, R. I., will receive bids on May 16th for road work on Waterman Avenue, E. Providence, R. I., 18,000 square yards, also Mendon Road Town of Lincoln, Providence County, R. I., 7,000 square yards.

I note that the Aberthaw Construction Company bought cement from the Portland Stoneware Company at a cheaper price than he could buy Phœnix. Do you know what cement Cleveland is buying below the market? Please try to get as definite information about this as you can.

I also note that Waldo Brothers *is* selling Bath Cement, and that they quoted a lower price than the Mass. Lime & Cement Company was able to quote. Do you think they are buying Bath below the market?

Yours very truly, Charles H. Cox.

[fol. 2499½] DEF'TS' EX. No. D-451

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday 8-24-18. 191-. Salesman: F. L. Leach. Office: Boston.

1. What information regarding competitors or quotations did you get during the week?

Mr. Kellog, our New Haven dealer states he understands that the Knickerbocker Company are making a cent better price than we are on the New Haven price delivered.

2. What special inducement of any nature are competitors offering in your territory?

——.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.

——.

[fol. 2500] 4. Give names of competitors' salesmen that you have met during the week and information dropped by them.

——.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.

——.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.

Yes.

7. What suggestions have you for improving our methods of handling business in your territory?

——.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?

——.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?

Fairly good under the present conditions. Most of the dealers seem to be pretty well stocked at the present.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
Very good.

Remarks.

Yours very truly, F. L. Leach, Salesman.

[fol. 2500½] DEF'TS' EX. No. D-452

Mar. 22, 1918.

Saratoga Coal Co., Saratoga Springs, N. Y.

Attention E. E. Hayden, Secretary

GENTLEMEN: We acknowledge receipt of your esteemed order of the 21st for one smal carload of Iron Clad Portland Cement in cotton, to be shipped the Saratoga Milling & Grain Co., at once.

Kindly accept our thanks for this order.

Fortunately we had placed in our yard this morning a 50,000# capacity car, which is probably the first car of this size we have had in several weeks. We are, therefore, loading this car to capacity and trust the arrangement will meet with your approval.

We would also call your attention to the fact that yesterday, March 21st, the price of cement advanced 40¢ per barrel. However, as your order was mailed before receiving our new quotation at the advanced price, we are under these circumstances billing same to you at the lower figure.

Yours truly, Glens Falls Portland Cement Co., —— ——,
2nd Vice President. GFB,JR-CMH.

[fol. 2501] DEF'TS' EX. No. D-453

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, May 7, 1921. Salesman: D. A. Gray. Boston Office.

1. What information regarding competitors or quotations did you get during the week?

Mr. W. H. Woodruff of Woodruff & Sons Milford Ct. advised that Mr Brainard of Alpha guarantees his price for 90 days.

2. What special inducement of any nature are competitors offering in your territory?
See above.

3. State what disadvantages, if any, caused by the actions of this company you are aboring under in meeting competition.
None.

[fol. 2501½] 4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Mr. Hegeman, Edison. Advised W. H. Scott Co. Terryville owes his concern. They consider him an undesirable account.

5. Give the complete history of any complaints that you may have on competitors' brands of cement.
None.

[fol. 2502] DEF'TS' EX. No. D-454

Lehigh Portland Cement Co.

Sales Department, Official Communication.

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, June 25, 1921. Salesman: P. B. Evans. Office: Allentown.

1. What information regarding competitors or quotations did you get during the week?
Not any.

2. What special inducement of any nature are competitors offering in your territory?
I understand Edison is cutting their price on Jobs which require much cement.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
Not any.

4. Give names of competitors' salesmen that you *you* have met during the week and information dropped by them.
Chas. Hollander of Alpha. He complained that business was quiet.

5. Give the complete history of any complaints that you may have on competitors' brands of cement.
Not any.

[fol. 2502½] DEF'TS' EX. NO. D-455

Estimate of Value of Defendants' Properties in 1919

Capacity as in Government Exhibit 387: 41,469,000 bbls.
Value plant based on capacity: $117,771,960.00.
Working capital as shown in Def'ts' Exhibit 277 A to S: $15,837,232.09.
Value rock deposits shown in Def'ts' Exhibit 275 A to S: $18,053,064.00.
Total value: $151,632,256.09.

(Here follow Defendants' Exhibits Nos. D-456 and D-457, marked side folio pages 2503 and 2504.)

[fol. 2505] DEF'TS' EX. NO. D-458

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, 8-31-18. Salesman: F. L. Leach. Office: Boston.

1. What information regarding competitors or quotations did you get during the week?
Understand both the Phœnix and Qnickerbocker Cement Companies are quoting one cent less than we are.

2. What special inducement of any nature are competitors offering in your territory?
——.

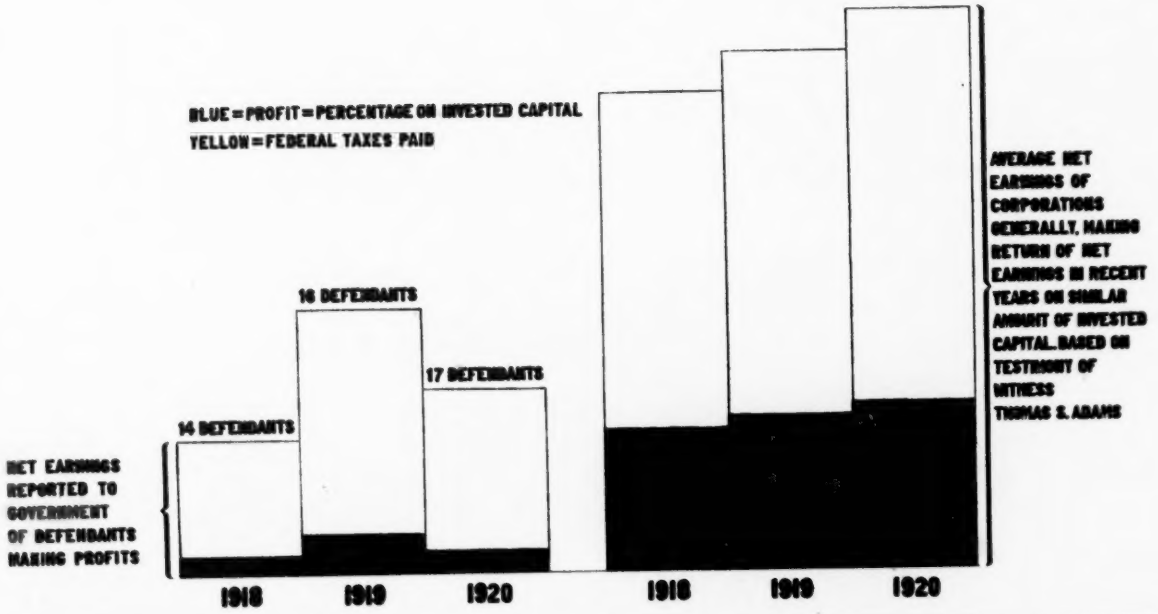
3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
——.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
——.

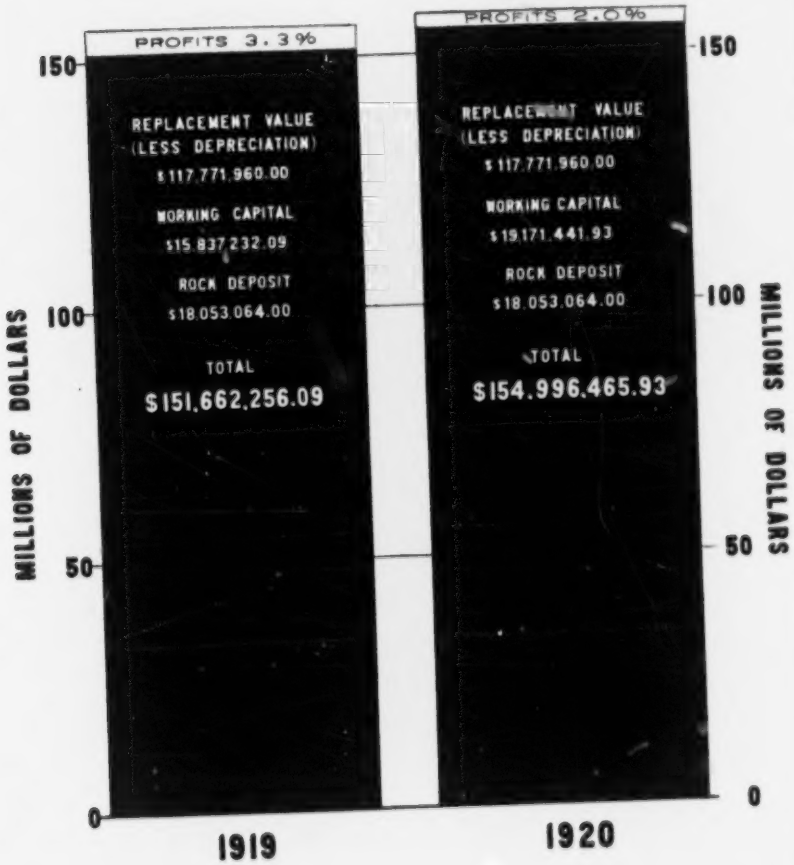
5. Give the complete History of any complaints that you may have on competitors' brands of cement.
——.

[fol. 2505½] 6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when

Deft. Ex. No. D 456



Deft. Ex. No. D 457



requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.

Yes.

7. What suggestion have you for improving our methods of handling business in your territory?

——.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?

——.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?

Fair.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?

Good.

Remarks: ——.

Yours very truly, F. L. Leach, Salesman.

[fol. 2506] DEF'TS' EX. No. D-459

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday 1-4-19. Salesman: F. L. Leach. Office: Boston.

1. What information regarding competitors or quotations did you get during the week?

Learned this week that the Giant Company have sold the B. H. Hibbard Co., New Britain, Conn., as dealers. These people are only small contractors.

2. What special inducement of any nature are competitors offering in your territory?

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.

None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.

None.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.
None.

[fol. 2506½] DEF'TS' EX. No. D-460

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answer to these quotations must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, Aug. 24th, 1918. Salesman L. S. Pricher. Office New York.

1. What information regarding competitors or quotations did you get during the week?
Re-Job #O-5836—6,500 bbls. f. o. b. Clinchfield, Va. 'Clinchfield' didn't quote. 'Lehigh' 3.39, 'Alpha' 3.22, 'Edison' 3.15. 'Edison' corrected quotation to 3.30. No decision will be reached until next week.

2. What special inducement of any nature are competitors offering in your territory?

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Jos. Miller, 'Dragon.'

[fol. 2507] 5. Give the complete History of any complaints that you may have on competitors' brand of cement.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Yes.

7. What suggestion have you for improving our methods of handling business in your territory?

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
No.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Very quiet.

10. What seems to be the opinion of the trade on our advertising? How can we prove it?

Remarks: ——.

Yours very truly, L. S. Pricher, Salesman.

[fol. 2507½] DEF'TS' EX. NO. D-461

Lehigh Portland Cement Co.

Allentown, Pa.

October 5th, 1918.

To Lehigh Customers:

Attached is a copy of a statement issued by the War Industries Board which appeared in the official United States Bulletin of September 27th, 1918, and outlines the present conditions under which deliveries of cement and other building materials may be made.

The following information may help to make the situation clear:

Work for which cement may be delivered without any sort of special permit.

Repairs or extensions to existing building involving a cost not exceeding $2,500.00.

New construction for farm purposes, involving a cost not exceeding $1,000.00.

Roadways, buildings, and other structures for railroads under the control or operation of the United States Railroad Administration.

Those directly connected with mines producing coal, metals and ferro-alloy minerals.

Buildings or constructions started and partly completed.

[fol. 2508] Streets, pavements and roadways now substantially under way may receive deliveries of materials up to November 1st, 1918.

* * * * * * *

All construction work other than the above can be done only under special Government approval, the classes of work and approval necessary being as follows:

First. Direct Government work for the various Government Departments shown in the attached statement requires approval of the War Industries Board at Washington. Application for such approval should be made through the nearest Regional Representative of the Resources and Conversion Section of the War Industries Board. If the work is approved, a license is issued and shipments of materials can be made only upon receipt of the license number, which must also be shown on the monthly reports of deliveries.

Second. All road work (including highways, street, culvert and bridge construction) requires approval of the United States High-

ways Council, application for such approval to be first made to the State Highway Department and through them to the Highways Council. The number of the Highways Council permit must be given for each shipment of material and must also be shown on the monthly delivery report of the manufacturer and dealer.

Third. All Non-War construction requires approval of the Non-[fol. 2508½] War Construction Division of the War Industries Board, application to be made through the local representative of the Council of National Defense. If the work is approved a license is issued. The license number is required on each shipment of material and must also be shown on the monthly delivery reports of manufacturers and dealers.

The present arrangement requires approval on practically all new construction work, even on construction which comes under an essential classification. The Government is establishing local representation of the proper authorities throughout the country so that when any operation is shown to be essential the issuing of approval will be promptly acted upon.

We hope that you will call upon us for any information or cooperation we may be able to give you in connection with any construction work in your territory.

Yours truly, Lehigh Portland Cement Company.

[fol. 2509] From Official U. S. Bulletin Dated September 27, 1918

"B. M. Baruch, chairman of the War Industries Board, authorizes the following:

A new regulation controlling non-war construction for the period of the war adopted by the War Industries Board authorizes new construction for farm purposes without permit where the aggregate cost involved does not exceed $1,000.

Exceptions to General Rule

The exceptions from the general regulation laid down by the priorities division of the War Industries Board that all non-war construction shall be done on special permit include:

Structures, roads, and other construction projects falling within the following classification: Undertakings, cleared and approved by the War Industries Board, directly by or under contract with the War Department or the Navy Department, Shipping Board, Emergency Fleet Corporation, the Bureau of Industrial Housing and Transportation of the Department of Labor, or the United States Housing Corporation.

Repairs or Extensions

Repairs of or extensions to existing buildings involving in the aggregate a cost not exceeding $2,500 and new construction for farm purposes involving in the aggregate a cost not exceeding $1,000.

[fol. 2509½] Roadways, buildings, and other structures undertaken by or under contract with the Railroad Administration or a railroad operated by such administration.

Those directly connected with mines producing coal, metals and ferroalloy minerals.

Public highway improvements and street pavements when expressly approved in writing by the United States Highway Council.

No building projects not falling within one of the foregoing classes shall be undertaken without a permit in writing issued by or under authority of the Chief of the Non-War Construction Section of the Priorities Division of the War Industries Board. A local representative of the Council of National Defense will report to the War Industries Board on each proposed project requiring permits.

While it is not the policy of the Government, says the War Industries Board, to interfere unnecessarily with any legitimate business, industry, or construction project it must be borne in mind that there is an imperative and constantly increasing demand for labor, material, and capital for the production and distribution of direct and indirect war needs, to satisfy which much non-war construction must be deferred. Manufacturers and dealers may continue to supply materials for buildings or constructioin started and partly completed."

[fol. 2510] DEF'TS' EX. No. D-462

Nazareth Cement Company

Inter-Departmental Correspondence, Boston Office

Date: October 15th, 1918.
Subject: ——.

To Mr. J. A. Horner, Nazareth, Pa.:

For your information, about a week ago Stone & Webster of this City were awarded a foundation contract for Lever Brothers of Cambridge, Mass., and the Purchasing Agent told me that he had bought a brand of Cement from a dealer at much below the market price and explained that the dealer told him that the reason why he was able to do this was that he had a contract that would not require all the Cement, and Stone & Webster gave him the business.

As near as I can find out, the Winslow Company of Portland, Maine, who own the Portland Stone Ware Company of this City have a blanket contract with the Hercules people and this is where the Cement came from. As you probably know, the Palmer Lime & Cement Company of New York are distributors for the Hercules brand of Cement in New England.

All of the above for your information.

Very truly yours, John W. Ramsay. JWR-D.

[fol. 2510½] DEF'TS' EX. NO. D-463

Nazareth Cement Company

Inter-Departmental Correspondence, Nazareth Sales Office

Date: Mar. 27th, 1919.
Subject: Field, Barker & Underwood.

To F. M. Hoover, Sales Mgr., Philadelphia Office:

Mr. Horner does not want to see them start using other than "Nazareth" cement and if someone really quoted them a better price for the Hilton Village work we must take care of them in some way so as not to lose their business.

Yours truly, —— ——.

[fol. 2511] DEF'TS' EX. NO. D-464

Telegram

Nazareth Cement Company

Nazareth, Pa., April 10, 1919.

John W. Ramsay, 161 Devonshire St., Boston, Mass.:

You can protect customers on decline in price on both new and old contracts for shipments 1919 only.

J. A. Horner.

[fol. 2511½] DEF'TS' EX. NO. D-465

Pennsylvania Cement Company

Philadelphia, Pa., 1/8/1919.

Mr. H. A. Moore, Pennsylvania Cement Company, Philadelphia, Penna.

DEAR SIR: I have your letter of the 6th instant, and note contents.

You recall that some time since, we went over the different contracts, of where they were not drawing cement, and I gave you the situation at that time, that the reason the jobs were not going ahead was the fault of high cost of labor, and shortage of being able to secure same. In these cases, I asked you to take up with New York regarding J. E. Rhoads, Geo. Krause Hardware Co., Casper Oermann, Litzenberger Hardware Co. and D. K. Lockhard, and it may be necessary to have these contracts carried over until next year (1919), as all of the above men had explained to me that if the work did not [fol. 2512] go ahead in 1918, or that the Government would not let them proceed, it would surely go ahead in 1919.

You know we have a couple coverings up at Milton. These jobs will go ahead. I have not found any of the Cement Companies that have cancelled up on any jobs that were held up last year.

I know absolutely that Vulcanite and Atlas have not. I learned something today, and that is, that one Company went so far last year, when they covered on jobs both here in town and in Lebanon, as to guarantee the dealer against freight advances, and these people are, and have been getting cement right along at the old price, and also at the old freight rate.

We do not want to cancel any of these contracts outside of Lancaster.

Yours truly, MacAllister.

[fol. 2512½] DEF'TS' EX. No. D-466

The Allentown Portland Cement Co.

Boston, Mass.

June 7, 1919.

R. L. Cope, Mgr. of Sales, Allentown Portland Cement Co., Allentown, Pa.

DEAR SIR: Replying to yours of the 5th, in regard to Marshall Spring. We hope that you will find some way out of this that will leave Spring happy, as he certainly is being catered to by inches by the Atlas and Knickerbocker Companys. In fact, he told the writer that the treatment he was getting from Allentown could not compare at all favorably with the fine treatment he had received from other companys, so I believe it is just a question of making up your mind how far you want to go and whether he is right or wrong, in order to get some of his business.

I do feel, and in fact he told me, that he will give you some business; what percentage of this business he will give me he did not say, but think I can get my share.

T. Stewart & Sons Company were low bidders Wednesday on a bridge job that requires between fifty and sixty thousand barrels of cement. You can imagine how many cement people are in town at this time regarding this job. Think we have better than an equal chance.

Yours very truly, Allentown Portland Cement Co. W. J. Grosvenor.

[fol. 2513] DEF'TS' EX. NO. D-467

Lehigh Portland Cement Co.

Reference: Thos. P. Brennan's Sons, Jersey City.

New York, August 1st, 1919.

Lehigh Portland Cement Co., Allentown, Pa.

GENTLEMEN: I have personally investigated this matter and also have Mr. Burke and Mr. Stickle's reports. They are not dealers and do not carry any stock of building materials. They are general contractors and truckmen. I also discussed this matter with J. P. Hall and Washburn Bros., of Jersey City who claim the Pennsylvania people have simply made them a dealer to sell this particular contract.

Yours very truly, F. W. Douglas, Manager New Jersey District.

[fol. 2513½] DEF'TS' EX. NO. D-468

August 7, 1919.

Mr. Preston E. Bradlee, Brookline, Mass.

DEAR BRADLEE: I have no doubt but that Mr. Parker has received some low prices on cement for his various road jobs. The dealers are cutting the differential invariably. The only thing we could do would be to get Mr. Parker to ask for Phœnix from the dealer he expects to supply him. I realize that this is difficult to do, but just at this time we do not care to pursue any other course. The situation with the road contracts is very unsatisfactory. I do not believe that 5% of the work has gone at the full contractor's price. The cement companies themselves, or at least some of them, either encourage the dealer to cut his differential or actually engineer the operation themselves.

I am sorry that we are up against this condition. The only thing that you can do is to play with the dealer. Perhaps, at some later time we will take other action, but just now, we cannot.

Yours very truly, Charles H. Cox.

[fol. 2514] DEF'TS' EX. NO. D-469

New York City, Sept. 16, 1919.

Mr. Abbott, Mr. Feeks, Mr. Lovejoy, Mr. O'Brien, Mr. Steer, Mr. Stinson, Mr. Swallow, Mr. Tomes:

We wish to call your attention to the fact that we are in a position to make immediate shipment on receipt of order.

We have made loading arrangements at our plant so that we can

load from nine to ten thousand barrels per day; and at present we are not experiencing any difficulty in securing the necessary empty cars in which to load this amount.

We wish you would make it a point to impress upon all dealers and others upon whom you call, that we can make immediate shipment. We know that the Lehigh Valley district has been suffering for some time from a lack of empties, and we believe it would be a good opportunity for us to step in and secure some orders on the guarantee of prompt shipment.

Very truly yours, —— ——, Sales Department. WMF:CMB.

[fol. 2514½] DEF'TS' EX. NO. D-470

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, June 28, 1919. Salesman: J. E. Fraser. Office: Allentown, Pa.

1. What information regarding competitors or quotations did you get during the week?

The Jiant man offered to sell the Berkeley Lumber Co., Martinsburg, ten cents under present prices.

2. What special inducement of any nature are competitors offering in your territory?

None other than the above.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.

None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.

None.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.

None.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.

[fol. 2515] Our deliveries have been punk for some time.

7. What suggestions have you for improving our methods of handling business in your territory?

Ship cement from Newcasel to all points along the Ohio River. And the upper territory on the B. & O. R. R.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?

None.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?

Good.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?

The dealers think our adv. is great.

Remarks.

Yours very truly, J. Fraser, Salesman.

[fol. 2516] DEF'TS' EX. No. D-471

Lehigh Portland Cement Co.

Allentown, Pa.

To our customers:

Herewith you will find Circular No. 8 of the War Industries Board, Priorities Division, to which your attention is directed. We also enclose Circular No. 4 of the War Industries Board, Priorities Division, showing rules and regulations governing Priority in Production. These Circulars are self-explanatory, and in accordance with Circular No. 8, we have signed the pledge referred to, and enclose a copy of the pledge required from the dealer who sells our product.

Will you please sign the pledge of co-operation as required and file it with us in order that we may ship promptly, and without question, orders you may place with us for cement for re-sale purposes? In due season form for report called for in pledge will be sent you. Please keep a record of your sales from September 1st, so that we may be able to fill out blanks when received.

We know you will accept the small inconvenience entailed by these regulations in a spirit of loyal co-operation with our Government in the prosecution of the war.

Lehigh Portland Cement Company.

September 5, 1918.

[fol. 2516½] DEF'TS' EX. NO. D-472

Lehigh Portland Cement Co.

Allentown, Pa.

November 25th, 1918.

To Lehigh Customers:

All construction restrictions removed

The following is taken from an announcement of the War Industries Board:

"All remaining restrictions on non-war construction throughout the United States are officially removed.

Formal notice to this effect has been telegraphed to the Chairmen of all the State Councils of Defense.

The action taken permits all building operations of whatever character, held up in the interest of the war program to proceed. No further permits will be required from the War Industries Board or the State Councils, through whom control over the situation in each State was maintained."

This ruling removes all restrictions from construction work of every kind or size. Dealer pledges formerly required under the restriction orders are automatically cancelled. Reports of the purposes for which materials have been furnished may be discontinued. [fol. 2517] The prompt action of the War Industries Board emphasizes the National importance of the construction industry and the leading part which it must take in the work of reconstruction now beginning.

Construction work postponed during the past two years can and should now go ahead, providing employment for a large percentage of our men as they return from France or are released from war industries, and at the same time providing the manufacturing and housing facilities so urgently needed for the years of industrial expansion before us.

In such efforts the building industry has an opportunity for National service of the utmost importance.

Lehigh Portland Cement Company.

[fol. 2517½] DEF'TS' EX. NO. D-473

Lehigh Portland Cement Co.

Allentown, Pa.

March 4th, 1919.

Building Prospects

Building conditions have shown great improvement during the past few weeks. There are many reasons why there should be heavy

building activity and demand for building materials in the very near future.

In the first place, there is a shortage of dwellings, stores and other buildings in the country, due to the fact that the building programme fell far behind during the last three years. Such buildings can no longer be postponed.

Labor will be plentiful. The country owes it to each one of its returning soldiers to provide him with employment, which is another reason why necessary buildings will go ahead.

War conditions show the necessity for good roads as it was never shown before. Not only will the extensive state road programmes go through, but the need for better maintenance of present roads is recognized, which means that there will be an increased demand for road materials.

Considerable cement has been moving out of dealers' warehouses during the mild weather of the past several months, with the result [fol. 2518] that stocks are lower than ever before. It seems probable that the mild weather will continue, and we believe it will be to your advantage to provide now for the early spring trade.

The same reliable Lehigh service that stood the test of two years of war is at your command today. May we book your order?

Lehigh Portland Cement Company. B. L. Swett, Eastern Sales Manager.

[fol. 2518½] DEF'TS' EX. No. D-474

January 12th, 1920.

Mr. Preston E. Bradlee, Brookline, Mass.

DEAR BRADLEE: About taking care of your customers on 15 day shipment in case of an advance in price, you can do this, and if you hear of an advance in price wire in your orders, but do not close up any business except on a fifteen day basis.

Yours very truly, Charles H. Cox.

[fol. 2519] DEF'TS' EX. No. D-475

Lehigh Portland Cement Co.

Allentown, Pa.

May 31st, 1918.

Return Empty Lehigh Cement Bags Now

The cloth cement sack situation is serious, and we are taking this means of telling our customers frankly of the existing conditions.

The demand for cotton for urgently needed war supplies makes it almost impossible to purchase new cotton sacks. This demand is so urgent that it is a patriotic duty to conserve cotton to the utmost.

By using to the fullest efficiency all sacks now in the hands of the trade, consumers and dealers in building materials can be of very real assistance to the Government in the present crisis.

Only by the united effort of every user of cement can an acute sack shortage be avoided. Delay in returning empty sacks or improper disposal of them to others than our dealers or ourselves will cause serious interference with future shipments.

Railroad embargoes prevent the return of sacks from many points. It is hoped to overcome this by having one day each week fixed as a day on which the railroads will accept sack shipments; meanwhile if an embargo exists at your station, please write us particulars as to [fol. 2519½] the number of bundles you have ready and the railroad conditions existing, and we will try to assist in having the sacks moved.

With this letter is enclosed a return post card, and we will appreciate it if you will be good enough to mail this card to us promptly, stating the approximate number of empty sacks you have on hand. We are anxious for this information to assist in planning ahead so as to continue making prompt Lehigh cement shipments, and will be grateful for your co-operation in supplying the figures requested.

We are anxious to handle the sack situation so as to cause our customers a minimum of inconvenience, and feel that we can rely upon receiving the close co-operation which will enable us to meet and successfully overcome the present serious conditions.

Yours truly, Lehigh Portland Cement Company.

[fol. 2520] DEF'TS' EX. NO. D-476

Lehigh Portland Cement Co.

Allentown, Pa.

November 16th, 1918.

Lehigh Dealers:

The War Industries Board has taken the first steps toward modifying the War-Time restrictions on deliveries of building materials.

These steps are shown in the attached extract from Priorities Division Circular No. 57, issued November 11, 1918. We call your attention to the following important modifications:

Highways, road and street work may now go ahead with no restrictions, provided funds are available.

Buildings connected with the production of food, as noted in Clause 8 of the Circular, are now under no restrictions whatever, regardless of the total cost involved.

There are no restrictions on Farm construction, regardless of the cost involved.

New buildings of any character, involving cost not exceeding $10,000, require no permit whatever.

New buildings of any character, involving total cost of over $10,000

and less than $25,000 now require written authority from only the State Council of Defense or its duly authorized representative, instead [fol. 2520½] of a special permit from Washington as heretofore.

These important changes allow greatly widened opportunities for building material sales and it seems certain that within the near future the building material industry will be again on an entirely normal basis. We hope that you are already experiencing the benefits of the new rulings.

The building material dealers of the United States, who have so loyally co-operated with the Government during the War emergency, may well feel that theirs has been a substantial aid in winning the war. It is now their opportunity to play an equally important part in the great era of reconstruction upon which the world is entering.

Yours truly, Lehigh Portland Cement Company.

Extract from Circular Dated November 11, 1918

War Industries Board, Priorities Division

Circular No. 57

All of the rules, regulations, restrictions and directions embodied in orders and circulars issued by the Priorities Division of the War Industries Board are continued in effect subject to the following modifications:

Section First. Section 5 of Revised Circular No. 21, issued by this [fol. 2521] Division as of date October 15, 1918, dealing with nonwar construction, is hereby amended so as hereafter to read as follows:

"Sec. 5. Construction projects not requiring permits or licenses from Non-War Construction Section.—Construction projects falling within the following classifications are hereby approved, and no permits or licenses will be required therefor from the Non-War Construction Section:

"(1) Construction projects approved in writing by the Facilities Division of the War Industries Board.

"(2) All farm and ranch buildings, structures, or improvements.

"(3) All buildings, structures, roadways, plant facilities, or other construction projects of every nature whatsoever, undertaken by the United States Railroad Administration, or by any rail or water transportation company, organization, or utility (whether or not under the direction of such administration) or by the American Railway Express Company, or by the owner or operator of any telegraph or telephone line.

"(4) The construction, maintenance, improvement, or development, by Federal, State, or municipal authorities of highways, roads, boulevards, bridges, streets, parks, and playgrounds.

"(5) The construction, extension, improvement, maintenance, or repair of any public utility, including water-supply systems, sewer systems, light and power facilities, and street and interurban railways.

"(6) The construction, extension, or repairs of all irrigation and drainage projects.

"(7) Construction projects connected with the extension, expansion, or development of mines of every character whatsoever or [fol. 2521½] connected with the production and refining of mineral oils and of natural gas.

"(8) The construction, alterations, or extensions of, or repairs or additions to, plants engaged principally in producing, milling, refining, preserving, refrigerating, or storing foods and feeds.

"(9) The construction of new, or the alterations or extensions of existing, school-houses, churches, hospitals, and Federal, State, or municipal buildings, involving in the aggregate a cost not exceeding twenty-five thousand dollars ($25,000).

"(10) The construction of new buildings or structures not embraced in any of the foregoing classifications, or the repairs or additions to, or alterations or extensions of existing buildings and structures, in either case involving in the aggregate a cost not exceeding ten thousand dollars ($10,000).

"(11) The construction of new buildings or structures not embraced in any of the foregoing classifications, or the repairs or additions to, or alterations or extensions of, existing buildings or structures, in either case involving in the aggregate a cost not exceeding twenty-five thousand dollars ($25,000), when approved in writing by the State Council of Defense or its duly authorized representative.

"(12) Buildings begun prior to September 3, 1918, where a substantial portion of the building has already been constructed."

[fol. 2522] DEF'T'S EX. NO. D-477

Lehigh Portland Cement Co.

Allentown, Pa.

In any line of merchandise some brands sell better than others. Why?

Because they are better advertised—because the confidence of the buying public has been gained.

Your own customers will choose the brand that's known by its advertising, whether it's cement, automobiles or talking machines.

The story of Lehigh, the National Cement, is being told to the 2,000,000 readers of the Saturday Evening Post and to 4,000,000 readers of other leading papers. Have you ever seen a more comprehensive campaign than the enclosed sheet shows?

A Lehigh sign on your warehouse will associate you with this campaign and lead desirable business to your door.

Return the enclosed card for prices on Lehigh and real service reasons.

Lehigh Portland Cement Company, —— ——, Eastern Sales Manager. BLS/A.

[fol. 2522½] Lehigh Portland Cement Co.

Young Building, Allentown, Pa.

—— —, ——.

Lehigh Portland Cement Co., Young Building, Allentown, Pa.

GENTLEMEN: Please quote your price on — barrels of Lehigh cement.

Yours truly, —— ——.

The Lehigh story is being told nationwide over thirty million times, including the publications listed below:

	Total circulation of each edition
The Saturday Evening Post May 3, May 24, June 7, June 21, July 5, August 30, September 13, September 27, October 11.	1,989,580
National Geographic May, June, July, September, October.	670,000
[fol. 2523] System May, June, July, September, October.	130,000
Architectural Forum April, May, June, July, August, September, October.	4,617
Successful Farming April, May, June, July, September, October.	800,000
American Builder April, May, June, July, August, September.	35,000
Building Supply News March, May, June, July, August, September.	3,500
Engineering News Record March 27, May 1, May 29, June 5, June 19, July 3, July 17, August 28, September 11, September 25, October 9, October 16.	33,676

	Total circulation of each edition
[fol. 2523½] The Country Gentleman.....	409,103
April 12, May 10, June 14, July 12, September 13, October 11.	
Farm Journal	1,000,000
April, May, June, July, September, October.	
Hoard's Dairyman	70,000
April 11, May 9, June 13, July 11, September 12, October 10.	
Breeder's Gazette	90,000
April 12, May 10, June 14, July 12, September 13, October 11.	
Farm and Fireside	600,000
April, May, June, July, September, October.	
Journal Am. Inst. Architects.....	2,836
April, May, June, July, August, September, October.	

[fol. 2524] DEF'T'S EX. No. D-478

Lehigh Portland Cement Co.

Allentown, Pa.

August 5th, 1919.

Have you ever checked over your list of customers and noticed how many you have sold purely on Service?

Most cement users have limited storage and depend on the dealer to keep them supplied. When a last minute, rush order has exhausted your stock, you in turn, must depend on the manufacturer for service and he should be able to give it, not only in special cases, but always.

A glance at the attached sketch shows you why Lehigh Service has proven itself one of the dealers' most valuable assets. Lehigh service means that your orders will be shipped from the mill nearest you and that your car will be loaded within 24 hours after we have the order. Not only this, but our Traffic Department will tell you just about when the car should reach you and see that it does reach you.

Prompt service is one of the Lehigh features but there are others equally valuable. Return the card and we will gladly give you details.

Yours truly, Lehigh Portland Cement Company. ——— ———, Eastern Sales Manager. BLS/C.

[fol. 2524½] DEFT. EX. No. D-479

Lehigh Portland Cement Co.

Allentown, Pa.

July 8th, 1919.

Prosperity and the Building Material Dealer

The Peace Treaty is signed and all indications point an era of prosperity right ahead of us.

Tremendous strides have been made during the past six months in bringing conditions back to normal, and the country is ready to go ahead.

The new activity is especially strong in the building field, which labored during the war under the most severe handicaps and restrictions. The time is now at hand when the building material dealer will reap the reward of his patient and self-sacrificing war effort.

In the Saturday Evening Post and other national magazines, there is now appearing the greatest Portland Cement advertising campaign ever undertaken. It pays due tribute of recognition to the work and service of the building material dealer. It is bringing Lehigh, the National Cement, before millions of readers and creating new business for the thousands of dealers through whom Lehigh is distributed to the Nation.

Do you want to share in the results of this campaign? Let us tell you why Lehigh is the cement which means increased business and profts for you.

Yours very truly, B. L. Swett, Eastern Sales Manager. BLS/B.

[fol. 2525] DEF'TS' EX. No. D-480

Knickerbocker Portland Cement Company

New York City

Subject: Sacks.

January 8, 1920.

Mr. A. D. Naylor, Treasurer Knickerbocker Portland Cement Co., Inc., New York City, N. Y.

DEAR SIR: Acknowledging your letter of the 7th inst., regarding sack rejections, this certainly looks like liberality on the part of our Company.

In this connection I might advise that yesterday we closed a 15,000 barrel order to be used by the Evatt Construction Company at the Plant of the National Calf Skin Company, Peabody, Mass. (This is another Swift Company's interest.) The order is coming through the C. H. Spring Company. When we were given this order Mr. Evatt spoke about the treatment he had received from the Nazareth Cement Company to the effect that they had never made any bag rejection. I merely mention this matter to confirm your stand that the trade generally gives a great deal of consideration to these minor sack rejections, and although we may not have complaints nevertheless it helps to hold a good customer.

Very truly yours, Knickerbocker Portland Cement Co., Inc.,
J. W. Stinson, Local Manager.

[fol. 2526] DEF'TS' EX. No. D-481

January 10, 1920.

Mr. Floring, Mt. Stinson:

GENTLEMEN: In the statement of contracts secured for the year 1919, by the eastern cement manufacturers, the Knickerbocker Company is the lowest on the list with only 97 contracts, calling for 395,000 barrels. The figures of the other reporting companies are as follows:

Company	New contracts	
	No. to date	Bbls. to date
Allentown	245	673,643
Alpha	900	2,309,140
Atlas	1,509	4,337,269
Bath	194	701,947
Coplay	345	823,589
Dexter	189	432,878
Edison	461	1,636,952
Giant	196	969,816
Hercules	260	592,516
Knickerbocker	97	395,562
Lawrence	405	1,291,211
Lehigh	1,161	2,703,600
Nazareth	307	951,401
Penn Allen	171	487,349
Pennsylvania	290	1,168,547
Phœnix	133	479,700
Vulcanite	373	1,008,416
Total	7,236	20,963,736

[fol. 2526½] This certainly is not a very good showing for this company and our record for this year must show a decided improve-

ment. I trust that each salesman will do his part to insure reaching the goal desired for this year. Please instruct the Salesmen to treat the above information as strictly confidential.

Yours truly, —— ——, Treasurer. ADN:GH.

[fol. 2527] DEF'TS' EX. NO. D-482

Pennsylvania Cement Co.

Inter-Office Letter from Mr. G. M. Clukas, Boston Office

November 4, 1920.

To Mr. E. P. Alker:

In talking over present prices with some of the dealers in Boston and this vicinity I find that a number of the companies are basing their price on the customary differential on Hudson River cements.

With the increase of 40% over the old rate at some delivery points in this territory our price is from 2c. to 10. per bbl. higher by following your instructions of Oct. 15th to base price on $2.50 mill base plus the Lehigh Valley rate, as for instance, our price in Boston is $4.32 per bbl. and the other companies are quoting $4.27 per bbl.

While my instructions are not to take any new business without authority from the New York office I felt that I ought to call this to your attention.

Very truly yours, Geo. M. Clukas.

[fol. 2527½] DEF'TS' EX. NO. D-483

Nov. 4, 1920.

Mr. E. P. Alker, Mr. S. G. Taylor:

In regard to quoting on Hudson Base it has been called to our attention that the Atlas, Lehigh, and Alpha companies are quoting in Syracuse at $4.13 per bbl. instead of $4.17. As we do not wish to lose any of our customers we will meet this price, using the Hudson Base in figuring same.

Yours very truly, —— ——, Sales Manager. EPA MC.

[fol. 2528] DEF'TS' EX. NO. D-484

Confirmation of Telegram

Nazareth Cement Company

Night Letter Sent to Nazareth Cement Company

Nazareth, Pa., April 7, 1920.

161 Devonshire St., Boston, Mass.

Regarding cement Warren Bros., Waterford, cannot absorb difference in freight rate to meet competition. Also afraid we cannot give them decent service account car situation.

Nazareth Cement Company.

Western Union.
8:00 P. M.

[fol. 2528½] DEF'TS' EX. NO. D-485

Syracuse, N. Y., October 24, 1920.

Mr. A. D. Naylor, President Knickerbocker Portland Cement Co., Inc.

DEAR SIR: For your information kindly be advised that the following Cement Companies have their salesmen out securing business for next year and in some cases are taking orders for immediate shipment, the Universal Company I understand are selling the Syracuse Wall Plaster Co. for immediate shipment at the price of $3.67 per bbl. F. O. B. Syracuse, while our price figures *oor* is $4.15 per bbl. F. O. B. Syracuse. The Atlas, Phœnix, Lehigh, Pennsylvania I understand are taking business for next year.

In connection with the above, wish to advise that the State Highway will have a letting on Friday, October 20, and I am advised that the estimated prices on cement *are* given the contractors are based on the present price and will be for Spring delivery. This would be very good business as all indications point to a reduction in the price of cement next year.

Yours very truly, B. F. Abbott.

[fol. 2529] DEF'TS' EX. NO. D-486

October 23, 1920.

Mr. Preston E. Bradlee, 3 Strathmore Road, Brookline, Mass.

DEAR BRADLEE: It seems that some of the cement companies are going to put in their contracts a clause protecting against decline,

and I have no doubt that we will be obliged to follow suit, so do not lose any contracts because of this.

Keep after the Biltmore Hotel proposition in Providence.

Yours very truly, —— ——, General Sales Manager.
CHC-M.

[fol. 2529½] DEF'TS' EX. NO. D-487

September 20, 1920.

Mr. Preston E. Bradlee, Brookline, Mass.

DEAR BRADLEE: We have a contract with George L. Gage Company, dated August 8th and expiring June 1st of this year, extended to September 15th, 1920, covering 2,000 barrels of cement for the construction of walls and other improvements along canal, Essex County, owner and contractor. We have shipped two cars on this contract and have on hand shipping instructions for a number of others. I have an idea that this work has not been going ahead and that all the cement which Gage has ordered against this contract is not intended for use in that work. I may be wrong, but I am suspicious. Will you please go to Lawrence and investigate this matter carefully?

The transportation conditions are much better, and we are able to get practically all the cars we want. On this basis we will be able to give our customers some sort of service, and as I wrote before you may accept orders with the understanding that shipment will be made within a week or ten days, if possible. Don't place yourself in the position though of soliciting business, because we are not yet far enough caught up to do that, but it does seem likely that if we have current orders on hand, most of these will be shipped.

[fol. 2530] Edison and Bath are both charging $4.50 at the mill. Will you please make a careful canvas of the situation, advising me how the customers take this, and also advising whether they are selling much cement on that basis.

I am enclosing an expense check for $75.00, which you will now need.

Best regards for yourself.

Yours very truly, Charles H. Cox.

[fols. 2530½-2531½] DEF'TS' EX. NO. D-488

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, 4/3/20. Salesman: C. H. Kent. Office: Richmond.

1. What information regarding competitors or quotations did you get during the week?
Saw Atlas quotation at Messman Bros., Hunting, on basis $1.75 LV.

2. What special inducement of any nature are competitors offering in your territory?
None.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
None met.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.
None.

[fol. 2532] DEF'TS' EX. NO. D-489

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, Mch. 6th, 1920. Salesman: Browning. Office: Buffalo.

1. What information regarding competitors or quotations did you get during the week?
I learned sufficient today, to convince me that we had lost one nice order. I received wire from Allentown to quote $2.84 on the Niagara Falls order, and I telephoned this to Miss Bayer, and was advised that they were placing this with Atlas at $2.78 per barrel, 8,000 barrels.

2. What special inducement of any nature are competitors offering in your territory?
The above.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
——.

[fols. 2532½ & 2533] 4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
None of them.

5. Give the complete history of any complaints that you may have on competitors' brands of cement.
No complaints.

[fol. 2533½] DEF'TS' EX. NO. D-490

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, July 5, 1919. Salesman: C. S Wheat. Office: Richmond.

1. What information regarding competitors or quotations did you get during the week?
Giant quoting 3.01 Elm City M as against our price of 3.03.

2. What special inducement of any nature are competitors offering in your territory?
None.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Peters of Giant, Taylor of Clinchfield, Baily of Atlas—No information of interest.

[fol. 2534] 5. Give the complete History of any complaints that you may have on competitors' brands of cement.
None.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
No complaints this week.

7. What suggestions have you for improving our methods of handling business in your territory?
None.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
No.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Good.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
Remarks: ——.

Yours very truly, C. S. Wheat, Salesman.

[fol. 2534½] DEF'TS' EX. No. D-491

August 27, 1920.

Mr. H. C. Merritt, Tuckahoe, N. Y.

DEAR SIR: We are in receipt of your letter of August 26, and note that Wilkins & Adams Co. advised you that they are receiving 10c per bbl. discount from some company. This is very true, but the price which they are paying for cement is 25c per bbl. higher than our price, in other words, the other company are quoting on a basis of $2.50 mill base allowing 10c per bbl. discount, whereas we did not raise our price, and are still quoting on the $2.25 mill base. Also note what you say in regarding shipments, due, and will endeavor to get you something out *therehem* next week.

Yours very truly, Pennsylvania Cement Company.—— ——,
Treasurer. EPA/RJ.

[fol. 2535] DEF'TS' EX. No. D-492

Security Cement and Lime Co.

Hagerstown, Md.

June 3rd, 1920.

You Can Help

With every desire to serve our dealers, it is but fair to give you absolute facts and to suggest how you can help us to help you.

Our supply of coal is uncertain—its costs has been increasing daily. Just when this condition will be corrected, we don't know.

Labor is costly. You know that it is most inefficient.

It is practically impossible to buy new bags at any price. And, most of you know the difficulty to secure box cars.

This combination of unsettled conditions makes it practically impossible to definitely state when shipments can be made and our costs at the time shipment is made. Therefore, in fairness to you we

can accept orders only from our regular dealers for one carload only of Security at a time, at the price prevailing at time of shipment, [fol. 2535½] which shipment will be made at the earliest possible date, consistent with fair play to all Security dealers.

Please do not order a barrel more of Security than you actually need for your regular trade—Be sure to return every empty bag just as soon as it is empty and please try to tell us as far ahead as possible your minimum requirements.

With this cooperation from you, we will do our best to serve you during this trying period.

Security Cement & Lime Co.

[fol. 2536] DEF'TS' EX. NO. D-493

Carolina Building Supply Company

Wilson, N. C.

Personal.

September 10, 1920.

Mr. S. N. Peters, General Sales Manager Giant Portland Cement Co., Philadelphia, Pa.

DEAR SIR: When your Mr. Barnes was in to see us a few days ago, at the time of letting of contract for paving for the city of Wilson, the writer called his attention to the fact that Lehigh Portland Cement Co., and other cement manufacturers, were allowing their dealers .10c per barrel off for cash within ten days from date of [fol. 2536½] invoice instead of the old .5c per barrel discount, and asked him why it was that the Giant Co., was not doing the same thing and he suggested that we write and call this matter to your attention. Hence this letter to you on this subject. It does seem to us that when other companies are allowing this discount (.10c per barrel) that the Giant Company would do likewise.

We would like for you to take this matter under consideration, and advise if you will not in the future allow us a discount of .10c per barrel off for cash within ten days from date of invoice. If you people knew how tight money matters are down this way now you would not hesitate to grant this request, and further, if tobacco and cotton continues to go down, we want need much cement a little later on. The situation in Eastern North Carolina is anything but bright. Doubtless you are aware of the fact that the farmers are being offered less for their crops than it actually cost- them to market it.

With kind personal regards from the writer, we are,

Yours very truly, Carolina Building Supply Co., per F. B. Ward, Manager.

[fol. 2537] DEF'TS' EX. NO. D-494

Copy to Mr. A. J. Barnes.

Sept. 13th, 1920.

Carolina Building Supply Co., Wilson, North Carolina.

GENTLEMEN: I have Mr. Ward's letter September 10th in reference to cash discount of ten cents per barrel. It is true that some of the companies are allowing discount of 10c per bbl., but in view of the fact we are selling so little cement at the high price and all of our sales are at a loss due to the abnormal condition we have not seen our way clear to increase the cash discount from 5c to 10c per barrel. Of course later on we hope that conditions will be normal and we will then change the discount provided the other companies continue allowing 10c, as we would not expect our customers to pay us more for cement than they could get same elsewhere under normal conditions.

We have not had much objection in regards to the discount, but the few letters we have received we explained conditions as above and our customers seemed to take the stand that our position is reasonable, and are perfectly willing to continue on the old basis for the present.

I am very sorry to note the last paragraph of your letter as I am afraid conditions you mention will have a bad effect on business in [fol. 2537½] the future, but so far as this year is concerned we do not have to worry as unfortunately we have more cement under contract than we can possibly ship, and if the coal situation does not ease up next year the less cement we ship the better.

With kindest personal regards, I remain,

Yours very truly, —— ——, General Sales Manager.

SNP/F.

[fol. 2538] DEF'TS' EX. NO. D-495

York Paint & Hardware Co.

York, Pa., April 10, 1920.

Dexter Portland Cement Co., Nazareth, Pa.

GENTLEMEN: We received an increase in the price of cement. Is this correct? We have received several increases of several manufacturers and they vary. Kindly let us have your price and letter of explanation, so that we know exactly what to quote.

Yours truly, York Paint & Hdwe. Co. Inc., by C. S. Stitzel.

[fol. 2538½] DEF'TS' EX. NO. D-496

Nazareth Cement Company

Inter-Departmental Correspondence, Nazareth Sales Office

Date: December 3, 1920.

Subject: ——.

John W. Ramsay, Sales Mgr., Boston Office:

Have your letter of the 2d in reference to the new prices and note you have sent out new quotations equalizing the Hudson River freight rates. Yesterday we sent you a letter giving the different bases and wish to call your attention to the Universal base, which is $2.05 and 25c below our Lehigh Valley base. Don't forget to figure this when you are quoting prices for it is just possible that in some cases the Universal price will be lower than even the Hudson River. Use the lowest price, whether Universal or Hudson River, for we will have to do this in order to compete with other companies and get the business. Merely thought we would call your attention to this for heretofore the Universal did not figure in *in* your territory but now that the difference in base prices is so great it is just possible that in some cases the Universal price might be lower.

Yours truly, —— ——.

[fol. 2539] DEF'TS' EX. NO. D-497

November 18, 1920.

DEAR MR. FEEKS: I have your report of the 16th on your call to W. N. Potter & Sons of Greenfield, Mass.

You report a statement made by Mr. Potter that we can look for a good share of his business on an equal basis. Was there any explanation made to you of what this equal basis meant? You, not being familiar with the Potter Company business, would naturally take the statement as given to you, but in previous years, we fully believe that this Company has had an inside price from one or more of our competitors. Taking this fact into consideration, the statement of an equal basis does not look a bit good to me and possibly Mr. Potter made the statement, bearing in mind the prices he had had from other Companies.

If he made any explanation of this statement, would appreciate your sending it to me.

Yours very truly, —— ——, Sales Department. WMF/C.

[fol. 2540] DEF'TS' EX. No. D-499

Alpha Portland Cement Co.

Weekly Letter

Philadelphia, Pa., June 19, 1920.

MR. DYER: A number of our dealers called at the office this week and pleaded with us to take their orders for cement as they are entirely out, while others called for information as to when shipment will be made of the orders that they have in.

Received several inquiries for cement this week, and several dealers whom we have not sold for some time called and wanted to place orders with us, and from the conversation we had with them, they have had orders in with *are* competitors for over a month and longer, and they have no idea when shipment will be made of same.

The Philadelphia dealers are up against it for cement. The Newton Supply Company, sent two trucks to the Works yesterday for cement, leaving Philadelphia four o'clock in the morning, and if you can do anything to ship a few cars in here to the dealers, it will certainly be appreciated.

We hope that you will be able to clean up some of our old orders during the next week.

Yours truly, Geo. P. James.

[fol. 2540½] DEF'TS' EX. No. D-500

Pennsylvania Cement Co.

Inter-Office Letter from Philadelphia Office

To Mr. E. P. Alker.
Subject: U. S. Engr.
Address: 813 Commercial Trust Bldg.
Date: January 27th, 1921.
Reference: Quotations issued.

Below are the prices quoted the U. S. Engineer, War Department, on 675 barrels cement for Delaware City, Del., bids for which were opened yesterday at 12 o'clock noon.

Alpha Cement Co., $3.89 dealer's price.

Giant Cement Co., $3.72 new dealer's price less 2¢ per bbl. war tax.

Lehigh Cement Co., $3.74 New dealer's base.

Defrain Sand Co., $4.12 Dealer's base plus 20¢ differential, & 3¢ bin test.

W. C. Clark & Son, $4.19 Dealer's base plus 30¢ differential.

Penna. Cement Co., $3.99 Dealer's base plus 10¢ differential.

[fol. 2541] David France Co., $4.09 Dealer's base plus 20¢ differential.

Dexter Cement Co., $3.89 Dealer's Base.
Atlas Cement Co., $3.89 Dealer's Base.
Chas. Warner Co., $3.99 Dealer's base plus 10¢ differential.

The Giant Cement Company's bid was based on the fact that the Government does not pay any war tax, and they consequently deducted 2¢ per barrel.

Yours very truly, H. A. Moore, District Sales Manager.

[fol. 2541½] DEF'TS' EX. NO. D-501

Security Cement & Lime Co.

Inter-Departmental Correspondence

Subject: ——.

2/3/21.

To Mr. H. S. Rayner.

DEAR HARRY: Thank you for the Atlas price at Westminster.

As written you last night—effective at once all our quotations are to be based on $1.80 bulk, Universal plus Universal freight rate—10¢ per bbl. discount for payment in 10 days—25¢ cloth bags and 25¢ over the bulk price for paper bags.

This means that our delivered cloth price and the delivered Universal cloth price are identical but we allow 10c discount for payment in 10 days while the Universal allow only 5¢ discount for payment in 10 days.

H. B. Warner.

[fol. 2542] DEF'TS' EX. NO. D-502

Security Cement & Lime Co.

Inter-Departmental Correspondence

Subject: ——.

2nd February, 1921.

To Mr. H. B. Warner, Sales Manager:

Replying to your request over telephone today, the best information I can get at this time is that Atlas are quoting $3.48 in Baltimore less 10¢. I have been unable to get in touch with Meredith-Healey Lumber Company, Annapolis, Md. Will visit them personally tomorrow morning and try to get a look at quotations they have both from Lehigh Valley and Universal.

I am enclosing a quotation sent to Smith & Reifsnider, Westminster, Md., by the Atlas Portland Cement Co. I note they are making a price at that place of $3.48, less 10¢.

We are holding the quotations of the 1st which were received this morning.

Rayner.

[fol. 2542½] DEF'TS' EX. No. D-503

The Lawrence Cement Company

Feb. 1, 1921.

To the Salesmen:

You will be interested in knowing that notwithstanding adverse conditions, we have been able to ship approximately 38,000 barrels of Dragon cement this month, January. This is an average of about 1,500 barrels for each working day of the month. We are very anxious for the month of February to ship at least 2,000 barrels daily, and would be very pleased to see the total shipments for the month of February exceeding 50,000 barrels. We are counting on you to use every effort to supply us with daily orders to meet this quota that we are aiming at.

Yours very truly, F. H., Sales Mgr. rap-mh.

Mr. Grover, Mr. Potter, Mr. Vollmer, Mr. Wyckoff, Mr. Maloney, Mr. Sminck, Mr. Larimer, Mr. Miller, Mr. Sperry, Mr. Danner, Mr. Airey.

[fol. 2543] DEF'TS' EX. No. D-504

Feb. 16, 1921.

To the Salesmen:

Our shipments for the first half of February total 21,235 barrels. This is slightly under our goal of 50,000 barrels for the month. We have no doubt, however, that with splendid weather conditions and low stocks in the hands of dealers, we will be able to make up the difference in the second half of the month.

Yours very truly, —— ——, Sales Mgr. rap-mh.

Sminck, Potter, Wyckoff, Grover, Philadelphia office, Siegfried office, Airey, Maloney.

[fol. 2543½] DEFT'S' EX. No. D-505

March 1, 1921.

To the Salesmen:

We are very gratified that the efforts of our salesmen have enabled us to make shipments during the month of February of 49,000 barrels. This is the largest February we have had since 1916, and we express our appreciation for the effort that has given us such a good volume of shipments to report to Mr. Smith upon his return.

Yours very truly, R. A. P. rap-mh.

Mr. W. L. Sperry, Mr. W. P. Airey, Mr. Danner, Mr. Vollmer, Mr. Grover, Mr. Maloney, Mr. Potter, Mr. Wyckoff, Mr. J. F. Miller, Mr. C. S. Sminck.

[fol. 2544] DEF'TS' EX. No. D-506

Pennsylvania Cement Co.

Inter-Office Letter

From: H. A. Meech.
To: A. J. Stanford.
Address: Buffalo, N. Y.
Date: 2/15/21.

Saw Universal's new price for this district, $3.41—10¢ discount. This would indicate that they are not going to make further cut, and will put all manufacturers on the same basis.

Have you heard of this?

Sincerely yours, H. A. Meech.

[fol. 2544½] DEF'TS' EX. No. D-507

Feb. 16, 1921.

Mr. A. J. Standford, Mr. H. A. Meech:

Your memo. of the 15th advising that Universal has sent out prices based on $1.80 Universal, 10¢ a barrel discount.

Of course we cannot prophesize just which way the market is going to go but wish you would keep us advised of various developments on the price situation in Buffalo and the territory you cover.

Yours truly, S., Assistant Sales Manager. AJS:MC.

[fol. 2545] DEF'TS' EX. No. D-508

February 10, 1921.

DEAR MR. FEEKS: We have yours of the 9th enclosing salesman's order for 10,000 barrels to be shipped to Smith Brothers Construction Company at Dexter, New York, for New York State Highway #8015.

As soon as we have certain information from the Smith people as to the dealer at Lyons Falls, we will make up the contract for their signature.

We also have your advice as to the prices being quoted at Carthage by a competing company. As advised you over the telephone yesterday, we will meet this competition.

Very truly yours, —— ——, Sales Department. WMF:HD.

Mr. J. A. Feeks, Woodruff Hotel, Watertown, New York.

[fols. 2545½ & 2546] DEF'TS' EX. NO. D-509

Nazareth Cement Company

Inter-Departmental Correspondence, Nazareth Sales Office

Date: March 8, 1921.
Subject: ——.

To John W. Ramsay, Sales Mgr., Boston Office:

In reference to the Waterbury, Conn. price of $3.76 and our price of $3.77, Mr. Horner does not want you to quote the $3.76 price but thinks we had better adhere to the $3.77 price as per book. However, if you find and have evidence to prove that one of the larger companies is quoting $3.76 you can meet that price rather than lose the business.

Yours truly, —— ——.

[fol. 2547] DEF'TS' EX. NO. D-510

Form No. 33

March 28, 1921.

Bert W. Kessel, Philadelphia Office; Messrs. Child, Crowley, Ives, Jochim and Morris:

Price

Effective today, the price of cloth bags has been reduced from 25¢ to 10¢ each, there being no change in the price of paper bags nor in the various mill bases.

Get in touch with every contractor who has a job, and, no doubt, you will be able to close up some business on this new basis.

Please acknowledge receipt of this change.

BWK-L.

[fol. 2547½] DEF'TS' EX. NO. D-511

March 26, 1921.

Mr. Preston E. Bradlee, Boston, Mass.

DEAR BRADLEE: I have read over your report outlining conditions with the Mass. Lime & Cement Co. Just at this time we do not believe that it would be policy for us to meet this competition, even tho we would be able to ship them 5,000 barrels immediately. I will be glad to know if you can find out which of the cement companies propose to do this. Later we may wish to do something for the Mass. Lime & Cement Company, but just now it does not seem advisable. You need not intimate to Harry that we even contemplate doing anything for him at any time, because it is not at all certain that we will, but if some of our competitors continue to give

them an advantage in price, we may be forced to do something to meet it. For the present we will do nothing, and you may thank Harry and at the same time express your regrets.

Yours very truly, Charles H. Cox.

[fol. 2548] DEF'TS' EX. NO. D-512

May 2, 1921.

DEAR MR. NAYLOR: Referring to yours of April 27th regarding contract placed with the Lehigh Company by the American Clay & Cement Corporation, for approximately 12,000 barrels on New York State Highway No. 8030, the delivery point for this work is Machias, New York, at this point the Universal rate governs and it would be necessary for us to take a freight absorption of seven cents per barrel, which would make the job net us $1.73 with the discount in. As this net was so low advised Mr. Denniston that we would not care to ship this work.

Very truly yours, —— ——, Assistant to President. WMF: HD.

[fol. 2548½] DEF'TS' EX. NO. D-513

May 2, 1921.

To Salesmen:

I am sure that you will be pleased to know that our shipments for April were 150,050 barrels of Dragon cement. You will recall that we set a mark of 150M barrels, and it is certainly gratifying to the management to know that this mark was reached. It is important, particularly in the early months of the year, that we get as heavy shipments as possible, and I will personally appreciate anything that you may do to secure another 150,000 barrels for May. Single carload lots at market are desirable, as well as contract offers. The disturbing feature about the present situation is not in the movement at the moment, so much as it is the absence of contracts for future delivery, and the management would appreciate your further activities along those lines.

Again expressing appreciation for your efforts during April, I am,

Yours very truly, Smith, Sales Manager.

To Mr. Pruden, Mr. Miller, Mr. Demler, Mr. Wyckoff, Mr. Grover, Mr. Sminck, Mr. Potter, Mr. Vollmer, Mr. Larimer, Mr. Danner, Mr. Cumberland, Mr. Airey, Mr. Maloney.

[fol. 2549] DEF'TS' EX. NO. D-514

Glens Falls Portland Cement Co.

Boston, Mass., April 28, 1921.

George F. Bayle, Pres. Glens Falls Portland Cement Co., Glens Falls, N. Y.

DEAR SIR: For your information beg to advise a week or ten days ago the Turner Construction Co. asked for prices on 30,000 barrels of Cement for shipments to Andover, Massachusetts; work for the American Woolen Company.

I followed these people very closely as well as our Lawrence dealer, B. L. McDonald, but we were not successful in getting this contract and it appears that the Pennsylvania Portland Cement Company secured same.

Talking the situation over with the Turner Construction Company, they state that they had a considerable lower price from the Pennsylvania people and for that reason placed the order with them.

[fol. 2549½] It appears on several contracts of any size which have been awarded recently there has been some kind of a cut made by the manufacturer. Then there seems to be a persistent rumor in the market that the present Cement base price would soon be lower.

We have at this time in Boston and vicinity two large jobs coming along; one calling for 15,000 barrels, the other calling for 25,000 barrels.

I am quoting them at the present market price but if certain manufacturers continue to cut prices no doubt the above work will go for less money.

I am perfectly willing and prefer to sell Cement on the market but would like your opinion as to any idea what the future market price may be.

Very truly yours, C. E. Tileston.

[fol. 2550] DEF'TS' EX. NO. D-515

Apr. 29, 1921.

Mr. C. E. Tileston, 18 Tremont St., Boston, Mass.

DEAR SIR: I have your favor of the 28th inst. regarding the 30,000 bbls. purchased by the Turner Construction Co. for the American Woolen Company's job.

I am satisfied from what you wrote us some time ago, and from information obtained in New York City, that some of the Companies have been selling cement on what they call a "replacement value." In other words, at prices which were made on contracts taken early last year. I presume on the theory that as they were unable to complete these contracts during 1920 they want to be "good fellows" and make good now.

We have always had some Companies in the business who are looking for excuses to make lower prices, and I expect that we always will have some of that tribe to contend with.

We feel that if we are to make any lower prices we should make them to everyone, and treat all alike, and this will be our policy.

Regarding the rumors of lower prices to be made in the near future, [fol. 2550½] we have heard these from several quarters, and have investigated them, but cannot find any reason for believing that this will happen. From what I can learn, I do not now expect that any further reduction will be made. However, with the clause in our contract it seems that the dealer or contractor is fully protected in the event of a further decline.

It is getting rather late, and we are anxious to close some good contracts, and if there is anything in sight that you can get, I hope you will do your utmost to secure it.

Yours truly, —— ——, President. GFB:MLC.

[fol. 2551] DEF'TS' EX. NO. D-516

June 9, 1921.

Mr. J. W. Stinson, Manager Knickerbocker Portland Cement Company, Inc., Boston, Mass.

DEAR MR. STINSON: The shipments into your territory for the first five months of this year show a decrease of 42,924 barrels as compared with the same period in 1920.

While I realize that conditions have been unusual in the Boston district this year, a Herculean effort must be made by yourself and the salesmen to improve the shipments for the balance of this year. I sincerely hope that an improvement can be shown at an early date.

Very truly yours, A. D. Naylor, President.

Copy to Mr. Floring.

[fol. 2551½] DEF'TS' EX. NO. D517A

Allentown Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Allentown Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

In 1910 this company's trade quotations were for acceptance in a time limited on the quotation from "Promptly" to 40 days. The time

for acceptance was gradually lessened; and in 1915 was from five to fifteen days. Since the beginning of 1916 the quotations have been for immediate acceptance.

[fol. 2552] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

1910 to 1915 inclusive the time of shipment limited in trade quotations varied, usually being thirty days. Since the beginning of 1916 quotations have been for shipment within fifteen days from the date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

Prior to 1916 this company's trade quotations have no expressed limit on quantity. Since 1916 its quotations have been limited to one carload unless otherwise agreed.

No. 4

Practice as to Cash Discount

This company allowed a cash discount of 1c. per bbl., for payment within ten days from the date of the invoice, from the start of the plant in 1910 until the latter part of January, 1914. From January, 1914, to January, 1916, it allowed a cash discount of two cents a barrel. From January, 1916, to July 13th, 1920, it allowed a cash discount of five cents a barrel. Since the latter date it has allowed a cash discount of ten cents a barrel.

[fol. 2552½] This company has adhered quite rigidly to the time limitation and has seldom allowed a discount where payment was not made within ten days. There has been no change in its practice in this regard since 1910.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company's practice has always been to quote at a price for cement including the package. The only requests to quote cement separate from the package have been from the United States Government.

No. 6

Practice as to Dating of Invoices

This company has always dated its invoices on the day of shipment.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's early contracts of sale and quotations were at a price f. o. b. destination, without specific reference to damage in transit. From 1914 until some time in 1916 its contracts expressly [fol. 2553] recognized liability of the company for loss or damage in transit. Since the latter part of 1916 the company's contracts and quotations have expressly disclaimed liability for loss in transit.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

From the spring of 1916 until the spring of 1921 this company's quotations contained a clause that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the purchaser. Such a clause did not appear in the company's earlier quotations, nor in those issued since early in 1921.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened.

This company has never limited its specific job quotations with reference to the time that bids are to be received and has always made specific job quotations on request.

[fol. 2553½] No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

From 1913 to 1916 inclusive this company's quotations on specific jobs were in special letters on each job, and the time for acceptance was usually limited to fifteen days from the date of the quotation. Since 1916 the company has used a printed form of quotation on specific jobs that time of acceptance is limited to five days from the date of the award of the contract, and in any event to a period sometimes fifteen days and sometimes thirty days from the date of the quotation. From 1916 to 1920 most of the quotations were for acceptance within thirty days. Since 1920 they have been for acceptance within fifteen days.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation has been Accepted

Prior to 1916 this company required the execution of a formal contract after a specific job quotation had been accepted. Since 1916 the company has not required the execution of a separate formal contract, and the acceptance of the quotation, which is made in duplicate, is the only contract which has been required since 1916.

[fol. 2554]

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

Since 1916 this company's specific job quotation sheets require that a written contract be entered into between the dealer and the consumer, and the filing of such contract with the company. The company has no record of ever having enforced this clause.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, Before He Had Sold the Cement to the Consumer

This company has no knowledge of ever having entered into a contract with a dealer for a specific work contract in which the dealer had not sold the cement to his customer.

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has never declined to make a specific job contract because the plans for the construction work had not been drawn or [fol. 2554½] because the time of completion of the construction work had not been estimated or because the bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has never made specific job contracts for less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

Prior to 1916 this company's specific job contracts were sometimes for a fixed quantity without allowable variation and sometimes for a fixed quantity with a variation of ten or fifteen per cent., more or less. From 1916 until the early part of 1921 the specific job contracts have been limited to the actual quantity needed, but not to exceed 110 per cent. of the amount stated in the contract. Since 1921 they have been for a named quantity, with no allowable variation.

No. 17

[fol. 2555] Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment Per Month

Since 1916 this company's specific job quotations have contained a blank space for a provision limiting the maximum amount of shipments that may be called for in any one month; it has not, however, been customary to fill in this clause except in the case of large contracts.

No. 18

Practice as to Requiring a Signed Monthly Report From the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company's contracts have never required a signed monthly report from the dealer showing his deliveries on the specific job.

No. 19

Practice as to Making Blanket Contracts

This company made blanket contracts until January 1st, 1919. It has made none since that time.

No 20

[fol. 2555½] Practice as to Selling Railroads

Prior to 1919 this company sold railroads requirement contracts for a year at the consumers' price. Since 1919 it has sold the railroads at the dealers' price either for current requirements, fifteen day shipment, or on its regular specific job contract.

No. 21

Practice as to Selling Industrials

This company has always charged industrials the consumers' price. Prior to 1919 it sold them requirement contracts for a year. Since

1919 it has sold them only on current orders, fifteen day shipment, or its regular specific job contracts.

No. 22

Practice as to Selling Manufacturers of Concrete Products

Prior to January 1st, 1919, this company sold to concrete products manufacturers blanket requirement contracts for delivery during the current year at a fixed price. Since January 1st, 1919, its sales for future delivery to concrete products manufacturers have been limited to its usual specific work contracts for a specific amount for a specific job. It has always charged the consumers' price to concrete products manufacturers.

[fol. 2556] No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

Since this company commenced business it has used a form of order blank with a place for the buyer's signature as well as the salesman's signature. Sometimes the signature of the buyer has been waived. The form was changed in 1916, setting out the terms and conditions of sale more fully than they had been set out in the original form as first gotten out by the company.

No. 24

Practice as to a Separate Charge for Bin Tests

In 1914 this company made a special charge for bin tested cement of six cents a barrel. From 1915 to 1921 it charged three cents a barrel. Since June, 1921, it has made no charge for this service.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the charge for commercial laboratory tests.

[fol. 2556½] No. 26

Practice as to Repurchase of Cloth Sacks

This company has always strictly limited its repurchase of sacks to those which were in serviceable condition.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company's regular practice has been to quote and sell at the dealers' price to dealers at their own home towns. There are only a very few exceptions to this rule.

No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply With Following Definition

"A dealer is a merchant, firm or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

[fol. 2557] This company has never restricted its sales at the dealer's price to persons complying with this definition.

No. 29

Practice as to a Dealer's Differential In Price

On December 12th, 1916, this company fixed a dealer's differential of ten cents a barrel, which it has allowed since that time. Prior to that time, so far as its records indicate, it had allowed a discount of five cents a barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has occasionally paid a commission to a dealer on cement sold direct to a consumer, but the instances where this has been done are very rare, only four records being found from 1910 to 1921.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has occasionally granted a rebate on cement shipped [fol. 2557½] just before a reduction in price. It has found no record of any special concession in price to induce a sale.

No. 32

Practice as to Mixing Waterproofing Compounds With Cement at the Mills

This company in 1915 and 1916 experimented in a small way with waterproofing compounds, but discontinued it in 1916 without putting any appreciable amount on the market, having found that it was not commercially satisfactory because it was necessary to guarantee the work over which the company had no control.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company's contracts did not contain a clause guaranteeing [fol. 2558] its price against a decline until the middle of 1920; since that date its contracts for future delivery have contained such a clause.

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never made any effort to influence the price at which dealers should sell its cement.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company was a member of the National Dealers' Supply Association of Chicago in 1916 and 1917, and of the New York State Dealers' Supply Association in 1917. It has not been a member of any dealers' organization since the latter date.

Examined and found correct F. Weibel.

[fol. 2558½] DEF'TS' EX. NO. D-517-B

Alpha Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Alpha Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

This company's trade quotations are now for immediate acceptances, and that practice has been observed since February 9th, 1915. Prior to that date occasional quotations were for immediate acceptance, but there was no settled practice.

[fol. 2559] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Prior to November 1st, 1912, this company had no uniform practice as to the time within which shipments must be made, the individual quotations showing considerable variation in that regard. From November 1st, 1912, to February 24th, 1915, the quotations were for shipment within thirty days of the date of the quotation. From February 24th, 1915, to February 9th, 1916, shipments were to be made within ten days from the date of the order. Since February 9th, 1916, shipments were to be made within fifteen days of the date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

Prior to February 18th, 1915, this company's trade quotations were limited in quantity to an amount specified, depending upon the needs of the customer and the business in hand. At times this quotation was limited to one car. From February 18th, 1915, to February 24th, 1915, the company quoted limiting the quantity to two carloads. From February 24th, 1915, to February 9th, 1916, the quotation was for "a quantity to be ordered" by the customer; and that description of the quantity continued until December 31st, 1920; since the latter date it has been for a quantity to be mutually agreed upon.

[fol. 2559½] In the latter part of May, 1920, this company discontinued for a time sending out general quotations, but in a few cases over a period of about three months quoted in special cases only with a limitation of one carload.

No. 4

Practice as to Cash Discounts

The company allowed a cash discount of two per cent. for cash payment in ten days from June 5, 1895, to July or August, 1905. From July or August 1905, to January, 1909, one per cent was allowed. From January 1909, to January 1914, it allowed a cash discount of one cent per barrel. From January 1914, to November 1915, it allowed a discount of two cents per barrel. From November 1915, to July 1920, five cents per barrel, and from July, 1920, to the present time ten cents per barrel. The company has generally strictly enforced the ten day period for taking discount.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company has followed the practice of selling cement at a price including packages since as early as 1901. Since January 1, 1903, the only exceptions have been the departments of the United States Government in certain instances and sales in bulk.

[fol. 2560]

No. 6

Practice as to Dating Invoices

This company has no record of having dated an invoice other than on the day shipment was made except in the case of shipments made on holidays, when the invoices are made out on the succeeding day.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's quotations and contracts have made it a term of sale that the company should not be responsible for loss or damage en route at various periods since at least as early as 1902.

From 1902 until 1909 quotations for specific work invariably disclaimed responsibility. Quotations for specific work invariably contained this disclaimer, but no reference to it was made in the contracts during this period.

Between 1909 and 1916 except in very few cases no mention of this regulation was made in either quotation or contract. Since 1916 the disclaimer appears in both quotations and contracts.

As a matter of policy the company frequently assumed responsibilty for such damage in spite of its disclaimer in contracts of sale.

[fol. 2560½]

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company has never made it a term of sale that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the purchaser.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company does not limit its specific job quotations to ten days before the date the bids are to be received. Its specific job quotations are limited to acceptance in not more than fifteen days and within that limit its practice in quoting on specific job work depends upon the amount of business that it has booked.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company limits the time for acceptance of its specific job quotations to either five or fifteen days, and has done so since the middle of 1916. Prior to that time its specific job quotations were [fol. 2561] limited for acceptance in varying periods ranging from immediate acceptance to 60 days.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company has uniformly required the execution of a formal specific job contract following the quotation therefor since at least as early as 1906.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

This company's quotations and contracts have never required that a written contract be required between the dealer and the consumer before it enters into a specific job contract with the dealer. Upon the request of its dealers it furnishes them occasionally a form of contract for the dealer to use with his consumer. Such forms are seldom asked for by dealers.

[fol. 2561½] No. 13

Practice as to Entering into a Specific Job Contract with the Dealer Before He Had Sold the Cement to the Consumer

This company has not knowingly sold to dealers on specific job contracts before the dealer had sold the cement to his customer, but such sales have from time to time been made without the company's knowledge.

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has never refused to enter into specific job contracts on the ground that plans for the construction work had not been drawn or that the time of completion of the construction work had not been estimated or that bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company has never made a specific job contract for less than one carload.

[fol. 2562] No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's specific job contracts are for a fixed amount except that a very small proportion of them provided for a varying quantity between two stated amounts. Prior to the fall of 1916 the amount called for under the contract was more or less by a certain percentage which varied between 10 and 25 per cent. In every year from 1905 to 1916 a number of contracts appear for a fixed quantity.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job contracts do not specify a stated maximum amount of shipment per month. Occasionally in the early history of this company, that is from about 1898 to 1906, there were times when monthly limitations of shipment were put on specific job contracts, but no such limitations have been used since that date.

[fol. 2562½] No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer showing his deliveries on the specific job.

No. 19

Practice as to Making Blanket Contracts

Prior to 1905 this company customarily made yearly contracts with its customers for their estimated requirements for the year. Beginning with 1906 the company began making an effort which has continued until the present time to reduce their blanket contracts and to substitute therefor specific job contracts. Since about 1909 the company has had very few blanket contracts except with the United States Government, States, steam railroads and industrials.

No. 20

Practice as to Selling Railroads

This company's sales to railroads prior to January, 1915, were made for future delivery at the consumers' price, there being no [fol. 2563] difference between dealers' and consumers' price up to that time. Since 1915 and until 1920 this company sold to railroads for future delivery at the consumers' price. Since 1920 the railroads are sold for future delivery at the dealers' price. This company has always sold railroads requirement contract.

No. 21

Practice as to Selling Industrials

Until August, 1918, this company made contracts with industrial plants for their annual requirements at a fixed price. Since that time they are sold the same way as other consumers, either at a consumers' price for immediate acceptance, fifteen day shipment or a definite specific job contract.

This company has always sold to electric lines in the same way as to other consumers.

No. 22

Practice as to Selling Manufacturers of Concrete Products

Until 1917 this company sold to concrete products manufacturers for future delivery at the consumers' price. No sales were made for future delivery to concrete products manufacturers in 1918 and

1919. In 1920 such sales were made at the consumers' price for future delivery, but only on specific jobs.

[fol. 2563½] No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used an order form to be signed by its customers since at least as early as 1910. It now uses the same form which the company used prior to 1914.

No. 24

Practice as to a Separate Charge for Bin Tests

This company used a separate charge for bin tests of five or six cents as early as August 30, 1912, and continued to use a charge for this service until February, 1915, when it was abandoned. The company began making a bin test charge of three cents on June 1st, 1915, which was continued until the spring of 1921 when it was finally abandoned.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of a commercial laboratory test.

[fol. 2564] No. 26

Practice as to Repurchase of Cloth Sacks

Since the beginning of the company until 1918 this company has had a term of sale in its contracts that it would not repurchase sacks except such as were in serviceable condition and could be used again, but during all that time it credited a considerable number of worthless sacks in every year.

Since 1918 the company has retained title to the sacks when shipped to the customer but its contracts have contained a term that it would only return the deposit to the customer when the sacks were returned in a serviceable condition. During this period however considerable quantities of worthless sacks have been credited in every year.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has in every year quoted and sold to dealers at dealers' price for shipment to towns other than their home towns.

[fol. 2564½] No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never observed this definition in quoting the dealers' price and a large percentage of the customers of the company who receive the dealers' price have never complied with the definition.

No. 29

Practice as to a Dealer's Differential in Price

This company allowed a dealer's differential of five cents a barrel from February 24, 1915, until December 7, 1916, and since that time it has allowed a dealer's differential of ten cents a barrel.

[fol. 2565] No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has in every year paid commissions to dealers on cement sold direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has no record of having made special concessions to buyers since 1915, with the exception of a few cases in 1921.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at *at* the mills

This company has never mixed waterproofing compounds with cement at the mills.

[fol. 2565½] No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

Prior to 1919 this company had in isolated cases guaranteed sales for future delivery against a decline, but its usual practice was not to make such a guarantee.

Beginning with 1919 all of its sales for future delivery are guaranteed against a decline on such portion of the sale as is shipped during the period in which the market price is lower than the contract price.

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

The only efforts made by this company to influence the price at which dealers would resell cement purchased from it are two circular letters to dealers dated February 24, 1915, and December 7th, [fol. 2566] 1916, respectively. In these circular letters the company expressed the hope that dealers would take advantage of the differential allowed them so as to carry on their business at a profit. There is no reference made to any specific price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they were bidding.

No. 37

Practice as to Membership in Dealers' Organizations

From at least as early as 1909 and until the beginning of 1918 this company was an honorary or associate member of various dealers' organizations. From the beginning of 1918 to the present time, this company has not been a member of any dealers' organization.

Examined and found correct.

E. P. Williams.

[fol. 2566½] DEF'TS' EX. NO. D517C

Atlas Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Atlas Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

Until some time in 1916 this company's trade quotations were limited to acceptance within a period which varied at different times between five and thirty days.

Beginning in 1916 its trade quotations are for immediate orders. The company's construction of the term "Immediate orders" has always been "Acceptance within a period of from three to five days."

[fol. 2567] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Until August, 1912, this company's trade quotations were for shipment within periods varying from about forty-five to seventy-five days.

From August, 1912, to March, 1916, they were for shipment within thirty days.

From March, 1916, to the present time this company's trade quotations have been limited to shipment within fifteen days from date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

This company's trade quotations have always been limited to one carload.

Prior to 1912 this limitation was expressed in terms of barrels, as for instance—150 barrels.

Since 1912 the company's quotations have expressly declared that orders tendered in excess of a carload would be subject to acceptance by the company.

No. 4

Practice as to Cash Discount

This company has allowed cash discounts as follows:

[fol. 2567½] For some time prior to 1909, 1 per cent for payment in ten days.

From January 21, 1909, to January 21, 1914, 1 cent a barrel for payment in ten days.

From January 21, 1914, to November 15, 1915, 2 cents per barrel for payment in ten days.

From November 15, 1915, to July 17, 1920, 5 cents a barrel for payment in 10 days.

Since July 17, 1920, 10 cents a barrel for payment in ten days.

The company has in every year since at least 1914 allowed discount after the ten-day period.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company's general practice has been to quote cement at a price including packages as far back as 1906.

The only exceptions to this rule are shipments in bulk and some shipments to the United States Government.

No. 6

Practice as to Dating of Invoices

It has always been this company's practice since it commenced business, to date invoices the day shipments were made to the customers.

[fol. 2568]

No. 7

Practice as ot Assuming Responsibility for Loss or Damage in Transit

Prior to March, 1916, this company's quotations and contracts did not disclaim liability for loss or damage in transit. Beginning March, 1916, and up to the present time its trade quotations disclaimed liability. Beginning in 1917 and up to the present time its contracts have disclaimed liability for loss or damage in transit. This clause, in practice, is not usually enforced.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

The company's trade quotations since March, 1916, have contained a clause that orders entered for shipment on a specific date, will be shipped on that date, unless sooner ordered out by the purchaser. This clause was not in the quotations prior to that date. In practice, the company has, since 1911, insisted on shipment on date specified in contracts.

[fol. 2568½] No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

Since May 9, 1916, this company did not limit its specific job quotations to any definite time in advance of the letting.

March 16, 1916, to May 9, 1916, quotations were issued for acceptance five days after date of award of contract with a maximum of thirty days.

Prior to March 16, 1916, and as far back as 1911 specific job quotations were limited as to acceptance date, but without reference to the date set for the award of the contract.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

From 1909 to 1915 this company's specific job quotations were issued for acceptance within periods varying from five to twenty-five days from the date thereof—one quotation having been issued on September 23, 1909, for acceptance prior to November 20, 1909.

Early in 1916, specific job quotations were issued for acceptance within five days after the date of the award of the contract, and with a maximum of thirty days, and this continued to May 9, 1916.

Since that date specific job quotations are made for acceptance for a period generally between ten and thirty days from the date thereof

[fol. 2569] No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Had Been Accepted

This company's specific job quotations have always, since as early as 1903, contained a clause obligating a purchaser to execute the regular form of specific job sales contract after the acceptance of the quotation.

In practice this requirement has not always been enforced and the company has often delivered the cement on *on* the mere acceptance of the quotation.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer before Entering into a Specific Job Contract with the Dealer.

Since early in 1916, and until 1918, this company's specific job quotations have contained a clause requiring a written contract, at the company's option, between dealer and consumer, before entering into a specific job contract with the dealer. Prior to 1916 and subsequent to 1918 no such clause appears. This provision has never been enforced.

[fol. 2569½]

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer Before He had Sold the Cement to the Consumer

This company has always sought to limit sales on specific job contracts with the dealer in cases where the dealer had a contract for resale.

No. 14

Practice as to Declining to Enter into Specific Job Contracts before the Construction Work was Ready to Proceed

This company has never declined to enter into a specific job contract solely because the plans for the construction work had not been drawn, because the time of the completion of the construction work had not been estimated or because the bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has never made a specific job contract for less than one carload.

[fol. 2570]

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

For some time prior to November 14, 1911, this company's specific job quotations and contracts contained a provision estimating the quantity called for within a fifteen per cent increase or decrease.

On November 14, 1911, this practice was abandoned. The practice was reinstated, however, on March 12, 1913, and continued until August 18, 1914, when it was again discontinued.

Early in 1916 the contracts contained a ten per cent variation clause which was discontinued, however, on May 9, 1916.

From that date to the present time this company's specific job quotations and contracts have made no mention of any percentage variation on the quantity named, but are made for a quantity which is estimated and not to be exceeded, or for requirements estimated.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment Per Month

Ever since December 11, 1905, this company's specific job contracts have contained a clause specifying a stated maximum amount of shipment per month.

[fol. 2570½] No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company's present specific job quotation forms contain a provision that the purchaser shall make a monthly report of the deliveries on the specific job, if requested and on forms furnished by the company. This clause does not appear in quotations prior to 1921.

This company's specific job contract forms contain, since 1917, a provision that the purchaser shall make a monthly report of the deliveries on the specific job covered by the contract, if requested by, and on forms furnished by, the company.

This company has no forms for such reports and has never requested such information except from New York City dealers, for a short period in 1918, without success.

No. 19

Practice as to Making Blanket Contracts

This company has always made some blanket contracts in every year.

No. 20

Practice as to Selling Railroads

This company has sold railroads for their requirements since at least 1912 up to the present time. These contracts have been made [fol. 2571] both at the company's dealers' price and consumers' price, no definite policy ever having been maintained.

On December 16, 1918, the company issued a memorandum stating that the present practice of the company was to issue quotations to railroads at the company's consumers' price.

On May 17, 1919, definite instructions were issued to districts which were, in effect, to sell railroads at the company's dealers' price for current business for shipment within fifteen days and for extended delivery for specific work only. This latter memorandum has not been strictly adhered to by the company.

No. 21

Practice as to Selling Industrials

This company has always sold industrials their yearly requirements, sometimes at the dealers' price and sometimes at the consumers' price, depending on whether the customer was a dealer or consumer in the opinion of the company.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has sold concrete products manufacturers sometimes at the dealers' price and sometimes at the consumers' price, depend-
[fol. 2571½] ing on whether they are dealers or consumers in the company's opinion. If the order is for a specific job extended deliveries are permitted; otherwise the sales are made for shipment within 15 days.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used an order form to be signed by the customer for at least fourteen years. The form has varied from time to time but has never been that recommended by the Committee on Trade Practices. The form is usually signed by the customer.

No. 24

Practice as to a Separate Charge for Bin Tests

This company established an extra charge for bin tested cement of six cents a barrel in 1912. This was continued until the middle of 1915 when the charge was reduced to three cents per barrel. That charge was continued until early in 1921, since which time no special charge for bin test has been made.

[fol. 2572] No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of a commercial laboratory test unless in the case of a dispute with a customer as to the quality of cement furnished him, when a test has been made merely as a matter of settlement of the dispute.

No. 26

Practice as to Repurchase of Cloth Sacks

The company's contracts and quotations have always provided that it would not repurchase cloth sacks from its customers that were not in serviceable condition. As a matter of actual practice, however, the company has on numerous occasions since at least as early as 1914 given credit for worthless sacks.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than *Their Home Towns*

It is this company's policy to quote dealers for shipment to their home towns only. There have been a few exceptions to this policy. This policy was adopted by the company as early as 1911.

[fol. 2572½] No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply With Following Definition

"A dealer is a merchant, firm or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never observed this definition in quoting the dealers' price, nor any other definition, and a great many of the customers of this company who receive and have received its dealers' price have not complied with the above definition or any other specific definition of a dealer.

No. 29

Practice as to a Dealer's Differential in Price

During 1909 and 1910 this company allowed a trade discount of five cents per barrel to dealers.

Beginning in 1910, whenever this company quoted contractors or consumers it quoted them at least five cents per barrel above its dealers' price for the same delivery. This practice continued until March, 1916, on which date this difference was made ten cents per barrel instead of five cents, in certain territory. On December 7, [fol. 2573] 1916, the ten cent differential was put into effect in all territories, and has so continued to the present time.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

The policy of this company since as early as 1908 has always been not to pay a commission to a dealer for sales made direct to the consumer, but it has sometimes paid such commission.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has no record of having made any price concessions to buyers before 1921. For the past twenty years it has consistently adhered to the policy of one price. In 1921 in some instances prices lower than the prices which the company was quoting generally were made to buyers.

[fol. 2573½] No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never incorporated waterproofing compounds at its mills, with the exception of a few instances in 1916. The experience was so unsatisfactory that the company has never attempted to repeat it.

No. 33

Practice as to Giving Advance Notice of Price Change

This company has never given any advance notice of price changes, with one possible exception, in 1911.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company has never guaranteed sales against a decline in price in any manner whatever prior to 1919. Since 1919 specific job contracts have contained a clause guaranteeing that the price to be charged would not be higher than the current market price of Atlas cement at the time of delivery.

[fol. 2574] No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never attempted to induce the dealer not to resell below its consumers' price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

Prior to January, 1916, this company was a member of some dealers' associations. Subsequent to that date it has not held membership in any dealers' association, to the best of its knowledge.

Examined and found correct.

L. G. McConnell.

April 24, 1921.

[fol. 2574½] DEF'TS' EX. No. D-517D

Bath Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Bath Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

From 1919 to date this company's trade quotations have been for immediate acceptance. The company has no record of time limit for acceptance of quotations prior to 1919.

[fol. 2575] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

This company's trade quotations are for shipment within fifteen days from the date of order. The company has no record of the time limitation for shipment prior to 1919.

No. 3

Practice as to Quantity Limit in Trade Quotations

This company's trade quotations are for a quantity not to exceed one car unless otherwise agreed to. The company has no record of when this practice was adopted.

No. 4

Practice as to Cash Discount

During 1913 this company's cash discount was one cent per barrel for payment in 10 days; from January, 1914, to October,

1915, two cents a barrel; from October, 1915, until June, 1920, five cents a barrel; since June, 1920, ten cents per barrel. The time limit for taking the discount has not been enforced.

[fol. 2575½] No. 5

Practice as to Selling Cement at a Price Including Packages

This company has no record that it has ever quoted otherwise than at a price including packages, except that the Navy Department of the United States Government regularly requests price without the cost of packages; or in the case where a customer asked quotations for shipment in bulk.

No. 6

Practice as to Dating of Invoices

This company has never dated invoices other than on the day shipment was made except where delivery is made by lighter in New York, in which case invoices are dated the day of delivery, and when deliveries are made in truck lots from the mill, in which case invoices are dated the day after shipment.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's contracts of sale limit its responsibility to delivery to the carrier, and provide that it shall not be responsible for damage in transit. This clause has been in the company's contracts of sale [fol. 2576] since the beginning of 1916. Prior to that time nothing as to responsibility for loss or damage in transit was mentioned in its contract forms.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company does not make it a term of sale that orders entered for shipment on a specific date will be shipped on that date unless sooner ordered out by the purchaser.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

Since March, 1916, this company's specific job quotations have contained the clause that the quotation is for acceptance within five days of the formal award of the contract. The company, however, does not decline to make specific job quotations more than ten days before the date bids are to be received.

[fol. 2576½] No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company's present specific job quotations are limited for acceptance within fifteen days. This has been the case since December 1, 1918. Prior to that date its practice was to limit the acceptance within a varying period between five and thirty days

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company now requires a specific job sales contract to be executed after its specific job quotation has been accepted. This has been its practice since about January 1, 1919. Prior to that date the customer wrote his acceptance on the quotation sheet and no other contract was made.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

This company does not now and never has required a contract between the dealer and the consumer before entering into a specific job contract with the dealer.

[fol. 2577] No. 13

Practice as to Entering Into a Specific Job Contract With the Dealer, Before He Had Sold the Cement to the Consumer

This company has never knowingly entered into a specific job contract with a dealer before the dealer had sold the cement to his customer.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company has no record of ever having declined to make a specific job contract because the time of the completion of the construction work had not been estimated or because the bids or proposals of the construction work had not been asked for or because the plans for the construction work had not been drawn.

No. 15

Practice as to Minimum Quantity to Be Sold Under a Specific Job Contract

This company has no record of ever having made a specific job contract for less than one carload.

[fol. 2577½] No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's present form of specific job contract has been in force since January 1, 1919, and is for the sale of a fixed number of barrels with no variation permitted. From 1916 to 1918 inclusive its practice was to allow a variation of 10 per cent. in quantity more or less. Before 1916 no variation was permitted.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's present contracts in use since January, 1919, do not require a stated maximum shipment per month. From 1916 to 1918 inclusive they provided for maximum monthly shipments at the company's option. In 1915 no maximum monthly shipment clause was included.

No. 18

Practice as to Requiring a Signed Monthly Report From the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer, showing deliveries on specific job contracts.

[fol. 2578] No. 19

Practice as to Making Blanket Contracts

It has always been the policy of this company not to make blanket contracts. Such contracts have been made, however, in a few cases in 1915 and 1918.

No. 20

Practice as to Selling Railroads

This company has sold railroads for their annual requirements as far back as 1914 and still does so. Prior to 1917 its sales were made at both dealers' and consumers' prices. Since 1917 when the Government took over the railroads, they have been sold at the dealer's price.

No. 21

Practice as to Selling Industrials

This company does not sell to an industrial plant except for the requirements of some specific work, but the company has made con-

tracts in the form of blanket contracts with industrials. Prior to 1918 the company's practice was to make such contracts.

[fol. 2578½] No. 22

Practice as to Selling Manufacturers of Concrete Products

This company sells to concrete products manufacturers only for fifteen days shipment or for specific work.

In 1916 some sales were made for the requirements of cement block manufacturers.

The company has no settled policy regarding price to concrete products manufacturers, but in most cases it is the dealers' price since they are classed as dealers.

No. 23

Practice as to the Use of an Order Blank to Be Signed by the Customer

This company has never used an order form to be signed by the customer. Since 1919 it has used an order form which the salesman signs but it bears no place for the customer's signature and is never signed by him.

No. 24

This company's contracts for 1915 contained no charge for bin tests. Since 1916 and until 1918 a charge of three cents a barrel for bin test was made. The company's contracts beginning 1919 make no mention of bin test charge although it has been the company's policy to charge three cents per barrel for bin tests until the [fol. 2579] early part of 1921. Since that time no charge has been made for bin tests.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of a commercial laboratory test unless in the case of a dispute with a customer as to the quality of the cement furnished him, when a test has been made merely as a matter of settlement of the dispute.

No. 26

Practice as to Repurchase of Cloth Sacks

This company has never made a practice of repurchasing cloth sacks from its customers that were not in serviceable condition. Occasionally there have been disputes with customers in which the question has been compromised and allowance has been made for sacks which the company's count did not consider serviceable.

[fol. 2579½] No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always quoted and sold dealers at the dealers' price for shipment to towns other than their home towns.

No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply With Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never observed this definition in quoting the dealers' price, and a large percentage of the customers of this company who receive the dealers' price have never complied with the definition.

[fol. 2580] No. 29

Practice as to a Dealer's Differential in Price

Prior to December 9, 1916, this company allowed a dealer a differential of five cents per barrel. From December 9, 1916, to date they have charged a contractor ten cents a barrel above the dealers' price. In 1920 there have been a few exceptions consisting of cases in which sales were made to a contractor or consumer showing a differential of twenty cents per barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has from time to time paid commissions to dealers on cement sold direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has from time to time made special concessions to buyers.

[fol. 2580½] No. 32

Practice as to Mixing Waterproofing Compounds With Cement at the Mills

This company has no record of ever having mixed waterproofing compounds with its cement at its mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of its changes in price.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

Prior to 1921 this company's contracts have never guaranteed against a decline in price. Since that year contracts contain the statement that the price stated in the contract will be reduced if there is any reduction in the market price of the cement during the year.

[fol. 2581] No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never attempted to induce the dealer not to resell below the consumers' price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand upon which they were bidding.

No. 37

Practice as to Membership in Dealers' Organization

This company was a member of the Mason Material Dealers Association of New Jersey from March, 1908, to May 1st, 1917. It has never belonged to any other dealers' association.

Examined and found correct.

Herbert C. Rafetto.

[fol. 2581½] DEF'TS' EX. NO. D-517E

Coplay Cement Manufacturing Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledger and other Documentary Evidence of Coplay Cement Manufacturing Company, Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

In 1915 this company's trade quotations were for acceptance in varying periods, some of them stating no period of acceptance and others limited to five and sometimes seven days. Beginning in the early part of 1916 and until the present time its form quotations have read for immediate acceptance. It has quoted during this period in letters to customers for five days' acceptance, but most of its later quotations have been for immediate acceptance.

[fol. 2582] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

This company's trade quotations prior to 1916 were for varying times of shipment, some of them containing no shipping limitation and others being limited to shipment in varying periods. From and after 1916 all trade quotations were for shipment in 15 days.

No. 3

Practice as to Quantity Limit in Trade Quotations

This company's trade quotations prior to 1916 contain various limitations on quantity and some did not limit the quantity at all. From and after 1916 they were limited to one carload.

No. 4

Practice as to Cash Discount

Prior to 1915 this company allowed a cash discount of two cents per barrel for payment in ten days from date of invoice. In the latter part of 1915 this rate was changed to five cents per barrel and continued until the middle of 1920 when it was again changed to ten cents per barrel. The ten day period in which the discount could be taken was never changed. This company has never been strict [fol. 2582½] in enforcing the ten day period of limitation for the taking of discounts.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company has followed the practice of selling cement at a price including packages since long before 1915. The only exceptions have been sales made to the Departments of the United States Government and shipments in bulk.

No. 6

Practice as to Dating of Invoices

This company has always dated its invoices the same day shipment was made.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

Since long prior to 1915 this company's quotations and contracts have contained a clause exempting it from liability for loss or damage in transit.

[fol. 2583] No. 8

Practice as to Orders Entered for Shipment on a Certain Date

During 1915 this company's trade quotations contained no provisions that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the purchaser. This provision was contained in the quotations from the beginning of 1916 until 1920, and was abandoned on the latter date.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids Are to be Opened

This company has no record of ever having declined to make specific job quotations more than ten days before the date bids were to be received. It has always been willing to quote whenever requested by a customer and that has been its custom from the beginning of its business up to the present time.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

Prior to March 17th, 1916, this company's specific job quotations were for acceptance within varying periods, usually between seven

and thirty days. Beginning on that date, and until the middle of [fol. 2583½] 1917, its specific job quotations were for acceptance within either five or fifteen days from the date of the quotation, with a few cases in March and April, 1916, when quotations were for acceptance within seven days of the formal award of the contract and void within thirty days.

From the middle of 1917 to the present time, its specific job quotations have been for acceptance within five days of the formal award of the contract, or in any event within fifteen days from the date thereof, and also for acceptance within five or fifteen days, the practice having varied in this period.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

Prior to 1916 this company's specific job quotations did not contain a provision requiring the execution of a formal contract after the quotation was accepted.

This provision appears in the company's specific job quotations from the beginning of 1916 to the present time.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering Into a Specific Job Contract with the Dealer

This Company's specific job quotations and contracts do not require that a written contract be entered into between the dealer and [fol. 2584] the consumer. The company has never made any such requirement.

No. 13

Practice as to Entering Into a Specific Job Contract with the Dealer, Before He Had Sold the Cement to the Consumer

The policy of this company has always been not to sell cement to dealers on specific job contracts before the dealer had sold the cement to its customers.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company has never declined a specific job contract because the plans for the construction work had not been drawn or because the time of the completion of the construction work had not been estimated, or because the bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company has never made specific job contracts for less than one carload.

[fol. 2584½]

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

As early as 1912 this company's specific job contracts permitted a variation of ten per cent more or less in the quantity provided for. From the beginning of 1916 to the present time its specific job contracts have been for a specified amount with not variation clause included.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment Per Month

This company's specific job contracts have never contained a clause specifying a stated maximum amount of shipment per month. The only variation in this practice is in the case of very large contracts, when the company sometimes writes in a provision as to the maximum monthly shipment.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from [fol. 2585] the dealer showing his deliveries on a specific job, and its contracts and quotations have never contained such a clause.

For a few months in 1920 it requested New York City dealers to report their deliveries on specific jobs.

No. 19

Practice as to Making Blanket Contracts

The policy of this company has always been since long prior to 1915 not to make blanket contracts. Exceptions have occurred, however, in the years 1913, 1915, 1916 and 1920.

No. 20

Practice as to Selling Railroads

Since at least 1914 this company has sold railroads for future delivery at the dealers' price or less, and its practice is the same at the present time.

No. 21

Practice as to Selling Industrials

Since at least 1914 this company has sold industrials in the same manner as it sells other consumers: i. e., for limited shipment, either [fol. 2585½] fifteen or thirty days or for future delivery on specific work contracts. Exceptions have occurred where industrials have been sold their requirements.

No. 22

Practice as to Selling Manufacturers of Concrete Products

The practice of this company has always been to sell concrete products manufacturers at the consumers' price for shipment within fifteen or thirty days, according to the time limit in effect at the time of sale, or for future delivery on specific work contracts.

One exception appears in the year 1920 where a concrete products manufacturer was sold for future delivery.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company does not now use an order blank. Between 1916 and 1918 it used an order form which, however, was not signed by the customer.

No. 24

Practice as to a Separate Charge for Bin Tests

This company made a charge for bin tests in 1913 of six cents per [fol. 2586] barrel. The bin test does not appear in the company's contracts from that date until 1919, when a charge of three cents per barrel was made and continued until May 26, 1921, when it was finally discontinued.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has in every year since 1914 borne the expense of commercial laboratory tests.

No. 26

Practice as to Repurchase of Cloth Sacks

This company has always absorbed a portion of the loss on damaged and worthless sacks and has not limited its repurchase to sacks in serviceable condition.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always quoted dealers for shipment to towns other than their home towns.

[fol. 2586½] No. 28

Practice as to Selling at a Dealer's Price to Persons Who Do Not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has in every year sold at the dealers' price to persons who do not comply with the above definition of a dealer.

No. 29

Practice as to a Dealer's Differential in Price

This company's differential to its dealers was five cents per barrel up to the middle of 1916. Since that time it has been ten cents per barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has in every year paid commissions to dealers on sales made direct to the consumers.

[fol. 2587] No. 31

Practice as to Giving Special Concessions to Buyers

This company has made some special concessions to buyers in almost every year since 1915.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has mixed waterproofing compounds with cement at its mill on various occasions since 1912.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company's contracts since April 1st, 1919, have contained a clause guaranteeing against a decline in price.

[fol. 2587½] No. 35

Practice as to Making Reports to Induce Dealers Not to Resell Below the Consumers' Price

This company has never made any effort to influence the price at which dealers would resell its cement.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they were bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company since 1916 has been a member of the Master Builders Exchange of Philadelphia and since 1917 has been a member of the Mechanics & Traders Exchange of Newark, N. J.

Examined and found correct.

Emil Loeb.

[fol. 2588] DEF'TS' EX. No. D-517F

Dexter Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Dexter Portland Cement Company Showing the Trade Practices of the Company

(NOTE.)—Prior to 1915 this company marketed its product exclusively through a sole sales agent and had no direct relations with the trade. It has, therefore, no complete record of trade practices prior to that date.

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

This company's trade quotations read for immediate orders, and are subject to change without notice. The quotation can be accepted as long as the price named is in effect. The only variation from this practice found in the records is during 1915, when quotations in many cases were limited to acceptance in seven days.

[fol. 2588½] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

This company accepts orders for shipment more than fifteen days from the date of the order at the price prevailing at time of shipment, but orders at a fixed price are only accepted for shipment within fifteen days of the date of the order. This limitation of fifteen days has been effective since February 22, 1916.

No. 3

Practice as to Quantity Limit in Trade Quotations

During 1915 this company's trade quotations were sometimes limited to one car and where not so limited contained a provision that if more than one car was ordered the shipment must be prorated. Since February, 1916, the trade quotation has contained a clause that unless otherwise agreed it is limited to one carload.

No. 4

Practice as to Cash Discount

This company allowed a cash discount to its sole sales agent from 1905 to 1907 of two per cent on the cement and one per cent on the

bags for payment in fifteen days. From January, 1907, to February, [fol. 2589] 1910, the discount rate was one per cent on the cement in package. From February, 1910, to January, 1914, the discount allowed to the sales agent was one cent a barrel. From January 14th to the termination of the contract with the sales agent on February 5, 1915, the discount rate was two cents a barrel, and this rate was discontinued during 1915 when the company commenced selling to its dealers direct. From November, 1915, until July 21, 1920, the discount was five cents a barrel. Since July 21, 1920, the discount has been ten cents a barrel.

The time within which payment must be made by the sole sales agent to permit the discount was fifteen days until February 5, 1915, and since then has been ten days, but there are a number of cases in which the discount has been allowed when payment has been made after the expiration of that time.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company adopted as its usual practice charging for the cement at a price including packages as early as November, 1909. It has at all times since then sold some cement to local customers who bring their own containers to be filled, it has sold and shipped some cement in bulk without packages, and it has quoted and sold to the United States Government excluding packages.

[fol. 2589½] No. 6

Practice as to Dating of Invoices

This company has for some twenty-one years always dated invoices on the day shipment was made if practicable. The only exceptions are in the very few cases where information for billing is not available the day shipment is made, and then invoices are drawn when information is obtained.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's practice has been and now is to assume responsibility for loss or damage en route and on receipt of proper papers it has sent a credit memorandum to the customer for the amount of such damage. The only exception was on a few orders from March, 1916, to July, 1916, when a clause limiting the company's liability was inserted in a portion of the orders taken during this time.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company has inserted in all of its quotations and contracts since it began to sell to dealers direct in 1915 a clause to the effect that orders entered for shipment on a specific date would be shipped [fol. 2590] on that date unless sooner ordered out by the purchaser. While the clause has been formally inserted, it has never been enforced and the delivery date has uniformly been extended on request, subject in a few cases to the provision that where there has been a change in price subsequent to the specified delivery date the cement is delivered at the new price. But the usual practice has been even in such cases to grant the extension at the original price.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company on March 1st, 1915, established the practice that quotations should only be made when bids were to be opened within ten days. On April 3, 1915, this time limit was extended to thirty days. On April 12, 1916, the time limit as to the date bids were to be received was abolished and since then there has been no limitation as to the date when bids were to be received on the making of specific job quotations.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

During 1915 this company's specific job quotations were limited [fol. 2590½] for acceptance within a time specified, usually running from six to thirty days from the date of the quotation. Since March 16, 1916, they are limited to acceptance within five days of the formal award of the contract and also to within fifteen days from the date of the quotation.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

During 1915 this company did not require the execution of a regular form of contract other than the acceptance of the specific job quotation. During 1916 it gradually changed to the practice of requiring the execution of a regular form of contract and since the latter part of that year this course has been generally followed. There are a number of cases after 1916, in which the accepted quotation was the only contract.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering Into a Specific Job Contract With the Dealer

This company's quotation sheets now require that a written contract be entered into between the dealer and the contractor, but the [fol. 2591] specific work contract does not contain such a clause and it has never been insisted upon. At all times whenever the company has entered into specific work contracts it has endeavored to have the dealer enter into a contract with the contractor. The earliest record of this is February 16, 1915, when the company first commenced selling direct. On May 12th, 1916, salemen were advised that they must insist upon the dealer filing a copy of his contract with the contractor, but one week later, on May 19th, 1916, this requirement was rescinded and has not since been enforced.

No. 13

Practice as to Entering Into a Specific Job Contract With the Dealer, Before He Has Sold the Cement to the Consumer

This company has always sought to limit its sales on specific job contracts to the dealer to cases where the dealer had a contract for resale.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company's practice since 1915 has been consistent that firm quotations would not be issued for work merely contemplated, and [fol. 2591½] that every specific job contract must have a definite expiration date; and the company has been unwilling to enter into a specific job contract until after the general contract for the construction work has been awarded.

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company has occasionally made specific job contracts for less than one carload, although it is very seldom that any one wishes to make a specific contract for so small a quantity.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

During most of 1915 this company's specific job contracts permitted a variation from the estimated quantity of 20 per cent; during

the latter part of 1915 and until May 5th, 1916, the allowable variation was in some cases 10 per cent, and in others 20 per cent; since May 5, 1916, this company's contracts have been for all cement required on the job, with no limit as to amount.

[fol. 2592] No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment Per Month

This company's printed contract forms have always contained a clause for a stated maximum amount of shipment per month on specific job contracts; but ordinarily the clause is not filled in in the contract, the company's practice being only to insert such a limitation in large contracts where there might be difficulty in filling the shipment.

No. 18

Practice as to Requiring a Signed Monthly Report From the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

Since this company commenced selling, in February, 1915, its specific job contracts have always contained a clause requiring the purchaser to give satisfactory evidence that the cement was being used on the work specified in the contract. Except in unusual cases the company has not required such a statement except for one week in May, 1916.

[fol. 2592½] No. 19

Practice as to Making Blanket Contracts

This company has always avoided making blanket contracts, and in the period from 1905 to 1914, inclusive, was constantly quarreling with its sole sales agent over this question.

No. 20

Practice as to Selling Railroads

This company's practice with respect to this class of customers has not been uniform or consistent. At times it has quoted and sold railroads yearly requirements at a fixed price; at other times it has sold on fifteen-day delivery and on specific work contracts; and at others it has offered to make contracts for annual requirements at the market price at the time of shipment. From 1915 until early in 1921 railroads were sold both at the dealers' and consumers' price; since early in 1921 they have been sold at the dealers' price.

No. 21

Practice as to Selling Industrials

This company's practice with respect to this class of customers has not been uniform or consistent. At times it has quoted and sold industrials yearly requirements at a fixed price; at other times it has [fol. 2593] sold on fifteen-day delivery and on specific work contracts; and at others it has offered to make contracts for annual requirements at the market price at the time of shipment. This class of customers has generally been sold through dealers.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company sells at the dealers' price to concrete products manufacturers who are dealers as well as manufacturers. It sells concrete products plants and concrete block plants either (1) on shipment within fifteen days, or (2) for future delivery for specific work for a stated amount, where a definite sale has been consummated by such plants.

In 1915 it would not sell to concrete block manufacturers for delivery more than thirty days from the date of the order.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used an order form that can be signed by the customer since February, 1915, but it is not ordinarily signed by the customer.

[fol. 2593½] No. 24

Practice as to a Separate Charge for Bin Tests

This company's practice as to bin tests and separate charges therefor has varied. During 1915 it made a bin test charge of six cents a barrel; from 1916 to 1919 it made a charge of three cents a barrel; in 1920 no cement was held in the bins for testing and no charge was made for bin tests; and since then there has been no charge made for bin tests.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of commercial laboratory tests since it commenced business.

No. 26

Practice as to Repurchase of Cloth Sacks

This company has always stipulated in its terms of sale that it would only repurchase cloth sacks that were in serviceable condition. There has been no change in its practice in this regard from that which prevailed during the time it was selling its cement en- [fol. 2594] tirely through a sales agent prior to 1915. In actual practice it refuses credit for bags that have been wet or otherwise abused, but it allows credit for sacks which are unserviceable through continued wear.

No. 27

Practice as to Quoting Dealers for Shipment to Towns other than their Home Towns

This company has made quotations and sales to dealers for delivery not in their home towns.

No. 28

Practice as to Selling at the Dealers' Price to Persons who do Not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never observed this definition in quoting the dealers' price, and a large percentage of the customers of this com- [fol. 2594½] pany who receive the dealers' price do not comply with the definition. Since February 23d, 1915, this company has applied its own definition of a dealer as follows:

"Unless party is a bona fide dealer carrying cement in stock for resale and not engaged in any manufacturing enterprise or other business involving the use of cement, do not quote dealers' price."

No. 29

Practice as to a Dealer's Differential in Price

From the beginning of 1915 until May 12, 1916, this company allowed a dealer's differential of five cents a barrel; from May 12, 1916, to May 19, 1916, it allowed a differential of ten cents a barrel; from May 19, 1916, to December 8, 1916, it allowed a differential of five cents and ten cents at different times and different places; since December, 1916, the differential has usually been ten cents a barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has avoided paying a commission to dealers whenever it could, but has occasionally paid such commission.

[fol. 2595]

No. 31

Practice as to Giving Special Concessions to Buyers

This company does not make special concessions to buyers. It has always adhered to the policy of one price.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never mixed waterproofing compounds with cement at its mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

Since 1919 many of this company's contracts have contained a clause protecting against a decline in price. Prior to that time its [fol. 2595½] contracts did not contain such a clause.

No. 35

Practice as to Making Efforts to Induce Dealers not to Resell Below the Consumers' Price

This company in May, 1916, directed its salesmen to discourage dealers from selling on a smaller margin of profit than ten cents, and on March 23rd, 1917, advised their salesmen that they should not sell to dealers who were reselling at less than the consumers' price. The notice was found ineffective, however, and since the middle of 1917 the company has made no attempt to interfere with the resale price of cement by dealers, even in cases where it knew that the dealer was reselling below the company's established consumers' price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company, to insure the sale of its cement rather than that of a competitor, would like to have dealers specify their brand in bidding on contract, and its salesmen have from time to time requested dealers to do this, but their efforts have not been successful and they [fol. 2596] have never made any attempt to require compliance from the dealer.

No. 37

Practice as to Membership in Dealers' Organizations

This company is not now a member of any dealers' organization. From the beginning of 1915 to March, 1918, it was a member of certain dealers' organizations.

Examined and found correct.

T. H. Yeisley.

[fol. 2593½] DEF'TS' EX. NO. D-517 G

Edison Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Edison Portland Cement Company Showing the Trade Practices of the Company

NOTE.—This company was shut down and did not attempt to sell cement from 1914 until the spring of 1916. It has no records of any trade practices prior to the spring of 1916, since such records as the company had in 1914 and prior thereto have been destroyed.

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

This company's trade quotations since the spring of 1916, when it resumed selling activities, were for immediate acceptance. This practice has continued up to the present time. Exceptions, however, [fol. 2597] have occurred where the company has quoted by letter, and such quotations have been for acceptance within varying periods up to fifteen days.

No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Since 1916 this company's trade quotations have been for shipment within fifteen days from date of order, with the exception of cases where quotations have been made by letter, and then the shipment provision has been for varying periods.

No. 3

Practice as to Quantity Limit in Trade Quotations

Since 1916 this company's trade quotations have been limited to one carload, with the exception of such cases in which the company has quoted by letter, and then the quantity limitation has been for varying amounts.

No. 4

Practice as to Cash Discount

Since 1916 and up to 1920 this company's cash discounts have been five cents per barrel for payment within ten days from the date [fol. 2597½] of the invoice. Beginning in the summer of 1920 the cash discount was increased to ten cents per barrel, with the same period concerning payment.

This company has never strictly adhered to the provision that discounts would be allowed only upon payment within ten days from the date of invoice, but has frequently allowed the discount to be taken, even when invoices were paid beyond the ten-day period.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company since it resumed selling activities in the spring of 1916 sells its cement at a price including the package. Its only deviation from that practice has been sales to or on account of the United States Navy and sales in bulk.

No. 6

Practice as to Dating of Invoices

This company's practice has always been to date invoices on the day shipment is made. There have been numerous variations, however, in which invoices have been dated other than on the day on which shipment has been made.

[fol. 2598] No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

In the spring of 1916 when this company resumed selling activities its contracts did not contain a clause relieving it from liability for loss or damage in transit. Beginning in the early part of 1917 its contracts provided that the company would not be responsible for loss or damage in transit, and this latter clause has appeared in the company's contracts since that date up to the present time. The company has not always observed this clause, but has in fact made allowances for loss or damage in transit on numerous occasions.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company's quotations since the time it resumed selling in the spring of 1916 have contained the clause that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the purchaser. It has, however, not insisted on this and has on various occasions extended the time of shipment.

[fol. 2598½] No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has always made quotations on specific jobs when asked for, without regard to the time when bids are to be opened.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This Company's specific job quotations since the spring of 1916 have been for acceptance in varying periods from three to nineteen days.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company has never insisted upon the execution of a regular form of specific job contract after the specific job quotation has been accepted. Its practice has been, since it resumed business in 1916, to send a contract to the customer, but it has never insisted upon its execution. It has also taken orders for specific jobs on the customer's form of contract.

[fol. 2599]

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

This company has never required that a written contract be executed between the dealer and the consumer before entering into a specific job contract with the dealer.

No. 13

Practice as to Entering into a Specific Job Contract With the Dealer Before he Had Sold the Cement to the Consumer

This company has never knowingly entered into a specific job contract with a dealer before the dealer had sold the cement to his customer.

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has never declined to enter into specific job contracts because the construction plans had not been drawn, or because the time of the completion of the construction work had not been [fol. 2599½] estimated, or because bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company has never made, as far as its records show, a specific job contract for less than one carload and has never been asked to do so.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's specific job contracts since 1916, when it resumed operations, to the present time have always been for a stated amount or for approximately a stated amount, with no variation referred to.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

Since the Spring of 1916 until 1920, this company's specific job contracts contained no clause limiting monthly shipments.

[fol. 2600] Beginning in the middle of 1920, a monthly limitation of shipment clause was included, but filled in only in the cases of large contracts.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer showing the deliveries on specific job contracts.

No. 19

Practice as to Making Blanket Contracts

This company has always made blanket contracts.

No. 20

Practice as to Selling Railroads

This company has always sold steam railroads direct for future delivery and for their yearly requirements, at the dealers' price.

[fol. 2600½]

No. 21

Practice as to Selling Industrials

This company has always sold industrials on annual requirement contracts at both the dealers' and consumers' price.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always sold concrete products manufacturers at both the consumers' and dealers' price. It has no record of ever having sold concrete products manufacturers for future delivery.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used an order form since it resumed operations in 1916. The blank contains a space for the purchaser's signature. In the great majority of cases, however, since 1916 and up to the present time this order blank has not been signed by the customer.

[fol. 2601]

No. 24

Practice as to a Separate Charge for Bin Tests

This company's contracts have never contained a printed form referring to bin test charges. In all cases where this service was requested by the customer a bin storage charge of three cents per barrel was made, until May 21, 1921, and in such cases was typewritten on the contract. Since May 21, 1921, there has been no charge for this service.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has in several instances borne the expense of commercial laboratory tests. Its general policy has always been, however, not to assume such charges.

No. 26

Practice as to Purchase of Cloth Sacks

This company's quotations and contracts have always contained the clause that it would repurchase sacks returned to it in serviceable condition. It has, however, always credited some worthless sacks.

[fol. 2601½]

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Home Towns

This company has always when requested quoted dealers for shipment to towns other than their home towns at the dealers' price.

No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply With the Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has at various times sold at the dealers' price to persons who do not comply with the definition of a dealer.

[fol. 2602]

No. 29

Practice as to a Dealer's Differential in Price

From the spring of 1916 until June 1, 1920, this company had no established differential. Between those dates the differential varied between two or three cents a barrel to as high as twenty-five cents a barrel, depending upon the dealer and his location.

On June 1, 1920, the company established a dealer's differential of ten per cent., which remained in effect until June 26, 1921.

On the latter date the company reverted to its old practice of having no established differential.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has since it resumed activities paid on various occasions commissions to dealers on sales made direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has in very year given special concessions to buyers.

[fol. 2602½]

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has no record of ever having mixed waterproofing compounds with cement at its mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has frequently given advance notice of a change in price.

No. 34

Pra-tice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

From early in 1916 when the company resumed operations until the beginning of 1921 this company's contracts did not contain a clause guaranteeing prices against decline although there may have been a few contracts in which the clause appeared. Beginning in February, 1921, this company's contracts have always contained this guaranty clause.

[fol. 2603]

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never made any effort to induce dealers not to resell below the consumers' price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the brand of cement on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization.

Examined and found correct.

Frank A. Sweeney, Edison Portland Cement Co.

[fol. 2603½]

DEF'TS' EX. No. D-517H

Giant Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Giant Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

From 1913 to 1916 this company's trade quotations were limited for acceptance in terms varying from five to fifteen days. From February, 1916, to October, 1920, they were limited to immediate orders only. Since October, 1920, there has been no express limitation on the time of acceptance, but they have been subject to change in price without notice.

No. 2

[fol. 2604] Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Begining 1913 this company's trade quotations were usually for shipment within thirty days of the date of the quotation. Since February, 1916, they have been for shipment within fifteen days from the date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

From 1913 to 1916 this company's trade quotations were limited to a quantity named in each quotation, usually varying from 300 to 1,000 barrels. Since 1916 they have been limited to one carload unless otherwise agreed.

No. 4

Practice as to Cash Discount

This company allowed a cash discount for payment within ten days of the date of invoice as follows:

1913, 1 cent a barrel.
1914 to November 11th, 1915, 2 cents a barrel.
November, 1915, to October, 1920, 5 cents a barrel.
November, 1920, to date, 10 cents a barrel.

[fol. 2604½] While the discount has been in terms limited to payment in ten days, the company in practice has allowed discounts on payments made after the ten day period.

No. 5

Practice as to Selling Cement at a Price Including Packages

Since 1913 it has been the usual practice of this company to quote and sell cement at a price including packages. It has quoted and sold exclusive of packages to the United States Government, and it has made some sales of cement in bulk.

No. 6

Practice as to Dating of Invoices

Since 1913 it has been the consistent practice of this company to date invoices as of the date of shipment. The only exceptions have been unusual shipping conditions, making it impossible to obtain the contents of the car until after it had been delivered and unloaded.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's contracts and quotations since 1913 have always contained a clause disclaiming liability for loss or damage in transit.

[fol. 2605]

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Since May, 1916, this company's trade quotations have contained a clause that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the purchaser. The company has not in practice ever enforced this requirement.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has never limited the time of making specific job quotations with reference to the date that bids are to be received.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

From 1913 to 1916 quotations for specific job contracts were limited for acceptance to a special time in each quotation, varying from ten days to thirty days. From March, 1916, to December, 1916, the quotations were limited for acceptance within five days of formal [fol. 2605½] award of contract, and in any event within thirty days from the date of the quotation. From December, 1916 to October, 1920, the quotations were limited as follows: "This quotation is for acceptance within five days from this date, but is void if not accepted within fifteen days of date hereof."

Since October, 1920, they have been limited for acceptance to times varying in the individual quotations.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company has always required the execution of a formal contract after a specific job quotation has been accepted. This requirement has been expressed in the specific job quotations since March, 1916, but was not so contained before that date.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer before Entering into a Specific Job Contract with the Dealer

In March, 1916, this company inserted in its specific job quotations a requirement that the dealer must execute a written contract [fol. 2606] with his customer on the regular form furnished by the company, and the original or duplicate of such contract filed with the company. This requirement was abandoned in December, 1916, and has not since appeared in the company's quotations. During the few months that it appeared in the company's quotations it was not in practice enforced.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer Before He Had Sold the Cement to the Consumer

Since this company began business in May, 1913, it has not to its knowledge sold cement to dealers on specific job sales contracts before the dealer had sold the cement to his customer.

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has never declined to enter into specific job contracts because the construction work was not ready to proceed, nor because the bids or proposals for the construction work had not been asked for.

[fol. 2606½]

No. 15

Practice as to Minimum Quantity To Be Sold under a Specific Job Contract

This company has never made specific job contracts for less than one car load. The only exceptions have been rare instances in which dealers have consolidated their orders so as to make a carload shipment from the mill.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

From 1913 to March, 1916, this company's quotations and contracts for specific work were usually for an amount not to exceed a specified quantity. Sometimes this quantity was stated as approximately or as estimated, and sometimes there was a permissible varia-

tion of fifteen per cent allowed. Since March, 1916, the specific job quotations and contracts have been for the entire and actual quantity needed for the work estimated at a stipulated amount, but in any event not to exceed 110 per cent of the estimated quantity.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's formal specific job contracts have always contained a provision limiting the maximum shipments that can be called for per month.

[fol. 2607]

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing his Deliveries on the Specific Job

This company has never required a signed monthly statement from a dealer showing his deliveries on a specific job. Its contracts, however, contain a clause that at the company's option a report may be called for.

No. 19

Practice as to Making Blanket Contracts

This company has always made blanket contracts, and its practice in this regard has not changed since 1913.

No. 20

Practice as to Selling Railroads

Since 1913 this company has entered into requirements yearly contracts with railroads, selling them at the dealers' price.

[fol. 2607½]

No. 21

Practice as to Selling Industrials

This company since it began business in 1913 has always made blanket requirement contracts with industrials covering their requirements for the year, and selling them at the consumers' price. The same practice has always been followed as to Electric Lines.

No. 22

Practice as to Selling Manufacturers of Concrete Products

During 1913 and 1914 this company sold to concrete products manufacturers for future delivery at the dealers' price. Beginning

in 1915 concrete products manufacturers were sold for future delivery for specified work only and at the dealers' price if they were dealers, otherwise at consumers' price.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

Since 1913 this company has had a form of order to be signed by the salesman and the purchaser. In practice this form has seldom been used, and the orders taken by salesmen are seldom, if ever, [fol. 2608] signed by the customer, and are usually sent in by the salesmen on postal cards or any other informal method.

No. 24

Practice as to a Separate Charge for Bin Tests

This company made a separate charge for bin tested cement at three cents a barrel from 1913 to May, 1921. It has made no charge for such service since the latter date.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company regularly bears the expense of commercial laboratory tests.

No. 26

Practice as to Repurchase of Cloth Sacks

While this company's contracts and terms of sale have always provided that they would only repurchase sacks from the original purchaser and those which were in serviceable condition, in practice this company frequently buys sacks from other parties than the original purchasers and allows credit for large numbers of worthless sacks.

[fol. 2608½] No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company regularly quotes to dealers for shipments to towns other than their home towns, in cases where it has no dealer in the town of delivery handling the company's cement. There has been no change in the company's practice in this regard since 1914.

No. 28

Practice as to Selling at a Dealer's Price to Persons Who do Not Comply with Following Definition

"A dealer is a merchant, firm or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has always quoted and sold at the dealers' price to many persons who do not comply with the above definition.

[fol. 2609]

No. 29

Practice as to a Dealer's Differential in Price

From May 1st, 1913, to December 7th, 1916, this company allowed a dealer's differential of five cents a barrel. Since December 7th, 1916, it has allowed a differential of ten cents a barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has always paid commissions to dealers on sales made direct to consumers, and in the last few years such commissions have been on a substantial amount of its business. The percentage of its barrelage on which such commissions have been paid is as follows:

1916	1.6 per cent.
1917	3.2 per cent.
1918	4.1 per cent.
1919	6.5 per cent.
1920	14.1 per cent.
1921	14.5 per cent.

[fol. 2609½]

No. 31

Practice as to Giving Special Concessions to Buyers

This company has no record of ever having made any special concessions to buyers.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never mixed waterproofing compounds with cement at the mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

From 1913 to May 4, 1919, this company did not guarantee sales [fol. 2610] against a decline in price. From May 5, 1919, to April 17, 1920, its contracts contained the decline clause. From April 17, 1920, to October 29, 1920, no such clause was included. Beginning October 29, 1920, and until the present time the clause is in the company's contracts.

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumer's Price

This company has no record of ever having made any effort to induce dealers not to sell below the consumers' price or of in any way attempting to influence the price charged by dealers.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Pr-ctice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization.

Examined and found correct, 4-15-22.

Alfred H. Neitbammey

[fol. 2610½] DEF'TS' EX. No. D-5171

Glens Falls Portland Cement Company,

Trades Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledger and Other Documentary Evidence of Glens Falls Portland Cement Company, Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

The trade quotations of this company in 1909 and 1910 were for acceptance within fifteen days; in 1911 and 1912 they were for acceptance within six days; in 1913 they were for acceptance in thirty days; in 1914 and 1915 they were for acceptance within six days; beginning with 1916 they have been for immediate acceptance.

[fol. 2611]

No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotations

In 1909 and 1910 this company's trade quotations were limited to shipment within thirty days after date of acceptance; from 1911 to the end of 1915 shipment was limited to thirty days from the date of quotation; since the beginning of 1916 shipment has been in terms limited to fifteen days from the date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

From 1909 to 1913 inclusive this company's trade quotations were limited to a specific quantity, usually specified at one or two cars; during 1914 and 1915 they were limited in quantity to two carloads unless otherwise agreed upon; since 1915 its quotations have been limited to one carload unless otherwise agreed.

No. 4

Practice as to Cash Discount

In 1912 and 1913 this company allowed a cash discount of one cent a barrel for payment within ten days of date of invoice; in 1914 [fol. 2611½] and until November 15th, 1915, a cash discount of two cents a barrel; from November 15th, 1915, to October 1st, 1920, five cents a barrel; and since October 1st, 1920, ten cents a barrel. The company has never strictly limited the allowance of discount for pay-

ment within ten days, and frequently allows a discount on payments running considerably over that time.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company adopted as its usual practice charging for the cement a price including the package, at least as early as 1907. Its only deviations from that practice have been sales to or on account of the United States Government and one sale in bulk in carload lots in 1921.

No. 6

Practice as to Dating of Invoices

This company has never dated an invoice other than on the day shipment was made, as far back as its records go.

[fol. 2612]

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's quotations and contracts admit and assume responsibility for loss or damage en route when a customer makes a claim therefor supported by proper documents. This has been its consistent practice for many years.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Since the beginning of 1916 this company's quotations have contained a clause that orders entered for shipment on a specific date would at its option be shipped on that date unless sooner ordered out by purchaser. In practice, however, shipment has always been deferred on the request of the customer.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has always made quotations on specific jobs when asked for, without regard to the time when bids are to be opened.

[fol. 2612½]

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

From 1913 to 1916 this company's specific job quotations were limited for acceptance within a time specified in each quotation,

varying from immediate acceptance to thirty days; since September, 1916, they have been limited for acceptance within fifteen days from the date of the quotation.

No. 11

Practice as to Requiring Execution for Formal Contract after Specific Job Quotation has been Accepted

From 1913 until September, 1916, the company's specific job quotations contained a blank form of acceptance at the foot thereof, and this when signed by the customer constituted the contract. Since September, 1916, the company's specific job quotations have contained a clause requiring the execution of a regular form of specific work sales contract; but the company has not uniformly enforced this requirement.

[fo. 2613]

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer before Entering Into a Specific Job Contract with the Dealer

This company has never required that a written contract be entered into between the dealer and consumer, before it will enter into a specific job contract with the dealer.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, before He Had Sold the Cement to the Consumer

This company has never questioned the dealer as to whether he had closed a contract with the contractor. It has always been its practice to accept a contract from the dealer without question.

No. 14

Practice as to Declining to Enter into Specific Job Contracts before the Construction Work was Ready to Proceed

This company has never declined to make a specific job contract because of the time of completion of the construction work had not [fol. 2613½] been estimated or because the plan for the construction work had not been drawn or because the bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company has never made a specific job contract for less than one carload; and its practice in that regard has not changed since 1912.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

From 1913 to 1916 this company's specific job contracts were ordinarily for a specific quantity, with no provision for variation, but sometimes providing merely a maximum. Since the fall of 1916 the specific job contracts have been for "approximately" a named number of barrels, with no other provision for variation.

[fol. 2614]

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

Since at least as early as 1912 this company's specific job contracts have always contained a provision as to a stated maximum amount of shipment per month that could be called for under the contract.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing his Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer showing the deliveries on a specific job. Its contracts, however, contain a clause that such a report may be called for.

No. 19

Practice as to Making Blanket Contracts

This company has always made blanket contracts in every year since 1914.

[fol. 2614½]

No. 20

Practice as to Selling Railroads

This company's practice has been to sell railroads their yearly requirements at consumers' prices up to 1918, at which time the War Service Committee made the price to the railroads the dealers' price, and on which basis the company has sold them since that time.

No. 21

Practice as to Selling Industrials

This company has sold some industrials their yearly requirements, on contract at dealers' prices, and some at consumers' prices. It has

also sold some industrials at dealers' prices, and some at consumers' prices, on the 15 day basis.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company usually sells manufacturers of concrete products at the consumer's price for fifteen days delivery, but it sometimes sells such manufacturers blanket contracts at the dealer's price.

[fol. 2615]

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used the same form of order blank since prior to 1913. It is signed by the salesman but not signed by the customer.

No. 24

Practice as to a Separate Charge for Bin Tests

From 1910 to 1916 this company made no charge for bin tests; from 1916 to May, 1921, it usually made a charge for bin tests of three cents a barrel, but sometimes during that time it made no charge, and since May, 1921, it has made no charge.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of a commercial laboratory test unless in the case of dispute with a customer as to the quality of the cement furnished him, when a test has been made merely as a matter of settlement of the dispite.

[fol. 2615½]

No. 26

Practice as to Repurchase of Cloth Sacks

This company has never repurchased cloth sacks from its customers that were not in serviceable condition. There has been no change in its practice in this regard from that which prevailed during the years 1913 and 1914.

No. 27

Practice as to Quoting Dealers for Shipment to Towns other than Their Home Towns

This company has always quoted some dealers for shipment to towns other than their home towns at dealers' prices.

No. 28

Practice as to Selling at the Dealer's Price to Persons who do not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

[fol. 2616] This company has never limited its sales at dealer's prices to persons conforming to the definition of a dealer quoted above.

No. 29

Practice as to a Dealer's Differential in Price

This company allowed dealers a differential in price over consumers of five cents a barrel from the fall of 1914 until January 1st, 1917. Since that time it has allowed a dealer's differential of ten cents.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has in every year paid commissions to dealers on cement sold direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has from time to time made special concessions to buyers in the way of special allowances, extended discount period, [fol. 2616½] guaranteed price, and extended time of delivery.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never mixed waterproofing compounds with cement at the mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

In every year from 1910 to the present time this company has guaranteed some sales against a decline in price.

[fol. 2617]

No. 35

Practice as to Making Efforts to Induce Dealers not to Resell Before the Consumer's Price

This company has never attempted to control the price that dealers would charge on the resale of its cement.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name or the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization with the exception of an associate membership which the company held in New York State Builders Supply Association during the years 1915, 1916, 1917 and 1918.

Examined and found correct.

Loren F. Goodson.

[fol. 2617½] DEF'TS' EX. NO. D-517J

Hercules Cement Corporation.

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Hercules Cement Corporation Showing the Trade Practices of the Company

NOTE.—This company commenced its selling activities in June, 1917, and therefore, has no trade practices or proof thereof prior to that date. It actually commenced business in the latter part of 1916, but its sales manager was not engaged until June, 1917, and no business was actually done until that date. The operation of the company between September, 1916, and June, 1917, was confined to organization and construction.

[fol. 2618] No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

Since this company commenced business in 1917, its trade quotations have always read for immediate acceptance. In practice the company has always accepted orders on quotations until a later notice is sent announcing a change in price.

No. 2

Practice as to Time or Shipment of Trade Orders as Specific in Quotations

Since 1917 this company's trade quotations have always read for shipment within 15 days from the date of the order, but this limitation in the quotations has not in practice been enforced, as orders have frequently been entered for shipment at a greater time.

No. 3

Practice as to Quantity Limit in Trade Quotations

This company's trade quotations since 1917 have provided that unless otherwise agreed they were limited to one carload of cement, but this limitation in the quotation has not in practice been enforced, as orders have been entered for a greater amount.

[fol. 2618½] No. 4

Practice as to Cash Discount

This company allowed a cash discount of 5 cents per barrel from the time it commenced business in 1917 until July 16th, 1920.

Since then it has allowed a cash discount of 10 cents a barrel. The terms have always provided that the discount was only due for payment in ten days, but the company has not adhered strictly to this requirement, usually allowing discount for payment for three or four days beyond the due date.

No. 5

Parctice as to Selling Cement at a Price Including Packages

This company has no record that it has ever quoted otherwise than at a price including the packages, except sales made to the War and Navy Departments of the United States Government, which were at a price excluding packages, or where shipments were made in bulk during 1920.

No. 6

Practice as to Dating of Invoices

This company has always dated its invoices on the day shipment was made.

[fol. 2619]

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's practice has always been, and now is, to assume responsibility for loss or damage en route, and on receipt of proper papers to send a memorandum of credit for the amount of such damage. Its contracts and quotations have been disclaimed such responsibility.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company's contracts of sales have never contained a clause that cement ordered for shipment on a specific date would be shipped on that date unless sooner ordered out by the customer. Its current quotations from the time it began business in 1917 until August, 1918, contained this clause when it was dropped. It has frequently changed the shipping date either earlier or later to meet the wishes of the customer.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has no record of ever having declined to make Specific job quotations more than ten days before the date bids

[fol. 2619½] were to be received. It has always been willing to quote whenever requested by a customer and that has been its custom since the beginning of its business up to the present time.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company's specific job quotations are limited for acceptance within a time varying in the individual case. The usual limit, however, has been fifteen days.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation has been Accepted

This company's specific job quotations have always contained a clause that the purchaser agrees at the company's option to execute a formal contract. Its contract is usually executed by the purchaser, but in a few cases the company has not insisted upon it.

[fol. 2620]

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consummer before Entering into a Specific Job Contract with the Dealer

This company's specific job quotations and contracts do not require that a written contract be entered into between the dealer and a consumer. The Company has never made any such requirement.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, before He Had Sold the Cement to the Consumer

The policy of this company has always been not to sell cement to dealers on specific job contracts before the dealer has sold the cement to his customer.

No. 14

Practice as to Declining to Enter into Specific Job Contracts before the Construction Work was Ready to Proceed

This company has never declined a specific job contract because [fol. 2620½] the plans for the construction work had not been drawn or because the time of the completion of the construction work had not been estimated or because the bids or proposaals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has never made specific contracts for less than one carload. It has, however, made specific job contracts with a dealer for a quantity of more than one carload, distributed, however, amongst different jobs named in the contract, some of which required quantities less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's specific job quotations and contracts since it commenced business have been for a specific amount, providing, however, that in case the quantity specified is insufficient for the needs of the purchaser a reasonable additional quantity will be supplied.

[fol. 2621]

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job contracts have always contained a clause specifying a stated maximum amount of shipment per month.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer showing the deliveries on the specific job.

No. 19

Practice as to Making Blanket Contracts

Since this company began business in 1917 it has sold on blanket contracts.

[fol. 2621½]

No. 20

Practice as to Selling Railroads

From March, 1917, until March 14th, 1919, this company sold railroads on blanket contracts at the dealers' price f. o. b. the mill.

1579

Since that date railroads have been sold for shipment on current orders or on specific job contracts on the same basis as dealers, generally, however, giving them the mill price f. o. b. their railroad's nearest junction point.

No. 21

Practice as to Selling Industrials

Industrial plants and electric lines were sold on a blanket contract for yearly requirements at consumers' price, from March, 1917, to September 2nd, 1918. Since that time they have been sold on the same terms and conditions as any other consumer.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has sold at the dealers' price for future delivery to concrete products manufacturers who were also dealers. It has also sold at the dealers' price to dealers who specified that the [fol. 2622] material was for the use of concrete block manufacturers. Other than these cases, no sales have been made to concrete products manufacturers.

No. 23

Practice as to the use of an Order Blank to be Signed by the Customer

This company has used an order form since it commenced business in 1917. The order form is not signed by the customer.

No. 24

Practice as to a Separate Charge for Bin Tests

This company made a charge for bin tests from the time it commenced business in 1917 until June 6th, 1921, of 3 cents a barrel. It has made no charge for that service since that date.

No. 25

Pactice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of commercial laboratory tests since it commenced business, nor has it ever been requested to do so.

[fol. 2622½]

No. 26

Practice as to Repurchase of Cloth Sacks

This company has always absorbed a portion of the loss on damaged sacks and has not limited its repurchase to sacks in serviceable condition.

No. 27

Practice as to Quoting Dealers for Shipment to Towns other than their Home Towns

This company has from time to time quoted dealers at the dealers' price for shipments to towns other than their home towns.

No. 28

Practice as to Selling at a Dealer's Price to Persons who do not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

[fol. 2623] This company has sold in every year to some customers as dealers who do not comply with the above definition.

No. 29

Practice as to a Dealer's Differential in Price

This company has made the dealers' price ten cents a barrel less than the consumers' price since it started business in 1917.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has, since it started business, from time to time paid dealers' commissions on sales made direct to consumers.

No. 31

Practice as to giving Special Concessions to Buyers

This company made special concessions to buyers in 1921 and 1919.

[fol. 2623½] No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never mixed waterproofing compounds with cement at its mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery against a Decline in Price

This company commenced business in 1917. Its contracts of sale did not contain a clause guaranteeing against a decline in price until April 6th, 1919. Since then its specific job quotations and contracts have contained such a clause.

[fol. 2624] No. 35

Practice as to Making Efforts to Induce Dealers not to Resell below the Consumers' Price

This company has never made any effort to influence the price at which dealers would resell its cement.

No. 36

Practice as to Requiring Dealers to State in their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organization

This company has never been a member of any dealers organization.

Examined and found correct.

C. R. MacCarey.

[fol. 2624½] DEF'TS' EX. No. D-517K

Knickerbocker Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and other Documentary Evidence of Knickerbocker Portland Cement Company showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

This compay's trade quotations from 1914 to the present time have contained varying time limits for their acceptance. In some cases the quotations have contained no limitation; in other cases they were limited to prompt acceptance; in still others they were for thirty days, fifteen days or five days acceptance. The great majority of the quotations have been without limitation as to acceptance, and that practice is in effect at the present time.

[fol. 2625]

No. 2

Practices as to Time of Shipment of Trade Orders as Specified in Quotations

Continuously up to March, 1915, this company's quotations contained no limitations as to time of shipment. Beginning in March, 1915, and up to May, 1916, the quotations contained varying limitations upon date of shipment, ranging from thirteen to thirty days. Beginning in May, 1916, and to the present time quotations went out both unlimited as to date of shipment and limited to shipment within fifteen days, the majority of the company's quotations being unlimited as to date of shipment.

No. 3

Practice as to Quantity Limit in Trade Quotations

This Company's trade quotations have never contained any limit upon the amount of cement which may be ordered under them, except where the quotation was made in response to a specific inquiry which mentioned the quantity desired.

No. 4

Practice as to Cash Discount

This company allowed a cash discount of one cent per barrel from the time it commenced business in June, 1911, until January, 1914;

[fol. 2625½] a cash discount of two cents a barrel from January, 1914, to November, 1915; of five cents a barrel from November, 1915, to September, 1920; and of ten cents a barrel since September, 1920.

The discount has always been in terms limited to payment within ten days from the date of the invoice, but the company has not strictly enforced this rule, frequently allowing the discount on payments much beyond that time.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company since 1911 has always followed the practice of quoting and selling cement at a price including packages. The only exception to this has been sales to the United States Navy Department, where the sale is of the cement exclusive of the cost of the package.

No. 6

Practice as to Dating of Invoices

This company has always dated its invoices on the day that shipment is made, on cement shipped by rail; and on boat deliveries on the day that the boat finishes unloading for the individual customer.

[fol. 2626]

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

Since 1911 this company's contracts have always contained a clause exempting it from responsibility for shortage or damage in transit. This clause has not been strictly enforced, and the company has sometimes assumed such responsibility.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company has never made it a term of sale that orders entered for shipment on a specific date should be shipped on that date unless sooner ordered out by purchaser.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids Are to Be Opened

This company has never limited the time as to its making specific job quotations with reference to the date bills were to be received.

It has always made a quotation on a specific job at any time requested.

[fol. 2626½] No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company's practice from 1911 to date has varied all the way from quotations for specific jobs without any limitation whatsoever, down to quotations for immediate acceptance. The form of quotation for specific jobs most used by this company has been unlimited as to acceptance. It has used in some instances the words "for acceptance within five days after contract is awarded." It has also used the expression "subject to concellation on five days' notice," without any further limitation.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company has never inserted in its specific job quotations (or any other quotations) any requirement that a regular form of contract must be executed upon the acceptance of the quotation. Prior to 1919 and particularly during 1916 and 1917 this company's contracts were in the form of correspondence.

[fol. 2627] No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

This company has never required the execution of a written contract between the dealer and his consumer in cases where it has entered into a specific job contract with the dealer.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer Before He Had Sold the Cement to the Consumer

This company has never to its knowledge sold cement to its dealers on specific job contracts before the dealer has sold the cement to his customer.

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company has never declined a specific job contract because the time of completion of the construction work had not been esti-

[fol. 2627½] mated or because the plans had not been drawn or because the bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to Be Sold Under a Specific Job Contract

This company has never been requested to make a specific job contract for less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

From 1911 to September, 1920, this company's specific job contracts have provided a blank space for the insertion of a variation percentage (usually 10%, but in a few instances 15%). Since September, 1920, the specific job contract form has been for a specified amount of cement, "not to exceed — barrels," and has allowed no variance at all.

[fol. 2628] No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's contracts have always contained a provision for a stated maximum amount of shipment per month that could be called for.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job.

This company has never required monthly statements from the dealer, showing deliveries made by him on specific job contracts.

No. 19

Practice as to Making Blanket Contracts

This company has always made blanket contracts.

[fol. 2628½] No. 20

Practice as to Selling Railroads

This company has always sold to railroads for their yearly requirements at the dealers' price.

No. 21

Practice as to Selling Industrials

This company has always sold to industrial plants for their yearly requirements.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always sold to forms, etc., manufacturing concrete products, for future deliveries, on requirement contracts at its dealers' price.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used an order form to be signed by the customer since 1911, which has not substantially changed during that period. [fol. 2629] This form is seldom signed by the customer; the salesman usually attaching the customer's name.

No. 24

Practice as to Separate Charge for Bin Tests

This company has at different times from the beginning of its existence up to May 3, made a charge of three cents (or sometimes six cents) per barrel for bin test. No charge for bin test has been made since May 3, 1921.

No. 25

Practice as to Assuming Expense of Commercial Laboratory Tests

While this company has not adopted a general practice of paying charges for commercial laboratory tests, it has from time to time borne the expense of such tests.

No. 26

Practice as to Repurchase of Cloth Sacks

This company has always been liberal in its bag inspection and has since 1918 made allowance for bags which were worthless.

[fol. 2629½]

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always been willing to quote the dealers' price to dealers for shipment to towns other than their home towns, when the company had no dealer in such other town.

No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply With Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never observed this definition in quoting the dealers' price, and many of the customers of this company have received the dealers' price although not complying with the above definition.

[fol. 2630]

No. 29

Practice as to a Dealer's Differential in Price

This company allowed a differential to a dealer over a consumer of five cents per barrel from 1911 until January, 1917. Since then it has generally allowed a differential of ten cents per barrel. In various localities, from time to time, it has varied this defferential.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has consistently paid commissions to dealers on sales made direct to consumers.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has in every year made concessions in price, both by allowing cash discount after the ten days have elapsed, and by direct concessions from its prevailing quoted price in the form of additional discounts.

[fol. 2630½] No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company incorporated waterproofing compounds at its mills once in August, 1918, and in one other instance, in connection with the Commodore Hotel (contract entered into in 1916, work completed in 1919). This company has not been called upon to do this in any other instances.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

In 1919 this company incorporated in its contracts a clause expressly guaranteeing the price against decline. Prior to that time, contracts had contained no such clause. Since 1919 and at present, either the contracts contained such a clause or a letter was written containing such guarantee, such letter being attached to the contract.

[fol. 2631] No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never had a policy of making any effort to induce dealers not to resell below the consumers' price. On the contrary, in many instances it has induced its dealers to sell at less than the prevailing consumers' price. There are only three instances found in the files from 1911 to date (all during the first six months of 1917) where a suggestion has been made to the dealer that he secure the full prevailing differential.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization.

The within has been examined and found correct.

Alfred S. Jewett.

April 11, 1922.
See letter of transmittal, April 4th.

[fol. 2631½] DEF'TS' EX. NO. D-517L

The Lawrence Cement Company

Trades Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of The Lawrence Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

Prior to October 24th, 1916, the period for the acceptance of this company's trade quotations varied from five days to sixteen days. On October 24th, 1916, it adopted as its general policy immediate acceptance of its trade quotations, and continued that practice during 1916, 1917, 1918 and 1919. From the beginning of 1920 to the present time some of the company's quotations have been for immediate acceptance and some contained no time limit.

[fol. 2632] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

From 1910 to 1913 this company's trade quotations were limited to shipment within thirty days after date of acceptance; in 1914 the same general practice prevailed, but there were some quotations calling for current shipment and some for immediate shipment; in 1915 the company reverted again to its thirty day shipment quotations and continued that until October 30th of that year; from October 30th, 1915, to April, 1920, it quoted for shipment within fifteen days; from 1920 to the present time its general practice has been to quote for shipment within fifteen days, although a number of its quotations did not specify any limitation as to the period of shipment.

No. 3

Practice as to Quantity Limit in Trade Quotations

Prior to October 24th, 1916, the company quoted in carload lots and limited the quantity to from 500 to 1,000 barrels; from October 24th, 1916, to date quotations have been limited to one carload, but there have been cases in each year since 1916 when this limitation has not been strictly enforced.

[fol. 2632½] No. 4

Practice as to Cash Discount

From January 14th, 1909, to August 31st, 1913, this company allowed a cash discount of one cent per barrel; from September 1st, 1913, to November 19th, 1915, the discount was two cents per barrel; on November 20th, 1915, the company quoted five cents per barrel, but the first invoice which contained this allowance was dated November 26th, 1915. A discount of ten cents per barrel was first quoted July 16th, 1920, but the first invoice making this allowance was dated July 20th, 1920. Since the time when a discount was first allowed the company's contracts have always made ten days the period within which payment must be made in order to obtain discount, but there have been instances in each year where the company has not insisted upon payment within ten days.

No. 5

Practice as to Selling Cement at a Price Including Packages

As far back as this company's records go it has always quoted and sold cement including packages. The only exception to this practice has been in the case of sales to the United States Government during the war.

[fol. 2633] No. 6

Practice as to Dating of Invoices

This company has never dated an invoice other than on the day shipment was made.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company has never until February 15th, 1921, made it a term of its quotations or contracts that the company would not assume responsibility for loss or damage en route. Since February 15th, 1921, the company's contracts have contained such a limitation.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company has never made it a term of sale that orders will be shipped on the date specified unless sooner ordered out by purchaser; and it has been the company's consistent practice to grant postponement of shipping dates.

[fol. 2633½]

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has never limited the time for making specific job quotations, and has always made them whenever asked for.

No. 10

Practice at to Time Limit for Acceptance of Specific Job Quotations

Prior to 1917 the company had no uniform practice for acceptance of specific job quotations, the acceptance period varying in individual cases from eight to sixty days; and some of the quotations in 1914 contained no acceptance date. Since the beginning of 1917 the company's quotations for specific jobs have been limited to acceptance within fifteen days.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation has been Accepted

Prior to February 10th, 1916, it was the company's practice to send contracts to be executed upon acceptance of the quotation. [fol. 2634] Since February 10th, 1916, this company's specific job quotations have provided that when accepted a contract should be drawn up by the company.

In every year since 1915 the company has protected quotations and has made sales without any formal contract or on contracts drawn on the customer's form.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

This company has never required the dealer to enter into a written contract with the consumer before entering upon a specific job contract with the dealer.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, Before he had Sold the Cement to the Consumer

It has always been the practice of this company to accept a contract from the dealer without question as to whether or not he had previously sold to the customer.

[fol. 2634½] No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has in every year since at least 1915 made contracts for work for which construction plans had not been drawn, or for which bids or proposals had not been asked. The company's policy has been since at least 1915, however, not to make contracts under such circumstances. The company has never refused to make a specific job contract because the time of completion of construction work had not been estimated.

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company's contract as far back as its records go have provided for a minimum of one carload. Ever since 1916, however, the company has made specific job contracts for less than one carload shipments, but the aggregate amount in each contract is in all such cases more than one carload, made up of several less than carload jobs.

[fol. 2635] No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

Prior to 1915 this company limited the amount to be delivered on a specific job contract, in some cases to 110 per cent of the amount specified, and in other cases 115 per cent. Since 1915 the company has never limited the amount to be delivered on a specific job contract.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job contracts have never specified a stated maximum amount of shipment per month.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer showing deliveries on a specific job.

[fol. 2635½] No. 19

Practice as to Making Blanket Contracts

This company has in every year since 1915 made blanket contracts.

No. 20

Practice as to Selling Railroads

From 1914 to December 21, 1918, this company's practice was to make contracts for the yearly requirements of railroads and electric lines. Since December 21, 1918, it has not been the company's practice to make requirement contracts with railroads or electric lines, although it has done so in a few cases in 1921. Prior to the War this company quoted consumers' prices to railroads and electric lines. During and since the War railroads are quoted at dealers' price and electric lines at consumers' prices.

No. 21

Practice as to Selling Industrials

This company has in every year from 1915 to December 21st, 1918, made contracts for yearly requirements of industrials; since December 21st, 1918, it has not been the company's general practice to make requirement contracts but the company has nevertheless made such contracts in certain cases.

[fol. 2636] No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always made contracts for yearly requirements with concrete products manufacturers. It has sold them at the dealers' price, but has no hard and fast rule in this respect.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has never used a salesman's order blank.

No. 24

Practice as to Separate Charge for Bin Tests

From the middle of 1912 until about the beginning of 1915 this company made a bin test charge of six cents per barrel; from about the beginning of 1915 to May 7th, 1921, the charge was three cents per barrel; since May 7th, 1921, the bin test charge has been eliminated.

[fol. 2636½] No. 25

Practice as to Assuming Expense of Commercial Laboratory Tests

This company has in every year since June 15th, 1917, paid some commercial laboratory test charges.

No. 26

Practice as to Repurchase of Cloth Sacks

This company has always since 1914 given customers credit for worn out sacks, and has allowed either part or full credit for abused sacks. It has also at various times repurchased sacks from others than the original purchaser.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always in every year since 1914 quoted dealers for shipment to towns other than their home towns at dealers' prices.

[fol. 2637] No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply with Following Definition

"A dealer is a merchant, firm or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has in every year sold at the dealers' price to persons who do not comply with the above definition of a dealer.

No. 29

Practice as to a Dealer's Differential in Price

From 1910, which is as far back as this company's records go, until December 12th, 1916, the company has allowed dealers a differ-

ential in price over consumers of five cents a barrel. Since December 12th, 1916, the differential has been ten cents a barrel.

[fol. 2637½] No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has since 1915 allowed commissions to dealers on sales made direct to consumers.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has on many occasions made special concessions to buyers.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

Up to December, 1919, this company in every year mixed waterproofing compounds with cement at its mills. Since December, 1919, the practice has been discontinued.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

[fol. 2638] No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

From 1912 to 1914 this company guaranteed against a decline in price; from 1915 to April, 1919, it did not guarantee against a decline in price; during 1919 it began to protect deliveries against price decline; during 1920 the company did not guarantee against price decline, but in fact met the price decline on contracts already made. On January 3rd, 1921, the company again began to protect 1921 deliveries against price decline.

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below The Consumers' Price

This company has never attempted to control the price that dealers would charge on the resale of its cement, although it has at times suggested that the dealer should secure a fair profit.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the brand of cement on which they are bidding.

[fol. 2638½] No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization.

Examined and found correct.

R. A. Pruden.

[fol. 2639] DEF'TS' EX. NO. D-517M

Lehigh Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Lehigh Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

From August, 1909, to June, 1910, this company's trade quotations were for acceptance within fifteen days; from June, 1910, to [fol. 2639½] February 23rd, 1915 (with one exception, quotations to the general trade sent out on August 19th, 1912, which were for immediate acceptance), they were for acceptance within seven days; from February 23rd, 1915, to the present time its trade quotations have been either for five days acceptance or for immediate acceptance. As a general practice during this period circular trade quotations have read for immediate acceptance and quotations to individual customers in response to inquiries have been good for five days acceptance.

No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotations

From June, 1909, to November 5th, 1915, this company's quotations were limited to shipment within thirty days from date of order;

from November 5th, 1915, to the present time its trade quotations have been for shipment within fifteen days from the date of order.

No. 3

Practice as to Quantity Limit in Trade Quotations

Prior to the early part of 1915 this company's trade quotations did not specify any quantity limitation; from the early part of 1915 to the latter part of that year the company's general quotations to the trade contained a two-car limitation, while its trade quotations in [fol. 2640] reply to inquiries from customers during that period still contained no quantity limitation: from the latter part of 1915 to date the company's general quotations to the trade contained a one-car limitation, while its trade quotations in reply to inquiries from customers continued to contain no limitation.

No. 4

Practice as to Cash Discount

From prior to June 1st, 1909, to January 24th, 1914, this company has allowed a cash discount of one cent a barrel for payment within ten days; from January 24th, 1914, to November 13th, 1915, a cash discount of two cents a barrel; from November 13th, 1915, to July 13, 1920, a cash discount of five cents a barrel; from July 13th, 1920, to the present time a cash discount of ten cents a barrel.

This company has adhered quite strictly to the ten-day limitation, and there has been no change in its practice in that regard since long prior to 1915.

No. 5

Practice as to Selling Cement at a Price Including Packages

Since prior to 1909 this company's usual practice has been to quote cement at a price including the cost of the package. This practice has never been deviated from except in the cases of sales to the Federal Government. Prior to 1915 this company quoted prices to the Gov- [fol. 2640½] ernment in some cases exclusive of packages and in other cases inclusive of packages, but all sales made were at prices including packages.

No. 6

Practice as to Dating of Invoices

This company has since at least as far back as 1911 followed the practice of dating its invoices the day shipment is made. There has been no change in its practice in this regard.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

Prior to 1915 this company's quotations and contracts made no mention concerning loss or damage to shipments en route. During 1915 and up to the present time the quotations provide that the company will not be responsible for shortage or damage occurring in transit. The company's contracts during 1915 and up to the present time provide that claims for loss or damage will not be considered unless supported by railroad agent's acknowledgment on freight bill. Since long prior to 1915 and up to the present time this company has in every year allowed its customers' claims for loss or damage in transit.

[fol. 2641] No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Prior to 1915 this company's quotations contained no provision as to shipment of orders entered for shipment on a specific date. Early in 1915 they stated that time of shipment would be extended only at company's option. Early in 1916 and up to the present time they state that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the customers.

The salesmen's order blanks have since prior to 1915 provided that time of shipment will be extended only at company's option.

In practice the company has always shipped on the date specified in the order.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has always made specific job quotations without knowledge of the date when bids were to be received, and frequently more than ten days before the date when bids were to be received.

[fol. 2641½] No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

Until the middle of 1910 specific job quotations were made for acceptance in sixty days. From the middle of 1910 to May 25, 1916, the specific job quotations were made for acceptance in thirty days. Since May 25, 1916, these specific quotations have generally been limited for acceptance within fifteen days from date of quotation or five days from the date of the quotation if the construction contract had been awarded. These periods have, however, in individual cases sometimes been modified.

No. 11

Practice as to Requiring Execution of Formal Contract after Specific Job Quotation Has Been Accepted

This company customarily requires the execution of a formal specific job contract following the acceptance of a quotation therefor. This has been its practice at least as far back as 1912.

No. 12

Practice as to Requiring a Written Contract between Dealer and Consumer before Entering into a Specific Job Contract with the Dealer

This company does not require the execution of a written contract between the dealer and his customer before it will enter into a specific [fol. 2642] job contract with him, and none of its quotations contain such a requirement. It has furnished dealers with forms of contracts for the dealer to use at his option and it has insisted that before closing a contract with it the dealer shall have made a definite sale to his customer. The company's practice in this regard has not changed since 1915.

No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, before He Had Sold the Cement to the Consumer

This company has always sought to limit its sales on specific job contracts to dealers to cases where the dealers had a contract for resale.

No. 14

Practice as to Declining to Enter into Specific Job Contracts before the Construction Work Was Ready to Proceed

This company has always been unwilling to enter into specific job contracts where the plans for the construction work had not been drawn, or where the time for the completion of the construction had not been estimated, or where the bids for the construction work had not been asked. Its documentary records show only one in- [fol. 2642½] stance of this kind, but this has been the company's understood and consistent policy, so that requests to quote under such circumstances have not ordinarily been made to it.

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has never made specific job contracts requiring less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's contracts have, since 1912, stated a specific quantity to be furnished, and there has never been any provision for variation therefrom, except that the contracts are interpreted by the company to cover the actual requirements of the specific work according to the original plans.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

From April, 1912, to May, 1916, this company's specific job contracts specified a stated maximum amount of shipment per [fol. 2643] month. Since the latter date this company's contracts have contained no such limitation.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required dealers to submit signed monthly statements showing deliveries on specific job contracts.

No. 19

Practice as to Making Blanket Contracts

Since 1912 this company has always refused to make blanket contracts except with railroads, the United States Government and large industrial companies. Since 1917 this company has refused to make blanket contracts even with large industrial companies.

No. 20

Practice as to Selling Railroads

Until March 4, 1919, this company contracted with railroad companies for future delivery, covering their estimated yearly require-
[fol. 2643½] ments. Effective March 4, 1919, the company quoted railroads only for fifteen day delivery on current or direct requirements or extended delivery for an agreed time on specific work which could be accurately identified and which would be uniform with the company's regular conception of a specific job contract.

No. 21

Practice as to Selling Industrials

Until July 15, 1918, this company sold industrial plants for extended delivery time on contracts covering their estimated yearly requirements. From July 15, 1918, to date industrial plants are sold for extended delivery only on specific job contracts in which the work is accurately identified and which conform to the company's conception of a specific job contract.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always sold at the dealers' price to manufacturers of concrete products if such customers are also dealers in building materials as well as manufacturers of such products.

Prior to April, 1913, the company sold concrete products manufacturers for future delivery either on direct orders for shipment [fol. 2644] within thirty days or else on contracts for future delivery for estimated requirements over a period not exceeding the current year. From April, 1913, to April, 1916, the company sold concrete block manufacturers for extended delivery only on specific job contracts. Since April, 1916, the company sells cement block manufacturers only for fifteen day delivery, not closing specific job contracts with such manufacturers.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used salesmen's order forms since 1912. The form was not changed between that time and 1915 in any substantial manner. Since June, 1915, the order form has not been changed, except as to change in rates of discount, etc. While the form bears a place for the signature of the customer it is rarely signed by him.

No. 24

Practice as to a Separate Charge for Bin Tests

This company's practice as to bin tests and separate charges therefor has varied. From about January, 1913, to January 28, 1915, there was a bin test charge of six cents. From January 28, 1915, to May 29, 1915, there was a bin test charge of nine cents. From May 29, 1915, until May 16, 1921, there was a bin storage charge of three [fol. 2644½] cents a barrel. Since May 16, 1921, this company has made no charge for such service.

No. 25

Practice as to Assuming Expense of Commercial Laboratory Tests

This company has never borne the expense of commerical laboratory tests since it commenced business.

No. 26

Practice as to Repurchase of Cloth Sacks

Since 1912 this company has adhered strictly to the rule not to repurchase cloth sacks from its customers which were not in serviceable condition.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always quoted and sold dealers at the dealers' price for shipment to towns other than their home towns.

[fol. 2645] No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for re-sale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never observed the dealers' definition in quoting the dealers' price, and a large percentage of the customers of this company who have received the dealers' price have never complied with the definition.

No. 29

Practice as to a Dealer's Differential in Price

From January 29, 1913, until December 27, 1913, this company quoted dealers on jobs requiring not more than 7,500 barrels, five cents a barrel less than the consumers.

From December 27, 1913, until the latter part of 1914, the five cent differential was observed up to 15,000 barrels.

From January 28, 1915, to February 23, 1915, the five cent differential was observed on jobs requiring less than 3,000 barrels.

[fol. 2645½] On February 23, 1915, to December 6, 1916, a differential of five cents a barrel was allowed to dealers on all work regardless of quantity.

Since December 6, 1916, a differential of ten cents a barrel has been allowed dealers regardless of quantity.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

Up to 1916 this company discouraged payment of commissions to dealers on sales direct to others, but there are some instances up to that year where the company did actually pay commissions to dealers where the sales were made directly to others. Since the latter part of 1916 this company has never paid commissions to dealers on sales made direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has never given any special concessions in any form directly to buyers.

[fol. 2646] No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never incorporated waterproofing compounds with cement at any of its mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company's contracts for future delivery contained no clause guaranteeing against decline from at least as early as 1912 to April, 1919.

From April, 1919, to January 31, 1920, this company's contracts contained a clause guaranteeing against decline.

From January 31, 1920, the use of the decline clause was eliminated, but about September, 1920, the company again resumed using it and has continued to do so up to the present time.

[fol. 2646½]

No. 35

Practice as to Making Efforts to Induce Dealers Not To Resell Below the Consumers' Price

This company has never attempted to induce dealers not to sell below the consumer's price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they were bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company belonged to the following dealers' organizations and its records indicate that its membership covered in part at least the periods herein given:

The West Virginia Lumber & Builders' Supply Dealers Association from April, 1916, to April, 1917.

Mason Material Dealers Association of New Jersey during 1917.

[fol. 2647] National Builders Supply Association during 1916 and 1917.

New York State Builders Supply Association during 1915 and 1916 and 1917.

Del-Mar-Col Builders Material Association during 1915, 1916 and 1917.

It also belonged to the New England Builders Supply Association during 1916 and 1917.

After the period mentioned this company has belonged to no dealers' organizations.

Examined and found correct.

John C. Bowen.

[fol. 2647½]

DEF'TS' EX. NO. D-517 N

Nazareth Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence, and Quotations and the Ledgers and other Documentary Evidence of Nazareth Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

Prior to 1916 this company's trade quotations were for acceptance within from five to twenty days. From January 1st, 1916, to the present time this company's trade quotations have been for immediate acceptance.

[fol. 2648] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Since January 1st, 1916, this company's trade quotations have been for shipment within fifteen days from the date of the order. Prior to January 1st, 1916, there was no provision as to the time within which shipment must be made.

No. 3

Practice as to Quantity Limit in Trade Quotations

Prior to January 1st, 1916, this company's trade quotations contained no limitation as to the quantity to be ordered. From January 1st, 1916, to the present time the company's trade quotations are limited to one carload unless otherwise expressly stipulated in the quotation.

No. 4

Practice as to Cash Discount

This company allowed a cash discount of one cent a barrel from November 1, 1912, to January 24, 1914, a discount of two cents a barrel from January 24, 1914, to November 14, 1915, a discount of five cents a barrel from November 14, 1915, to July 15, 1920, and a [fol. 2648½] discount of ten cents a barrel from July 15, 1920, until the present time.

Since November 1, 1912, the time within which payment must be made has been limited to ten days in the quotations and contracts, but as a matter of practice the company in each year frequently allows the discount when payment is made at a later date.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company has been selling its own product since November 1, 1912, and in that time it has always sold at a price including packages and has never sold the cement separate from the packages in which it was contained except sales made in 1920 to the Carolina Portland Cement Company and to the Long Island Railroad Company.

No. 6

Practice as to Dating of Invoices

Since this company commenced selling its own product on November 1, 1912, it has never dated an invoice other than on the day shipment was made.

[fol. 2649]

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

Prior to 1916 this company's quotations and contracts do not mention anything concerning responsibility for loss or damage en route. Since January 1, 1916, its quotations and contracts state that it will not be responsible for shortage or damage in transit. In practice the company has always refused to assume responsibility for loss or damage in transit.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Prior to 1916 this company's contracts and quotations did not contain the clause that orders entered for shipment on a specific date will be shipped on that date unless sooner ordered out by the purchaser. This provision is contained in the company's contracts and quotations since January 1st, 1916.

In practice the company has always, both before and after 1916, accepted orders for shipment on a future date, but allowed the customer to advance or extend the shipping date as he desired.

[fol. 2649½]

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has never limited the time for making specific job quotations to ten days or any other time before the date bids are to be received. Its practice in that respect has varied with the job and the customer.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

Prior to 1916 this company used no specific job quotation forms and had only one form of quotation on which it stated "For specific contracts requiring longer time of delivery, ask for prices."

When prices were asked a memorandum of agreement form was used which was not dated when sent out and only contained an acceptance date.

From January 1, 1916, to December 1, 1916, specific job quotations were limited to acceptance within five days of the award of the contract and thirty days from the date of quotation.

Since December, 1916, the specific job quotations were for acceptance within five days of the formal award of the contract and further for acceptance within a limited time from the date of the quotation, usually fifteen days.

[fol. 2650] No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company has never required the execution of a formal specific job contract following the acceptance of a quotation. The quotation when accepted by the customer and returned to the company constitutes the only contract that the company has ever used. The quotation after acceptance by the customer does not have to be signed or approved by an officer of the company but is binding as soon as accepted by the customer.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering Into a Specific Job Contract with the Dealer

This company has never required the execution of a written contract between the dealer and his customer in cases where it enters into specific job contracts with the dealer.

[fol. 2650½] No. 13

Practice as to Entering Into a Specific Job Contract with the Dealer Before He had Sold the Cement to the Consumer

This company has never to its knowledge sold cement to dealers on specific job contracts before the dealer had sold the cement to his consumer.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company has never declined to make a specific job contract because the plans for the construction work had not been drawn or because the time of completion of the construction work had not been estimated or because the bids or proposals for the construction work had not been asked for. The company always has entered into specific job contracts whenever requested.

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has no record of ever having been asked to bid on a specific job contract for less than one carload.

[fol. 2651] No. 16

Practice as to Permissible Variations in Quantity of Specific Job Contracts

Since this company began selling direct to customers on November 1st, 1912, and until January 1st, 1916, its practice varied as to the limitation of cement to be delivered under its specific job contracts, the contracts themselves during this period containing no limitation except such as may have been written in on the typewriter in individual cases; since January 1st, 1916, the quantity covered in its specific job contracts has always been estimated, with an allowable variation of ten per cent more or less.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

While the company's specific job quotations and contracts contain the clause, "Quantity to be shipped not to exceed, however, — barrels within any one month," this is never filled in, and a stated maximum of shipments each month is not required to be stated by the customer.

[fol. 2651½] No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly statement from the dealer showing deliveries made by him on specific job contracts.

No. 19

Practice as to Making Blanket Contracts

This company has always made blanket contracts since it began selling direct to its customers in November, 1912.

No. 20

Practice as to Selling Railroads

From 1912 to September 9, 1918, this company has sold railroads and electric lines at consumers' prices; from September 9, 1918, to December 9, 1918, it sold to railroads and electric lines at the Government price; from December 9, 1918, to the present time it has sold railroads and electric lines at dealers' prices. In some cases the sales to railroads and electric lines have been f. o. b. the company's [fol. 2562] plant, in others f. o. b. their lines to nearest junction points; and in other cases f. o. b. point of destination. The sales to railroads and electric lines have always been for future delivery.

No. 21

Practice as to Selling Industrials

This company has always sold to industrials at the consumers' price on contracts for future delivery.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always sold to concrete products manufacturers at the consumers' price, and in some cases for future delivery.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has never provided its salesmen with order blanks to be signed by the customer.

[fol. 2652½] No. 24

Practice as to a Separate Charge for Bin Tests

This company during 1913 and 1914 and the month of January, 1915, made a charge of six cents a barrel for bin test; from February 1st, 1915, to December 16th, 1915, no charge was made; from December 16th, 1915, to August 2nd, 1921, a charge of three cents per barrel was made; from August 2nd, 1921, to date no charge has been made.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never assumed the expense of commercial laboratory tests since it commenced business in 1912.

No. 26

Practice as to Repurchase of Cloth Sacks

In 1913 this company made allowance in full for all serviceable sacks returned; after 1913 it made full allowance, not only for serviceable sacks but for those actually worn out by continuous service; it has only refused credit on returned sacks which had evidently been abused; and in every year it has paid for some sacks which it was unable to use again.

[fol. 2653] Since May 1, 1920, the company's contracts of sale provided that it retain title to the sacks, and are merely leased to the customer. Prior to that time the sacks were sold and repurchased.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always quoted and sold to dealers for shipment to towns other than their home towns at dealers' prices.

No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply With Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never limited its sales at dealers' prices to persons conforming to the definition of a dealer quoted above.

[fol. 2653½] No. 29

Practice as to a Dealer's Differential in Price

On January 27th, 1913, this company allowed a dealer's differential of five cents a barrel less than the consumer's price. This differential was observed until December 6th, 1916, when it was advanced to ten cents a barrel, at which figure it has remained since then.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This Company has in every year paid commissions to dealers on cement sold direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has given special concessions to its buyers in many cases since 1913 to the present time.

[fol. 2654]

No. 32

Practice as to Mixing Waterproofing Compounds With Cement at the Mills

This company in 1914 and 1915 mixed waterproofing compounds with cement at the mills to a small extent, but discontinued doing so on September 15th, 1915, because of the bad results which the mixture had upon the machinery and because of its injurious effect upon the employe.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company never inserted a clause guaranteeing contracts of sale against a decline in price until May 13, 1919. Such a clause has been inserted in typewriting on its specific job quotations from that date until the present time. The company has never used such a clause in its trade quotations.

[fol. 2654½]

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never made any effort to induce dealers not to resell below the consumers' price, nor has it in any way interfered with the price that its dealers would charge on a resale of cement.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They were Bidding

This company has never required dealers to state in their bids the name of the brand on which they were bidding.

No. 37

Practice as to Membership in Dealers' Organizations

From 1913 to May 5, 1917, this company was a member of the Mason Material Dealers' Association of New Jersey and withdrew on the latter date.

From 1914 to May, 1917, they were members of the New York State Builders' Supply Association.

From May, 1917, to the present time, the company has not been a member of any such organization.

Examined and found correct.

Nazareth Cement Co., by S. J. Fehnel.

[fol. 2655] DEF'TS' EX. NO. D-517 O

Penn-Allen Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Penn-Allen Cement Company Showing the Trade Practices of the Company

NOTE.—From 1910 to 1915 the product of this company was sold William G. Hartfranft Cement Company of Philadelphia, so that the trade practice proof of this company will not antedate 1915.

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

In 1915 trade quotations were for acceptance within seven days. In April, 1916, acceptances were limited to five days. This limita-
[fol. 2655½] tion continued until March 27, 1917, since which time quotations have been for immediate acceptance.

No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotations

In 1915 this company's quotations were for shipment within thirty days from the date of the quotation. In April, 1919, the quotations were limited to shipment within fifteen days from the date of the quotation and that was effective until March 27, 1917, when it was changed to shipment within fifteen days of the date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

In 1915 trade quotations were for a unit of 150 barrels. In 1916 the quotations were for a unit of 300 barrels, and on March 27, 1917, the unit was changed to one car. This latter unit has been used since that date.

No. 4

Practice as to Cash Discount

From July, 1915, to November, 1915, a cash discount of two cents a barrel was allowed. From November, 1915 to July, 1920, a cash [fol 2656] discount of five cents a barrel was allowed. From July, 1920, to date the cash discount has been ten cents a barrel.

This discount has been allowed only if payment was made within ten days of the date of the invoice. There has been no change in the time in which discount can be taken since this company started to sell its output in 1915.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company has never quoted cement at a price excluding packages and has never had any request to sell cement exclusive of packages with the exception of sales made in 1919 and 1922 to the Federal Concrete Company, Buffalo, N. Y.

No. 6

Practice as to Dating of Invoices

This company since it began selling its output in 1915 has never dated an invoice other than on the day shipment was made.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company has never held itself responsible for loss or damage [fol. 2656½] occurring in transit. Since March, 1917, its contracts and quotations have contained a clause disclaiming liability therefor.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Since 1915 this company has not made it a term of sale that orders entered for shipment on a specific date should be shipped out on that date unless sooner ordered out by the purchaser. Where request is made for extension of time of shipment it has always been granted.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids Are to be Opened

This company has never limited the time for making specific job quotations and has always given them regardless of the time of bidding.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

During 1915 the company's quotations were only good for accept-
[fol. 2657] ance within five days from the date quotation was made. Later in the year 1915 this period was extended to seven days. During 1916 quotations were made good for acceptance within a period which varied considerably, sometimes being limited to five days and sometimes to as much as thirty days and sometimes also limited to acceptance within five days of the formal award of the contract.

Since March 27, 1917, the quotation is for acceptance within five days of the formal award of the contract and is void if not accepted within fifteen days from the date of the quotation.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company does not now and never has required the execution of a regular form of specific job contract. The company makes a quotation and when the customer accepts it, that is treated as a contract.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering Into a Specific Job Contract with the Dealer

This company has never required the execution of a written con-
[fol. 2657½] tract between the dealer and his customer in the cases where the company enters into a specific job contract with the dealer.

No. 13

Practice as to Entering Into a Specific Job Contract with the Dealer, Before He Had Sold the Cement to the Consumer

This company has never knowingly placed a specific job contract with a dealer until after the dealer had closed his contract with the customer.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company has never declined a specific job contract because the plans had not been drawn or because the time of completion of the construction work had not been estimated, but it has declined to make such a contract in cases where the construction work has not yet been asked for.

[fol. 2658]

No. 15

Practice as to Minimum Quantity to be Sold Under a Specific Job Contract

This company has never made a specific job contract for less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company has never provided in its specific job contracts and quotations for a variation over or under the quantity ordered. Its practice has always been to contract for the entire and actual quantity which shall be used in the work, with an estimate as to what that quantity would be.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment Per Month

This company's contracts have never contained a provision for a stated maximum amount of shipment per month on its specific job contracts.

[fol. 2658½]

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never insisted on a signed report from the dealer showing his deliveries on the specific job.

No. 19

Practice as to Making Blanket Contracts

This company has at times made blanket contracts. Such contracts appear in the years 1915, 1916 and 1918.

No. 20

Practice as to Selling Railroads

This company has quoted railroads on current business for shipment within fifteen days and has at times contracted for deliveries of cement to railroads for a period up to one year.

[fol. 2659]

No. 21

Practice as to Selling Industrials

This company since 1915 when it began selling its own product has always sold industrials on current business only for fifteen day shipment. The only exceptions occurred in two cases in 1916. It has always sold industrials for specific work for future delivery.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company since it began selling in 1915, always sold concrete products manufacturers at the consumers' price except where such manufacturers were also dealers. From 1915 to 1919 concrete product manufacturers were sold for thirty days delivery and from 1919 to date for fifteen days shipment.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has never provided its salesmen with a form of order blank and orders from customers are taken orally and by letter or telegram. The company does not insist on a signed order from the customer and never has.

[fol. 2659½]

No. 24

Practice as to a Separate Charge for Bin Tests

This company has made a charge for bin tested cement from March 16, 1917, to May 21, 1921, of three cents per barrel. It has made no separate charge for bin tested cement prior to or subsequent to that period.

No. 25

Practice as to Assuming Expense of Commercial Laboratory Tests

This company has never borne the expense of commercial laboratory tests.

No. 26

Practice as to Repurchase of Cloth Sacks

There has been no change in this company's practice in this regard since 1915. The company does not buy its empty sacks from jun' dealers, but will buy them back from anyone else, not limiting the purchase to the original purchaser of the cement. It has also allowed by additional special credit, credit on worthless bags shown on the original credits.

[fol. 2660]

No. 27

Practice as to Quoting Dealers for Shipment to Towns other than Their Home Towns

This company has always quoted and sold to dealers for shipment to towns other than their home towns.

No. 28

Practice as to Selling at the Dealers' Price to Persons who do not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never limited its dealers' price to customers falling within the above definition.

No. 29

Practice as to a Dealer's Differential in Price

This company has always made a distinction between dealers and [fol. 2660½] consumers, the differential being five cents per barrel until December 17, 1916, when it was made ten cents per barrel, at which figure it has remained constant since then.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has never paid commissions to dealers.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has never made any special concessions in any form, directly or indirectly, to buyers.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company incorporates waterproofing compounds with cement at its mills. It has done this off and on since 1914.

[fol. 2661] No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of a price change and it has always made its quotations effective on the date the quotation was made.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company never guaranteed a price against decline in its quotations or contracts except in the year 1919.

No. 35

Practice as to Making Efforts to Induce Dealers not to Resell Below the Consumers' Price

This company has never made any effort to interfere in any way with the prices charged on the resale of its cement by its customers.

[fol. 2661½] No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They were Bidding

This company has never attempted to require dealers to state in their bids the name of the brand on which they were bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' association except the Del-Mar-Col of Maryland from 1916 to 1918.

Examined and found correct.

M. J. Trainor.

[fol. 2662] DEF'TS' EX. NO. D-517P

Pennsylvania Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledger and other Documentary Evidence of Pennsylvania Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

This company has never had any form of trade quotation. Quotations are made to the trade by the company's salesmen verbally, by telephone and by letter. These quotations are made by letter only upon request and contain no time limit for acceptance.

[fol. 2662½] No. 2

Practice as to time of Shipment of Trade Orders as Specified in Quotation

This company has never used trade quotation forms. Most of the quotations which this company has sent out by letter in response to the request of its customers have contained no limitation as to the time of shipment, although in some instance in 1920 a 15-day limitation as to shipment appears. There is no uniform practice in this respect.

No. 3

Practice as to Quantity Limit in Trade Quotations

This company has never used any form of trade quotation. Its quotations by letter to its customers when made upon request usually quoted on the quantity which the customer desired unless it was less than one carload, in which cases the quotation was given on one carload, and where the customer did not state any quantity in his inquiry the quotation contained no quantity limitation.

No. 4

Practice as to Cash Discount

This company allowed a cash discount of one cent per barrel from [fol. 2663] the latter part of 1907 to January 15th, 1914, inclusive. It allowed a discount of two cents per barrel from January 15th, 1914, to January 16, 1916. It allowed a discount of five cents per barrel from January 16th, 1916, to June 10th, 1920. From the latter date to the present time this cash discount has been ten cents per barrel. It has in many cases allowed the cash discount after the 10-day period had expired.

No. 5

Practice as to Selling Cement at a Price Including Packages

It has always been the uniform practice of this company to quote on cement including packages. The company has no record of ever having quoted prices with the package separate except in cases in which it sold cement in bulk, these exceptions occurring, however, only when bags were unobtainable.

No. 6

Practice as to Dating of Invoices

Since this company has been doing business it has always dated invoices on the date of shipment and there is no record that it has ever dated an invoice other than on the date shipment was made, with the exception that for sometime prior to 1916 the company delivered by truck in New York from its boats, in which case the invoices were dated on the day of delivery. This was discontinued in 1916.

[fol. 2663½] No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company's contracts have never contained a clause exempting it from responsibility for loss or damage in transit.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Since 1914 this company's contracts have contained a clause that the cement furnished under the contract must be ordered out prior to a certain date unless the time is extending in writing by the seller. There has never been any other provision in the company's contracts bearing on this question.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids are to be Opened

This company has never limited the time for making specific job quotations. It has always quoted when requested without regard to the time when bids are to be opened.

[fol. 2664] No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company's specific job quotations have always provided that acceptance must be made within 15 days. This has been the company's practice since as early as 1913.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company has never used a separate form of specific job sales contract. Prior to 1914 the company's quotations were accepted by letter, which constituted a contract. The quotations in use since 1914 when accepted by the customer are signed by an officer of the company and when so signed constitute a contract.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

This company has never required that a written contract be entered into between the dealer and the consumer before it would enter [fol. 2564½] into a specific job contract with the dealer.

No. 13

Practice as to Entering Into a Specific Job Contract with the Dealer, Before He Had Sold the Cement to the Consumer

This company's practice has always been to sell cement to the dealer on specific job contracts without inquiring whether or not he has sold it to his consumer.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has never declined a specific job contract because the time of completion of the construction work had not been estimated or because the plans had not been drawn or because the bids or proposals for the construction work had not been asked for.

[fol. 2665]

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has never quoted and has never been requested to quote on a specific job contract for less than one carload as far as any of the company's records disclose.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

Since at least as early as 1915 this company's specific job contracts have contained a provision that if the amount provided for should be "more or less" it is understood to imply a leeway of not more than 15 per cent. Since that date the company's specific job contracts have either been for a specific amount as stated or for amount with the phrase "more or less."

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job contracts have provided since as early as 1915 that the cement shall be ordered out in equal monthly proportions. This clause is seldom enforced and frequently the cus-[fol. 2665½] tomer is permitted to order out the cement on such deliveries as the job requires.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never requested signed monthly statements from the dealer holding a specific job contract showing his deliveries on the specific job except in 1920 when a few requests were made to dealers in New York City for such reports. The company's contracts since as early as 1915 have contained the clause that the company may require the purchaser to furnish satisfactory evidence that the cement is being used in the construction of the work specified, but no other clause bearing on this question has ever appeared in the company's contracts.

No. 19

Practice as to Making Blanket Contracts

This company since as early as 1915 has made blanket contracts.

[fol. 2666]

No. 20

Practice as to Selling Railroads

This company has always since 1915 sold to railroads for their yearly requirements. In some cases the sales were made at the dealers' price and in some at the consumer's price.

No. 21

Practice as to Selling Industrials

The company has always sold to industrial plants and electric lines for their yearly requirements at prices sometimes above the dealers' price and sometimes at the dealers' price.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has sold manufacturers of concrete products sometimes at the dealers' price, and sometimes at the consumers' price, and for delivery within 15 days or without any stated limitation as to shipment, but which the company treats as immediate delivery, as in the case of all trade quotations.

[fol. 2666½] No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

Since as early as 1911 this company has used an order blank which contains a space for the purchaser's signature. This blank is rarely signed by the customer, but the company executes its orders whether the blank is signed by the purchaser or not.

No. 24

Practice as to a Separate Charge for Bin Tests

Prior to June 1st, 1915, this company made a charge of six cents per barrel for bin tests. From June 1st, 1915, to June 3rd, 1921, the charge was three cents per barrel. From June 3rd, 1921, to the present time there has been no charge for bin tests.

No. 25

Practice as to Assuming Expense of Commercial Laboratory Tests

This company has never borne the expense of a commercial laboratory test unless in the case of dispute with a customer as to the quality of the cement furnished him, when a test has been made merely as a matter of settlement of the dispute.

[fol. 2667] No. 26

Practice as to Repurchase of Cloth Sacks

This company in many instances in every year since at least as early as 1915 has given credit for worthless sacks.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always quoted to dealers for shipment to towns other than their home towns except in cases where the company had a dealer at the delivery point.

No. 28

Practice as to Selling at a Dealers' Price to Persons Who Do Not Comply With Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials purchased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This Company has sold in every year to dealers at the dealers' price who do not comply with the above definition.

[fol. 2667½] No. 29

Practice as to a Dealer's Differential in Price

This company has never adopted a uniform practice as to dealers' differential, and in every year since it has been in business and up to the present time its differential between dealers' and contractors' prices has varied from 5 to 25 cents and it has been different in each year according to the locality in which the dealer was situated.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has in every year paid commissions to dealers on cement sold direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has from time to time made special concessions to buyers.

[fol. 2668] No. 32

Practice as to Mixing Waterproofing Compounds With Cement at the Mills

This company's policy has always been not to mix waterproofing compounds with its cement at the mill. There are a very few exceptions to this policy.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

Prior to 1918 this company did not guarantee sales against decline in price. About the middle of that year the company stamped upon its contracts a guaranty that the price of undelivered cement would be adjusted to market price at the date of delivery, but such stamp was used only when the customer requested it.

[fol. 2668½] No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never made any efforts to induce dealers not to resell below the consumers' price.

No. 36

Practice as to Requiring Dealers to State In Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company was a member of the Mason Material Dealers Association of New Jersey from 1913 to 1917; the Eastern Pennsylvania Building Material Dealers Association until 1917.

Examined and found correct.

James W. Alder.

[fol. 2669] DEF'TS' EX. No. D-517Q

Phœnix Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Phœnix Portland Cement Company Showing the Trade Practices of the Company

NOTE.—Prior to 1917 this company's entire product was marketed by the William G. Hartranft Company as sole selling agent, and the company has no record of any trade practices affecting its product prior to that period.

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

This company has used the same form of trade quotations since it [fol. 2669½] commenced to sell direct to the trade. The quotation is not in terms limited for acceptance, but is stated to apply only to immediate orders.

No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Since this company began to sell direct in 1917 its trade quotations have all been for shipment within fifteen days from the date of the order.

No. 3

Practice as to Quantity Limit in Trade Quotations

Since this company began selling direct in 1917 its trade quotations have contained a clause that unless otherwise agreed the quotation is limited to one carload of cement.

No. 4

Practice as to Cash Discount

This company allowed a cash discount for payment in full within ten days of the date of the invoice of five cents a barrel, from as far [fol. 2670] back as its records are available until July 15th, 1920. It has allowed a cash discount of ten cents a barrel since that time. It customarily allows the cash discount when payment is made a longer time than ten days from the date of the invoice.

No. 5

Practice as to Selling Cement at a Price Including Packages

As far back as this company's records go it has always quoted and sold cement at a price including package. The only request it had to sell cement separately from the package was from the Bureau of Supply and Accounts of the Navy Department.

No. 6

Practice as to Dating of Invoices

This company has no record of any case in which it has ever dated an invoice other than on the day shipment was made.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

This company has never assumed responsibility for loss or damage en route and has always provided as a term of sale that its responsibility ended with the delivery of the cement to the carrier.

[fol. 2670½] No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company's trade quotations have always contained a clause that orders entered for shipment on a specific date will at its option be shipped on that date unless sooner ordered out by purchaser. There is no record of its ever having enforced this provision.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids Are to be Opened

This company has never declined to make specific job quotations because the bids are not to be received in a specific time. It has always made quotations on request, but as all of the specific job quotations are limited to fifteen days' acceptance the quotation is in fact not effective after that time, and the company does not guarantee the price to be in effect at the time the bids are opened, if that is more than fifteen days after the making of the quotation.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company's specific job quotations are limited for acceptance within fifteen days. There has been no variation in that practice [fol. 2671] since the company commenced to sell in 1917.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

This company now requires the execution of a regular form of specific job sales contract following the acceptance of its quotation. Prior to the summer of 1920 it did not require a separate form of contract, but merely the acceptance at the foot of its specific job quotation.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering Into a Specific Job Contract With the Dealer

This company has never required that a written contract be entered into between the dealer and the consumer before it will enter into a specific job contract with the dealer.

No. 13

Practice as to Entering Into a Specific Job Contract With the Dealer Before He Had Sold the Cement to the Consumer

This company has never to its knowledge sold cement to dealers on specific job contracts before the dealer had sold the cement to his customer.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work Was Ready to Proceed

This company can find no correspondence or records of any case in which it has refused to make a specific job contract because the construction work had not been awarded to the contractor.

No. 15

Practice as to Minimum Quantity to Be Sold Under a Specific Job Contract

This company has never made a specific job contract for less than one carload.

[fol. 2672]

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's specific job contracts have never limited the amount to be called for. The agreement is to furnish the full re-

quirements for the job, with an estimate as to the amount that is to be required.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

As far back as the company's records go it has always stipulated in its specific job contracts a maximum shipment which it should not be required to exceed in any thirty days, and a period beyond which it should not be required to ship on the contract in any event.

No. 18

Practice as to Requiring a Signed Monthly Report From the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly statement from the dealer showing deliveries made by him on specific job contracts.

[fol. 2672½] No. 19

Practice as to Making Blanket Contracts

This company has never made any blanket contracts with others than the United States Government, states, counties, municipalities and steam railroads.

No. 20

Practice as to Selling Railroads

During 1917 this company sold railroads their year's requirements on blanket contracts at the consumer's price. Since 1918 it has sold railroads at the dealer's price, but only on its regular specific work contracts or for current shipments within fifteen days.

No. 21

Practice as to Selling Industrials

This company has no contracts in its files showing sales to industrials or electric lines.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always sold at the dealer's price to some concrete products manufacturers. It has no record of having sold any [fol. 2673] concrete products manufacturers for future delivery.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used its own order form, with a place for the signature of the customer, since it began to sell direct in 1917. It is not usual to enforce the signature of the customer, the order usually being signed only by the salesman.

No. 24

Practice as to a Separate Charge for Bin Tests

This company usually made a charge of 3 cents a barrel for bin tested cement from the time it commenced to sell direct to customers until the spring of 1921. Since that date it has made no charge for this service. In some instances it furnished bin tested cement at no extra charge prior to that date.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of commercial laboratory tests since it commenced business.

[fol. 2673½] No. 26

Practice as to Repurchase of Cloth Sacks

This company has never repurchased cloth sacks from its customers that were not in serviceable condition. There has been no change as to its practice in that regard from that which prevailed while it was selling to the Hartranft Company as its sole selling agent.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has in every year quoted and sold dealers for shipment to towns other than their home towns at the dealers' price.

No. 28

Practice as to Selling at the Dealer's Price to Persons Who Do Not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling portland cement and other building materials purchased

by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

[fol. 2674] This company has never confined its sales at the dealers' price to persons complying with the above definition.

No. 29

Practice as to a Dealer's Differential in Price

When this company commenced selling direct in January, 1917, it allowed a dealers' differential of 10 cents per barrel below the consumers' price and it has always observed this differential since then.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has in every year paid commissions to dealers on cement sold direct to others.

No. 31

Practice as to Giving Special Concessions to Buyers

This company has from time to time made special concessions to buyers to induce sales.

[fol. 2674½]

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has never incorporated waterproofing compounds with cement at its mills.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

Since April 1st, 1919, this company has guaranteed its specific work contracts against a decline in price whenever such a guarantee has been requested by the purchaser. It did not incorporate such a guarantee in its contracts from 1917 to 1919.

[fol. 2675] No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never attempted to induce dealers not to resell below the consumers' price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization.

Examined and found correct.

A. W. Nash, Jr.

[fol. 2675½] DEF'TS' EX. NO. D-517R

Security Cement & Lime Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Security Cement & Lime Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

From 1912 to 1916 the time limited for acceptance of trade quotations varied; in some cases no time limit was mentioned, some were for five days' acceptance, some for ten days' acceptance and some for prompt acceptance.

[fol. 2676] From the beginning of 1916 to October 28th, 1916, some were for acceptance within ten days and some were for acceptance within five days.

From October, 1916, until September, 1918, they were for acceptance within fifteen days. Since September, 1918, they have been for immediate acceptance.

This company has always made some trade quotations in special letters instead of on printed quotation forms, and usually such letters have no time limit for acceptance.

No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

Prior to 1916 the company's trade quotations were usually limited for shipment within thirty days. Since October, 1916, they have been limited for shipment within fifteen days from the date of order.

No. 3

Practice as to Quantity Limit in Trade Quotations

Prior to September, 1918, this company's trade quotations were in carload lots with no limitation as to the number of carloads.

Since September 13th, 1918, they have been in terms limited to one carload.

[fol. 2676½]

No. 4

Practice as to Cash Discount

This company allowed a cash discount for payment in full within ten days from date of invoice of one cent per barrel from some time in 1911 to February 1st, 1914. It allowed a cash discount of two cents a barrel from February 1st, 1914, to November 17th, 1915; a cash discount of five cents a barrel from November, 1915, to July, 1920, and a cash discount of ten cents a barrel since the latter date.

This company has never strictly enforced the ten day limitation and has frequently allowed cash discounts after the ten day period had expired.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company has always quoted and sold cement at a price including packages with the exception of certain sales of cement in bulk and certain contracts with departments of the United States Government. Other than in these cases it has no record of ever having received a request for cement in packages with prices separate.

No. 6

Practice as to Dating of Invoices

This company has, since it has been in business, never dated an invoice other than on the day shipment was made.

[fol. 2677]

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

Prior to 1915 this company's terms of sale were at a price with freight allowed to the customer's station, with a specific disclaimer for liability for loss or damage in transit sometimes included in the contract and sometimes not.

Since January, 1915, the company's printed forms have contained a specific disclaimer of such liability. In practice, however, the company has sometimes assumed and paid claims arising from damage in transit.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

This company's contracts of sale and quotations have never provided that orders entered for shipment on a specific date would be shipped on that date unless sooner ordered out by the purchaser.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids Are to Be Opened

This company has never placed any limitation on the time before bids are received when it will make specific job quotations. It has [fol. 2677½] always made such quotations at any time requested by contractor. There has been no change as to its practice in this regard since 1911.

No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

From 1911 to 1916 this company's specific job quotations were limited for acceptance in varying times; in some cases for prompt acceptance, in others for acceptance by return mail and in some instances no time limit was imposed.

From March, 1916, to July, 1916, they were for acceptance within thirty days. Since July, 1916, they have been for acceptance within fifteen days.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotation Has Been Accepted

Prior to 1915 the company had no standard practice. In some cases specific job contract forms were executed and in other cases contracts were consummated by the acceptance of quotations made in letters or otherwise.

During the year 1915 and up to March, 1916, the execution of a written form of specific job contract was required in nearly every case.

Since March, 1916, the company has quoted for specific job contracts on a printed form containing a place for formal acceptance by the customer, and since that date it has not required the execution of a regular form of contract other than the acceptance of its quotation.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

From January, 1915, to March, 1916, the company's contract form contained a clause as follows:

"That the buyer has contract duly signed and executed on the —— day of —— ——, with —— ——, contractor, covering the work herein described (for whose benefit this contract is made)."

This provision was abandoned in March, 1916, and this company has not during any other period than that mentioned required a written contract between the dealer and consumer before entering into a specific job contract with the dealer.

[fol. 2678½] No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, Before He Had Sold the Cement to the Consumer

Prior to 1915 this company's contracts usually made no reference to this subject. From January, 1915 to March, 1916, this company's specific job contracts required a formal written contract in every case.

From March, 1916, to January, 1920, the specific job contracts were limited to the cement "the buyer shall furnish or use on the following described work," and since 1920 the company has inserted a provision in its contracts that the buyers "have actual need for or bona fide order or contract binding you to furnish stated quantity of Portland cement for work described."

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has no record of ever having declined a specific job contract because the plans for the construction work had not been drawn, because the time of completion of the construction work had not been estimated, or because the bids or proposals for the construction work had not been asked for.

[fol. 2679]

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has no record of ever having made a specific job contract for less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

Prior to 1915 this company's specific job contracts were not uniform. Some of them stated the maximum quantity that could be called for; some stated the estimated quantity with no restrictions as to variation, and some were for a definite fixed amount with no provision for variation.

From January 1st, 1915, to July, 1916, the contracts were for an approximate quantity with variation limited to ten per cent more or less.

Since 1916 its specific job contracts have been for the entire and actual quantity used in the particular work with an estimate of the amount to be furnished and no limitations as to variations from the estimate.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job contract forms have contained a clause with a space to fill in a stated maximum amount of shipment each [fol. 2679½] month that could be called for in unchanged phraseology since about the beginning of 1915. Prior to that time no regular form was used. In practice this clause is not filled out in many of the specific job contracts the company has executed from 1915 to the present time.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly statement from the dealer showing deliveries made by him on specific job contracts.

No. 19

Practice as to Making Blanket Contracts

This company has from time to time made blanket contracts with the United States Government, states, counties, municipalities, steam railroads and industrials.

During the year 1915 and up to March, 1916, the execution of a written form of specific job contract was required in nearly every case.

Since March, 1916, the company has quoted for specific job contracts on a printed form containing a place for formal acceptance by the customer, and since that date it has not required the excution of a regular form of contract other than the acceptance of its quotation.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering into a Specific Job Contract with the Dealer

From January, 1915, to March, 1916, the company's contract form contained a clause as follows:

"That the buyer has contract duly signed and executed on the —— day of —— ——, with —— ——, contractor, covering the work herein described (for whose benefit this contract is made)."

This provision was abandoned in March, 1916, and this company has not during any other period than that mentioned required a written contract between the dealer and consumer before entering into a specific job contract with the dealer.

[fol. 2678½] No. 13

Practice as to Entering into a Specific Job Contract with the Dealer, Before He Had Sold the Cement to the Consumer

Prior to 1915 this company's contracts usually made no reference to this subject. From January, 1915 to March, 1916, this company's specific job contracts required a formal written contract in every case.

From March, 1916, to January, 1920, the specific job contracts were limited to the cement "the buyer shall furnish or use on the following described work," and since 1920 the company has inserted a provision in its contracts that the buyers "have actual need for or bona fide order or contract binding you to furnish stated quantity of Portland cement for work described."

No. 14

Practice as to Declining to Enter into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has no record of ever having declined a specific job contract because the plans for the construction work had not been drawn, because the time of completion of the construction work had not been estimated, or because the bids or proposals for the construction work had not been asked for.

[fol. 2679]

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has no record of ever having made a specific job contract for less than one carload.

No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

Prior to 1915 this company's specific job contracts were not uniform. Some of them stated the maximum quantity that could be called for; some stated the estimated quantity with no restrictions as to variation, and some were for a definite fixed amount with no provision for variation.

From January 1st, 1915, to July, 1916, the contracts were for an approximate quantity with variation limited to ten per cent more or less.

Since 1916 its specific job contracts have been for the entire and actual quantity used in the particular work with an estimate of the amount to be furnished and no limitations as to variations from the estimate.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job contract forms have contained a clause with a space to fill in a stated maximum amount of shipment each [fol. 2679½] month that could be called for in unchanged phraseology since about the beginning of 1915. Prior to that time no regular form was used. In practice this clause is not filled out in many of the specific job contracts the company has executed from 1915 to the present time.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract, Showing His Deliveries on the Specific Job

This company has never required a signed monthly statement from the dealer showing deliveries made by him on specific job contracts.

No. 19

Practice as to Making Blanket Contracts

This company has from time to time made blanket contracts with the United States Government, states, counties, municipalities, steam railroads and industrials.

There has been no change in the company's practice in this regard for at least ten years.

[fol. 2680] No. 20

Practice as to Selling Railroads

This company's practice as to sales to railroads has not been uniform. Sometimes it has sold on yearly contract requirements, sometimes for specific amounts of cement to be taken during a definite period, sometimes on blanket contracts up to the maximum limit.

No. 21

Practice as to Selling Industrials

This company's practice in regard to sales to industrials has not been uniform. Sometimes it has sold on yearly contract requirements, sometimes for specific amounts of cement to be taken during a definite period, sometimes direct to dealers on regular dealer terms, sometimes on blanket contracts up to a maximum limit.

No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has sold in every year to concrete products manufacturers at the dealers' price. Its sales have usually been in carload lots, but it has occasionally sold them a specific tonnage for delivery through a definite period at a fixed price.

[fol. 2680½] No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has used a salesman's order blank since at least as early as 1911. The forms have changed somewhat from time to time. Usually the orders are signed by the salesman and it is not customary to have them signed by the customer.

No. 24

Practice as to a Separate Charge for Bin Tests

This company has made comparatively few contracts which required bin tested cement. Prior to 1916 in some cases it charged five cents a barrel for this service. Since 1916 when a charge has been made it has been at the rate of three cents a barrel.

No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests.

This company has not made a practice of bearing charges for commercial laboratory tests, but has occasionally done so.

[fol. 2681]

No. 26

Practice as to Repurchase of Cloth Sacks

Prior to 1920 this company sold sacks and repurchased them. Since 1920 it has retained title to the sacks, charging the customer a deposit to insure their return. The general policy of the company is to repurchase or accept the return of only such sacks as are serviceable and can be used again, but the company is not arbitrary, and frequently allows the claims of customers for the return of more serviceable sacks than the company's inspection justifies.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other than Their Home Towns

This company has always quoted and sold dealers for delivery at towns other than their home towns at the dealers' price.

No. 28

Practice as to Selling at the Dealers' Price to Persons Who Do Not Comply with Following Definition

"A dealer is a merchant, firm, or corporation regularly engaged in selling Portland cement and other building materials pur-
[fol. 2681½] chased by him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has never limited its sales at the dealers' price to persons confined to this definition.

No. 29

Practice as to a Dealer's Differential in Price

From 1913 to March, 1916, this company usually made a price to dealers five cents a barrel less than to consumers. Since March, 1916, it has usually made this differential ten cents a barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has in every year paid some commissions to dealers on cement sold direct to others.

[fol. 2682]

No. 31

Practice as to Giving Special Concessions to Buyers

This company has in every year made special concessions in various forms to buyers to induce sales.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has mixed waterproofing compounds with cement at its mills on request to do so by a customer. It has no record of ever having refused to do this when requested but the requests for this have been infrequent.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price changes.

[fol. 2682½]

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

Prior to 1919 none of this company's contracts contained a clause guaranteeing against a decline in price. Since January, 1919, some of its contracts have contained such a clause and others executed at approximately the same date have not contained it.

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never prescribed or dictated the price at which a dealer should resell its cement, and usually is not aware of the price obtained by the dealer from the buyer or user of the cement.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the name of the brand on which they are bidding.

[fol. 2683] No. 37

Practice as to Membership in Dealers' Organizations

This company was a member of the Del-Mar-Col Builders' Material Dealers' Association from 1914 to 1917. It resigned on the latter date and has not been a member of any dealers' association since then.

Examined and found correct.

John J. Porter.

[fol. 2683½] DEF'TS' EX. No. D-5178

Vulcanite Portland Cement Company

Trade Practices Exhibit

Summary of the Files of Invoices, Correspondence and Quotations and the Ledgers and Other Documentary Evidence of Vulcanite Portland Cement Company Showing the Trade Practices of the Company

No. 1

Practice as to Time Limit for Acceptance of Trade Quotations

From as early as April, 1913, to January 1st, 1916, the trade quotations of this company have been for a period of acceptance varying between fifteen and thirty days.

Beginning in January, 1916, the company has quoted for immediate orders only.

[fol. 2684] No. 2

Practice as to Time of Shipment of Trade Orders as Specified in Quotation

During 1914 this company quoted for shipment within a period varying between five and fifteen days. During 1915 and until October of that year the period of limitation for shipment was ten days. From October, 1915, to date the shipping period has been fifteen days.

No. 3

Practice as to Quantity Limit in Trade Quotations

During 1915 and until January 1st, 1916, the company's quotations were limited to three carloads. From January 1, 1916, to date the limit has been one carload, but this restriction is never lived up to.

No. 4

Practice as to Cash Discount

From 1909 to January 21, 1914, this company allowed a cash discount of one cent per barrel for payment in full within ten days from date of invoice.

From January 21, 1914, to November 29, 1915, the discount rate was two cents per barrel.

From November 29, 1915, to July 13, 1920, the discount was five cents per barrel.

[fol. 2684½] From July 14, 1920, to date the discount has been ten tents per barrel.

This company has never insisted strictly upon payment within ten days and there have been instances in every year since 1915 where discount has been allowed upon late payments.

No. 5

Practice as to Selling Cement at a Price Including Packages

This company has never sold cement otherwise than including packages except in cases where cement has been sold in bulk and certain sales to the departments of the Government.

No. 6

Practice as to Dating of Invoices

This company has never dated an invoice other than on the day of shipment.

No. 7

Practice as to Assuming Responsibility for Loss or Damage in Transit

From at least as early as February, 1913, and until May, 1915, this [fol. 2685] company's contracts contained the clause that it would not be responsible for loss incurred during transportation.

From May, 1915, to the beginning of December, 1915, its contracts contained the clause that claims for loss or damage would not be considered unless freight agent's acknowledgment of loss or damage on receipted freight bill and other documents were supplied.

From the beginning of December, 1915, to date the company's contracts have contained the clause that it would not be responsible for shortage or damage occurring in transit.

No. 8

Practice as to Orders Entered for Shipment on a Certain Date

Prior to January 1, 1916, this company did not make it a term of sale that orders would be shipped on the date specified unless sooner ordered out by the purchaser. Since that date the company has made that a term of sale. The company has never enforced this clause and has had no uniform practice in this respect.

No. 9

Practice as to Making Specific Job Quotations in Advance of the Time Bids Are to be Opened

This company has never limited the time for making specific job quotations and has always made them whenever asked for.

[fol. 2685½] No. 10

Practice as to Time Limit for Acceptance of Specific Job Quotations

This company has always, since as early as 1913, quoted on specific job contracts for acceptance within varying limits. It has, however, never enforced this limitation.

No. 11

Practice as to Requiring Execution of Formal Contract After Specific Job Quotations Has Been Accepted

Prior to March 11, 1920, this company's specific job quotations did not provide that when accepted a formal written contract should be executed. Since that date the quotations have carried the provision that acceptance of the quotation if approved by the company would cause it to send a regular form contract for the customer's signature.

No. 12

Practice as to Requiring a Written Contract Between Dealer and Consumer Before Entering Into a Specific Job Contract with the Dealer

This company has never required the dealer to enter into a written contract with the consumer before entering upon a specific job contract with the dealer.

[fol. 2686] No. 13

Practice as to Entering Into a Specific Job Contract with the Dealer Before He Had Sold the Cement to the Consumer

This company has never knowingly entered into a specific job contract with a dealer before the dealer had sold the cement to his customer.

No. 14

Practice as to Declining to Enter Into Specific Job Contracts Before the Construction Work was Ready to Proceed

This company has never declined to enter into specific job contracts because the construction plans had not been drawn or because the time of the completion of the construction work had not been estimated or because bids or proposals for the construction work had not been asked for.

No. 15

Practice as to Minimum Quantity to be Sold under a Specific Job Contract

This company has at various times made specific job contracts for less than one carload.

[fol. 2686½] No. 16

Practice as to Permissible Variations in Quantity on Specific Job Contracts

This company's specific job contracts have been for a stipulated number of barrels estimated as necessary to fill the requirements of the job; for a maximum quantity; for an estimated quantity, being the requirements of the job; for an amount between a minimum and maximum quantity, and also for an amount varying by 10%.

No. 17

Practice as to Inserting in Specific Job Contracts a Limitation on Maximum Shipment per Month

This company's specific job quotations and contracts have always specified a stated maximum amount of shipments per month.

No. 18

Practice as to Requiring a Signed Monthly Report from the Dealer Holding a Specific Job Contract Showing His Deliveries on the Specific Job

This company has never required a signed monthly report from the dealer showing the deliveries on specific job contracts. The

company's contracts never contained any such provision until March [fol. 2687] 11, 1921, and even since that date the provision has never been enforced.

No. 19

Practice as to Making Blanket Contracts

This company has always made blanket contracts.

No. 20

Practice as to Selling Railroads

This company has always sold railroads annual requirement contracts, sometimes at the consumers' price; sometimes at the dealers' price, and sometimes at a special price below the dealers' price.

No. 21

Practice as to Selling Industrials

This company until the beginning of 1918 sold industrials and electric lines for their yearly requirements through dealers. From the beginning of 1918 this practice has been discontinued and since then they have been handled for 15 day delivery or on specific job contracts.

[fol. 2687½] No. 22

Practice as to Selling Manufacturers of Concrete Products

This company has always sold manufacturers of concrete products for extended future delivery, but it has never sold them at the dealers' price except prior to March 1, 1915, when the company used no differential.

No. 23

Practice as to the Use of an Order Blank to be Signed by the Customer

This company has never used a form of order to be signed by the customer.

No. 24

Practice as to a Separate Charge for Bin Tests

This company has always made a bin test charge of from six cents to three cents per barrel, until the beginning of 1920, when it discontinued the practice.

[fol. 2688] No. 25

Practice as to Assuming the Expense of Commercial Laboratory Tests

This company has never borne the expense of commercial laboratory tests.

No. 26

Practice as to Repurchase of Cloth Sacks

This company has repurchased sacks which are not in serviceable condition. The company has at various times purchased sacks from other than the original purchaser.

No. 27

Practice as to Quoting Dealers for Shipment to Towns Other Than Their Home Towns

This company has always in every year since 1914 quoted dealers for shipment to towns other than their home towns at the dealers' price.

No. 28

Practice as to Selling at the Dealers' Price to Persons who do not Comply with Following Definition

"A dealer is a merchant, firm or corporation regularly engaged in selling Portland cement and other building materials purchased by [fol. 2688½] him for resale only, who is also properly equipped with storage facilities, supplied with teams or trucks and is recognized in his home town as a building material dealer."

This company has at various times sold at the dealers' price to persons who do not comply with the definition of a dealer.

No. 29

Practice as to Dealer's Differential in Price

Prior to March 1, 1915, this company used no differential. From March 1, 1915, to December 9, 1916, the differential was five cents per barrel. From December 9, 1916, to date the differential has been 10 cents per barrel.

No. 30

Practice as to Payment of Commissions to Dealers on Cement Sold Direct to Consumers

This company has occasionally paid commissions to dealers on cement sold direct to others.

[fol. 2689]

No. 31

Practice as to Giving Special Concessions to Buyers

This company has never given special concessions to buyers.

No. 32

Practice as to Mixing Waterproofing Compounds with Cement at the Mills

This company has at all times since 1913 mixed waterproofing compounds with cement at its mills, except for brief periods when there was a shortage of labor and supplies.

No. 33

Practice as to Giving Advance Notice of Change in Price

This company has never given advance notice of price change.

No. 34

Practice as to Guaranteeing Sales for Future Delivery Against a Decline in Price

This company had never guaranteed against decline in price until April 2, 1919. From that date until January 19, 1920, its quota-
[fol. 2689½] tions and contracts contained a clause guaranteeing against a decline in price. From January, 1920, until November 9, 1920, no such clause appeared. From November 9, 1920, to date the guaranty clause has been used.

No. 35

Practice as to Making Efforts to Induce Dealers Not to Resell Below the Consumers' Price

This company has never made any effort to induce dealers not to resell below the consumers' price.

No. 36

Practice as to Requiring Dealers to State in Their Bids the Name of the Brand on Which They Were Bidding

This company has never required dealers to state in their bids the brand of cement on which they are bidding.

No. 37

Practice as to Membership in Dealers' Organizations

This company has never been a member of any dealers' organization.

Helen Spitz.

(Here follow Defendants' Exhibits Nos. D-518A, D-518B, D-518C. and D-518D, marked side folio pages 2690, 2691, 2692, and 2693.)

[fols. 2694-2696] DEF'TS' EX. No. D-538

June 3, 1901.

Messrs. Thorn & Hunkins Lime & Cement Co., St. Louis, Mo.

GENTLEMEN: We take pleasure in advising you that our Company has decided to establish a large plant in the West, from which point we believe, we can supply our product to many of our agents on a better basis than we have been able to do from our mills located in Pennsylvania.

We have purchased 1,000 acres of cement land at Hannibal, Mo., and will start at once the erection of a plant there, the capacity of which will equal or exceed 1,000,000 barrels for the first year, and be increased to 2,000,000 the second year. We confidently expect to commence shipping therefrom on or before May, 1902.

In establishing this plant, we desire it to be understood that sales will be made F. O. B. cars destination in all cases, and this policy will also be adopted on sales from our Pennsylvania mills, as rapidly as arrangements can be consum-ated.

Respectfully yours, (Signed) A. De Navarro, Second Vice-President. W.E.M.

[fol. 2696½] DEF'TS' EX. No. D-539

New York, January 24, 1920.

Mr. L. R. Burch:

Referring to your inquiry of me this morning in regard to the reasons which must soon be given for our not taking all contract business which is offered to us or on which we are asked to bid. We want to tell them the truth. I want to be sure that you express the truth correctly, and be very sure that you watch the District Managers to see that all letters convey exactly what you intend they should.

The facts are these: manufacturing conditions are extremely uncertain; stocks of cement are very low; we have booked a reasonable amount of business; other concerns are keeping right on booking it, in spite of the fact that they have sold more than they can deliver,

Deft. Ex. No. D 518 A

No. D 518 A

WAS THE TRADE PRACTICE CHANGED FOLLOWING PUBLICATION OF THE REPORT OF THE TRADE PRACTICE COMMITTEE OF 1915, 1916, 1918, 1919 TO CONFORM TO ITS RECOMMENDATIONS?

REMARKS	REPORT NUMBERS 1915	1916	1918	1919	PRACTICE	ALLENTOWN	ALPHA	ATLAS	BAKER	CARLAW	CHESTER COMMERCIAL CO.	CHESTER DRUG CO.	CHESTER PRINTING CO.	CHESTER STEEL CASTING CO.	CHESTER STEEL CO.	CHESTERTOWN	CLARKSBURG	CLARKSON	CLEVELAND	CLIFTON PAPER CO.	CLIFTON PRINTING CO.	CLINTON	COCHRAN	COLUMBIA
1	1	11	11	11	TIME LIMIT FOR ACCEPTANCE OF TRADE QUOTATIONS	1916 YES	1916 YES	1916 YES	1916 YES, AND FORM RECEIVED	1916 YES	1916 YES	**	1916 YES	1916 YES	1916 YES	1917 NO	NO	1916 YES	**	1916 YES	1916 YES	NO	1917 NO	1916 YES
2	1	11	11	11	TIME OF SHIPMENT OF TRADE ORDERS, AS SPECIFIED IN QUOTATIONS	1916 YES	1916 YES	1916 YES	1916 YES, AND FORM RECEIVED	1916 YES	1916 YES	**	1916 YES	1916 YES	1916 YES	1917 NO	NO	1916 YES	1916 YES	1916 YES	1916 YES	NO	1917 NO	1916 YES
3	1	11	11	11	QUANTITY LIMIT IN TRADE QUOTATIONS	1916 YES	NO	ALWAYS NO	YES	1916 YES	1916 YES	**	1916 YES	1916 YES	1916 NO	1917 NO	NO	1916 YES	**	1916 YES	1916 YES	NO	1917 NO	1916 YES
4	2	4	4	4	CASH DISCOUNT	1911 TIME NO RATE YES	1911 TIME NO RATE YES	1910 TIME NO RATE YES	NO TIME NO RATE	TIME NO RATE	1911 TIME NO RATE YES	1916 TIME NO RATE YES	1913 TIME NO RATE YES	1911 TIME NO RATE YES	1917 TIME NO 1917 RATE YES	ALWAYS TIME NO 1916 RATE YES	1920 TIME NO 1916	1915 TIME NO 1915	1912 TIME NO 1916	ALWAYS TIME NO 1916	1917 TIME NO 1916	1917 TIME NO 1917	1911 TIME NO 1916	1919 TIME NO 1916
5	2	4	4	4	SELLING CURRENT OF A PRICE INCLUDING PACKAGES	ALWAYS NO	1911 NO	1915 NO	ALWAYS NO	ALWAYS NO	1915 NO	1916 YES	1912 NO	1917 NO	1917 NO	1911 NO	NO	ALWAYS NO	ALWAYS NO	1912 NO EXCEPT GRO	ALWAYS NO	ALWAYS NO	1917 NO	1916 NO	ALWAYS NO
6	2	4	4	4	DATING OF INVOICES	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	1912 NO	ALWAYS NO	1917 NO	ALWAYS NO	ALWAYS NO	1915 NO	1912 NO	ALWAYS NO	ALWAYS NO	1917 NO	ALWAYS NO	ALWAYS NO
7	3				ASSUMING RESPONSIBILITY FOR LOSS OR DAMAGE IN TRANSIT	1916 YES	1916 YES	1916 YES	1916 YES	ALWAYS NO	NO SHIPPING RULE	1917 YES, IN FORM ONLY	1913 NO	NO	NO	1911 NO	1921 YES	1915	1916 YES	1917 YES	NO	1911 NO	ALWAYS NO	1919 YES
8	4	12	12	12	ORDERS ENTERED FOR SHIPMENT ON A CERTAIN DATE	1916 YES UNTIL 1921	NO	1916 YES	NO	1916 YES DROPPED 1920	ALWAYS NO, IN FORM ONLY	1916 YES, IN FORM ONLY	1916 YES, IN FORM ONLY	1916 YES IN FORM ONLY	1917 NO DROPPED 1919	NO	NO	1916 YES	1916 YES IN FORM ONLY	NO	NO	1917 NO, IN FORM ONLY	NO	1916 YES IN FORM ONLY
9	6	15	15	15	MAKING SPECIFIC JOB QUOTATIONS IN ADVANCE OF TIME BIDS ARE TO BE OPENED	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
10	6	15	15	15	TIME LIMIT FOR ACCEPTANCE OF SPECIFIC JOB QUOTATIONS	1920 YES	1916 YES	NO	1916 YES	1916 YES	1916 YES	NO	1916 YES	1916 YES	1917 NO	NO	1917 YES	1916 YES	1916 YES	1917 YES	1913 NO	1917 NO	1916 YES	1916 YES

REMARKS	REPORT NUMBERS 1915	1916	1918	1919	PRACTICE	CONNELLSVILLE	CONNELLSVILLE COKE CO.	CONNELLSVILLE STEEL CO.	CONSOLIDATED	CONSOLIDATED COAL CO.	CONSOLIDATED COKE CO.	CONSOLIDATED STEEL CO.	CONSOLIDATED TEXTILE CO.	CONSOLIDATED TEXTILE MILLS	CONSOLIDATED TEXTILE MILLS CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.	CONSOLIDATED TEXTILE MILLS OF DAYTON CO.
1	1	11	11	11	TIME LIMIT FOR ACCEPTANCE OF TRADE QUOTATIONS	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES
2	1	11	11	11	TIME OF SHIPMENT OF TRADE ORDERS, AS SPECIFIED IN QUOTATIONS	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES
3	1	11	11	11	QUANTITY LIMIT IN TRADE QUOTATIONS	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES	1916 YES
4	2	4	4	4	CASH DISCOUNT	1911 TIME NO 1916 RATE YES	1911 TIME NO 1916 RATE YES	1910 TIME NO 1916 RATE YES	NO TIME NO 1916 RATE YES	TIME NO 1916 RATE YES	1911 TIME NO 1916 RATE YES	1916 TIME NO 1916 RATE YES	1913 TIME NO 1916 RATE YES	1911 TIME NO 1916 RATE YES	1917 TIME NO 1917 RATE YES	ALWAYS TIME NO 1916 RATE YES	1920 TIME NO 1916	1915 TIME NO 1915	1912 TIME NO 1916	ALWAYS TIME NO 1916	1917 TIME NO 1916	1917 TIME NO 1917	1911 TIME NO 1916	1919 TIME NO 1916
5	2	4	4	4	SELLING CURRENT OF A PRICE INCLUDING PACKAGES	ALWAYS NO	1911 NO	1915 NO	ALWAYS NO	ALWAYS NO	1915 NO	1916 YES	1912 NO	1917 NO	1917 NO	1911 NO	NO	ALWAYS NO	ALWAYS NO	1912 NO EXCEPT GRO	ALWAYS NO	ALWAYS NO	1917 NO	1916 NO	ALWAYS NO
6	2	4	4	4	DATING OF INVOICES	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	1912 NO	ALWAYS NO	1917 NO	ALWAYS NO	ALWAYS NO	1915 NO	1912 NO	ALWAYS NO	ALWAYS NO	1917 NO	ALWAYS NO	ALWAYS NO
7	3				ASSUMING RESPONSIBILITY FOR LOSS OR DAMAGE IN TRANSIT	1916 YES	1916 YES	1916 YES	1916 YES	ALWAYS NO	NO SHIPPING RULE	1917 YES, IN FORM ONLY	1913 NO	NO	NO	1911 NO	1921 YES	1915	1916 YES	1917 YES	NO	1911 NO	ALWAYS NO	1919 YES
8	4	12	12	12	ORDERS ENTERED FOR SHIPMENT ON A CERTAIN DATE	1916 YES UNTIL 1921	NO	1916 YES	NO	1916 YES DROPPED 1920	ALWAYS NO, IN FORM ONLY	1916 YES, IN FORM ONLY	1916 YES, IN FORM ONLY	1916 YES IN FORM ONLY	1917 NO DROPPED 1919	NO	NO	1916 YES	1916 YES IN FORM ONLY	NO	NO	1917 NO, IN FORM ONLY	NO	1916 YES IN FORM ONLY
9	6	15	15	15	MAKING SPECIFIC JOB QUOTATIONS IN ADVANCE OF TIME BIDS ARE TO BE OPENED	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
10	6	15	15	15	TIME LIMIT FOR ACCEPTANCE OF SPECIFIC JOB QUOTATIONS	1920 YES	1916 YES	NO	1916 YES	1916 YES	1916 YES	NO	1916 YES	1916 YES	1917 NO	NO	1917 YES	1916 YES	1916 YES	1917 YES	1913 NO	1917 NO	1916 YES	1916 YES

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· ANSWERS TO NO. 4 SO MARKED INDICATE ALLOWANCES MADE IN PRACTICE AFTER 10 DAYS

·· TRADE QUOTATIONS BY LETTER NO; CIRCULAR TRADE QUOTATIONS YES

Deft. Ex. No. D 518 B

HAS THE TRADE PRACTICE CHANGED FOLLOWING PUBLICATION OF THE REPORT OF THE TRADE PRACTICE COMMITTEE OF 1915.1916.1918.1919 TO CONFORM TO ITS RECOMMENDATIONS ?

NUMBERS	REPORT NUMBERS 1915	1916	1918	1919	PRACTICE	ALLENTOWN	ALPHA	ATLAS	BATH	COPLAY	DEXTER (COMMENCED SELLING IN 1915, AFTER PRIOR TO THAT AVAILABLE TO SOME CASES)	EDISON	GIANT	GLENS FALLS	HERCULES (COMMENCED SELLING IN 1917)	HIGHTSTOWN	LAWRENCE	LEHIGH (COMMENCED SELLING 1916)	NAZARETH	PENN-ALLEN	PENNSYLVANIA	PHOENIX (COMMENCED SELLING IN 1917)	SECURITY	VULCANITE
11	6				REQUIRING EXECUTION OF FORMAL CONTRACT AFTER SPECIFIC JOB QUOTATION HAS BEEN ACCEPTED	NO DROPPED CONTRACT 1916	1906 NO	1903 NO	1915 YES	1916 YES	1916 YES	NO	1916 YES	1916 YES	1917 NO	NO	1916 YES	ALWAYS NO	NO	NO	NO	1920 YES	NO	1920 YES
12	9	7	7	7	REQUIRING WRITTEN CONTRACT BETWEEN DEALER AND CONSUMER BEFORE ENTERING INTO SPECIFIC JOB CONTRACT WITH DEALER	1918 YES IN FORM ONLY	NO	1916 YES DROPPED 1918	NO	NO	YES IN FORM ONLY	NO	1918 YES (AS DONE 1916	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
13			16	16	ENTERING INTO SPECIFIC JOB CONTRACT WITH DEALER BEFORE HE HAS SOLD CEMENT TO CONSUMER	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	1915 NO	NO	1917 NO	ALWAYS NO	NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	NO	1917 NO	1918 NO DROPPED 1918 RESUMED 1919	ALWAYS NO
14	7	16	16	16	DECLINING TO ENTER INTO SPECIFIC JOB CONTRACTS BEFORE CONSTRUCTION WORK WAS READY TO PROCEED	NO	NO	NO	NO	NO	1915 NO	NO	NO	NO	NO	NO	NO	ALWAYS NO	NO	NO	NO	NO	NO	NO
15	7				MINIMUM QUANTITY TO BE SOLD UNDER A SPECIFIC JOB CONTRACT	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	1916 NO	1917 NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	1917 NO	ALWAYS NO	NO
16	7				PERMISSIBLE VARIATIONS IN QUANTITY ON SPECIFIC JOB CONTRACTS	ALWAYS NO	NO	NO	1916 YES DROPPED 1919	NO. SEE CLAUSE NO 2 TO 1916	NO	NO	1918 YES	NO	NO	1916 NO	NO	NO	1916 YES	NO	NO	NO	1918 NO DROPPED 1918	NO
17	7				INSERTION IN SPECIFIC JOB CONTRACTS LIMITATION ON MAXIMUM SHIPMENTS PER MONTH	1916 YES IN FORM ONLY	NO	1905 NO	1918 YES DROPPED 1919	NO	ALWAYS NO IN FORM ONLY	1920 YES	ALWAYS NO	1916 NO	1917 NO	ALWAYS NO	NO	YES NO MONTHLY MAXIMUM DROPPED 1916	YES IN FORM ONLY	NO	1919 YES IN FORM ONLY	1917 NO	1918 NO IN FORM ONLY	ALWAYS NO
18	10	8	8	8	REQUIRING SERIES MONTHLY REPORT FROM DEALER RELATING SPECIFIC JOB CONTRACT SHOWING DELIVERIES ON SPECIFIC JOB	NO	NO	1917 YES	NO	NO	ALWAYS NO IN FORM ONLY	NO	YES	YES	NO	NO	NO	NO	NO	NO	YES IN FORM ONLY	NO	NO	1921 YES IN FORM ONLY
19	8	9	9	9	MAKING BLANKET CONTRACTS	1919 YES	NO	NO	ALWAYS NO EXCEPTIONS	ALWAYS NO EXCEPTIONS	ALWAYS NO	NO	NO	NO	NO	NO	NO	1917 YES	NO	NO	NO	NO	NO	NO
20		17	17	17	SELLING RAILROADS	1919 YES	NO	1918 YES EXCEPTIONS	NO	NO	NO	NO	NO	NO	1919 YES	NO	1919 YES	1918 YES	NO	NO	NO	1918 YES	NO	NO

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Deft. Ex. No. D 518 C

HAS THE TRADE PRACTICE CHANGED FOLLOWING PUBLICATION OF THE REPORT OF THE TRADE PRACTICE COMMITTEE OF 1915.1916.1918.1919 TO CONFORM TO ITS RECOMMENDATIONS ?

NUMBERS	REPORT NUMBERS 1915	1916	1918	1919	PRACTICE	ALLENTOWN	ALPHA	ATLAS	BATH	COPLAY	DEXTER (SELLING AGENT) PRIOR TO THAT (SELLING AS SAME CORP)	EDISON	GIANT	GLENS FALLS	HERCULES (COMMENCED SELLING IN 1917)	HERSHEY	LAWRENCE	LEHIGH	NAZARETH	PEN-ALLEN (COMMENCED SELLING 1916)	PENNSYLVANIA	PENSBURY (COMMENCED SELLING IN 1917)	SECURITY	VULCANITE
21		17	17	17	SELLING INDUSTRIALS	NO YES	NO YES	NO	NO YES	NO NO	NO	NO	NO	NO	NO YES	NO	NO YES	NO YES	NO	ALWAYS NO	NO	NO SALES	NO	NO NO
22		17	17	17	SELLING MANUFACTURES OF CONCRETE PRODUCTS	NO YES	NO YES	ALWAYS NO	NO YES	ALWAYS NO EXCEPTION	YES	NO YES	NO YES	NO	NO	NO	NO	NO NO	NO	NO YES	ALWAYS NO	NO NO	ALWAYS NO	NO
23	11	10	10	10	USE OF ORDER BLANK TO BE SIGNED BY THE CUSTOMER	NO YES	NO NO	ALWAYS NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO NO	NO	NO	NO	NO	NO	NO
24	12	21	21	21	SEPARATE CHARGE FOR BIN TESTS	NO NO CHARGE SHIPPED	NO NO CHARGE SHIPPED	NO NO CHARGE SHIPPED	YES YES CHARGE SHIPPED	YES YES CHARGE SHIPPED	ALWAYS NO CHARGE SHIPPED	YES YES CHARGE SHIPPED EXCEPTION	NO NO CHARGE SHIPPED	YES YES CHARGE SHIPPED	NO NO CHARGE SHIPPED	ALWAYS NO CHARGE SHIPPED	NO NO CHARGE SHIPPED	NO	YES YES CHARGE SHIPPED	NO YES CHARGE SHIPPED	ALWAYS NO CHARGE SHIPPED	NO NO EXCEPTION	ALWAYS NO	ALWAYS YES CHARGE SHIPPED
25	13	22	22	22	ASSUMING EXPENSE OF COMMERCIAL LABORATORY TESTS	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	NO	ALWAYS NO	ALWAYS NO EXCEPTION	NO	ALWAYS NO	NO NO	NO	NO	ALWAYS NO	NO NO	ALWAYS NO	ALWAYS NO	NO NO	ALWAYS NO EXCEPTION	ALWAYS NO
26	14	23	23	23	PURCHASE OF CLOTH SACKS	ALWAYS NO	NO	NO	ALWAYS NO	NO	ALWAYS NO	NO	NO	NO NO	NO	NO	NO	NO NO	NO	NO	NO	NO NO	NO	NO
27	15	6	6	6	QUOTING DEALERS FOR SHIPMENT TO TOWNS OTHER THAN THEIR HOME TOWNS	ALWAYS NO	NO	NO EXCEPTION	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO NO	NO	NO	NO	NO	NO	NO
28	16	1	1	1	DEFINITION OF A DEALER (SEE BELOW)	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	ALWAYS NO	NO	NO	NO
29	17	3	3	3	DEALER'S DIFFERENTIAL IN PRICE	NO YES	NO YES	NO YES	NO YES	NO YES	NO YES	NO	NO YES	NO YES	NO NO	NO YES	NO YES	NO YES	NO YES	NO YES	NO	NO	NO NO	NO YES	NO YES
30	18	5	5	5	PAYMENT OF COMMISSIONS TO DEALERS ON CEMENT SOLD DIRECT TO CONSUMERS	ALWAYS NO	NO	NO NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO YES	NO	ALWAYS NO	NO	NO	NO	NO

DEFINITION OF A DEALER:

"A DEALER IS A MERCHANT, FIRM, OR CORPORATION REGULARLY ENGAGED IN SELLING PORTLAND CEMENT AND OTHER BUILDING MATERIALS PURCHASED BY HIM FOR RESALE ONLY, WHO IS ALSO PROPERLY EQUIPPED WITH STORAGE FACILITIES, SUPPLIED WITH TEAMS OR TRUCKS, AND IS RECOGNIZED IN HIS HOME TOWN AS A BUILDING MATERIAL DEALER."

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Deft. Ex. No. D 518 D

HAS THE TRADE PRACTICE CHANGED FOLLOWING PUBLICATION OF THE REPORT OF THE TRADE PRACTICE COMMITTEE OF 1915.1916.1918.1919 TO CONFORM TO ITS RECOMMENDATIONS?

NUMBERS	REPORT NUMBERS				PRACTICE	ALLENTOWN	ALPHA	ATLAS	BATH	CHESLEY	DIXIE (CONCEDED SELLING IN QUANTITY PRIOR TO 1916 CONCEDED IN SOME CASES)	DUNBAR	GIANT	GLENS FALLS	HERCULES (CONCEDED SELLING RIGHT)	HUMMELSTOWN	LAWRENCE	LEWIS	NAZARETH	PENN ALLEN (CONCEDED SELLING 1916)	PENNSYLVANIA	PHOENIX (CONCEDED SELLING IN 1917)	SECURITY	VIRGINIA
31	21	19	19	19	GIVING SPECIAL CONCESSIONS TO BUYERS	ALWAYS NO	ALWAYS NO	ALWAYS NO (EXCEPT 1915 IN PART)	NO	NO	ALWAYS NO	NO	ALWAYS NO	NO	NO	NO	NO	ALWAYS NO	NO	ALWAYS NO	NO	NO	NO	ALWAYS NO
32	22	20			MIXING WATERPROOFING COMPOUNDS WITH CEMENT AT MILLS	1919 YES	ALWAYS NO	1916 YES	ALWAYS NO	NO	ALWAYS NO	1916 YES	ALWAYS NO	ALWAYS NO	1917 NO	NO	1919 YES	ALWAYS NO	1916 YES	NO	ALWAYS NO (EXCEPT 1915 IN PART)	1917 NO	NO	NO
33	21	18	18	18	GIVING ADVANCE NOTICE OF CHANGE IN PRICE	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	ALWAYS NO	1917 NO	ALWAYS NO	ALWAYS NO
34	21	19	19	19	GUARANTEEING SALES FOR FUTURE DELIVERY AGAINST DECLINE IN PRICE	ALWAYS NO SINCE 1920	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918	NO	1917 NO SINCE 1918	ALWAYS NO SINCE 1918	1918 YES SINCE 1918	1918 NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO IN 1918	ALWAYS NO [illegible]	1917 NO SINCE 1918	ALWAYS NO SINCE 1918	ALWAYS NO SINCE 1918
35	17	3	3	3	EFFORT TO INDUCE DEALERS NOT TO RESELL BELOW CONSUMER'S PRICE	NO	NO	NO	NO	NO	1916 YES STOPPED 1917	NO	NO	NO	NO	NO (EXCEPT 1916 1917)	NO	NO	NO	NO	NO	NO	NO	NO
36		13	13	13	REQUIRING DEALERS TO STATE IN THEIR OWN NAME OF BRAND OR WHICH THEY WERE BUYING	NO	NO	NO	NO	NO	N?	NO	NO	NO	NO	N3	NO (EXCEPT 1915)	NO	NO	NO	NO	NO	NO	NO
37			25	25	MEMBERSHIP IN DEALERS' ORGANIZATIONS	1916 YES	1916 YES	1916 YES	1917 YES	NO	1916 YES	ALWAYS NO	ALWAYS NO	1916 YES	1917 NO	ALWAYS NO	ALWAYS NO	1916 YES	1917 YES	1916 YES	1917 YES	1917 NO	1917 YES	ALWAYS NO

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in my judgment, but they are banking on the likelihood that a good deal of the business that they take cannot be started or finished because of shortage in labor, materials, etc.; we prefer not to accept contracts which we feel there is a serious doubt about our filling on schedule; we think it is the honest thing to do, and in writing to the dealer the thing to bring out to him is, that we have booked a reasonable amount of business, and that amount plus what we must [fol. 2697] make and hold for Atlas dealers' warehouse business is all we can commit ourselves to at the moment; if conditions change, and as they change, we will take on a few more contracts.

If we did not believe in protecting the Atlas dealer for his warehouse business, which we think is very essential to him, then we could go on as some others are doing and take a lot of contracts and squeeze the dealer, but we will not do it.

As to the contractor. The reason we are not accepting all contract business which is offered to us, is for exactly the same reason—namely, we have accepted a reasonable amount, we do not believe it is fair to the contractor to accept his order, as is being done by a good many others, (when if every one got what he thought he was going to get, the other concerns could not manufacture or ship it) and therefore we tell the contractor the facts now instead of at a time when he has made his arrangements to depend on us. It does not mean that you will have to stop taking all business, and of course Atlas customers, our steady trade, is to be preferred at all times; but you will have to use judgment in order to be fair to yourself and to the other fellow.

Yours very truly, J.R.M.

[fol. 2697½] DEF'TS' EX. No. D-540

November 5, 1920.

Mr. M. J. Frostholm, Syracuse, N. Y.

DEAR FROSTHOLM: It will be all right for you to quote on the basis of $4.13 Syracuse to meet the Hudson River competition. You, of course, will not make any change on the Oberdorfer job unless they kick.

Yours very truly, Charles H. Cox.

[fol. 2698] DEF'TS' EX. No. D-541

Mr. E. P. Alker

Dec. 8, 1920.

Mr. H. A. Moore:

We are in receipt of your letter of Dec. 6th and note what you say in regard to prices being quoted by the Lehigh, Hercules, Vulcanite, Dexter, and Allentown Cement Companies. I understand

that at the present time all the cement companies have put in a Universal base of $2.05 per bbl. which of course we will have to follow.

If you hear of any other prices different from the above, I would thank you to advise me.

Yours truly, —— ——, Sales Manager. EPA:MC.

[fol. 2698½] DEF'TS' EX. No. D-542

November 11th, 1920.

Mr. M. J. Frostholm, Syracuse, N. Y.

DEAR FROSTHOLM: Business has fallen off very much all over the country, and you will have to plug for every order you get.

I note that you say that various of the cement companies will take contracts, guaranteeing price against decline. We will include such a clause in our contract if the purchaser so wishes, and you will bear this in mind when talking to prospective buyers.

Yours very truly, Charles H. Cox.

[fol. 2699] DEF'TS' EX. No. D-543

Mr. E. P. Alker

Nov. 6, 1920.

Mr. G. M. Clukas:

We are in receipt of your letter of Nov. 4th and note very carefully what you say in regard to the different prices quoted by various cement companies. You will have to meet conditions as you find them and use the Hudson Base where necessary.

Yours very truly, —— ——, Sales Manager. EPA:MC.

[fol. 2699½] DEF'TS' EX. No. D-544

The H. Wales Lines Co.

Meriden, Conn., December 13, 1920.

The Dexter Portland Cement Co., Nazareth, Pa.

GENTLEMEN: We have your favor of the 9th instant, with which you enclose credit memorandum for difference in price on car shipped to the Westerly Lumber Co. December 1st. We note you state that the present price is $4.11 instead of $4.10, and that the universal freight rate is $1.06. We note that the old universal freight rate was 75¢ per barrel, and 40% added to that would bring it up to $1.05.

Although this is a small matter, we feel that it is necessary to bring to your attention the fact that other cement companies are quoting and shipping at a price based on the freight rate of $1.05, [fol. 2700] and to substantiate this statement we are enclosing copy of a quotation dated December 11, in which the Lehigh Portland Cement Co. quote us as consumers $4.20 per barrel f. o. b. Meriden.

Please give this matter careful attention and advise us at the earliest possible date whether or not we should base our quotation prices on the $1.05 or the $1.06 rate.

Very truly yours, The H. Wales Lines Co., by L. Learmont.

Lehigh Portland Cement Co.

Allentown, Pa., Dec. 11, 1920.

H. Wales Lines Co., Meriden, Conn.:

We take pleasure in quoting you on Lehigh Portland Cement delivered in carload lots F. O. B. cars your station:

In cloth sacks $4.20 per standard barrel including four (4) sacks.

In paper bags seventy (70) cents per barrel less than cloth.

Prices for immediate acceptance.

[fols 2700½-2702] These shipments to be made within fifteen (15) days from date of order.

Quantity not to exceed one car unless otherwise agreed to.

This quotation is subject to change without notice and is not binding until orders have been accepted in writing by this Company.

Prices for specific work, requiring delivery beyond fifteen days, will be quoted upon application accompanied by full information and detailed description of work.

Terms.—On approved credit, net thirty days, or ten cents per barrel discount for payment in full including sacks within ten days from date of invoice.

This quotation is subject to terms, conditions and limitations on both sides hereof.

Yours very truly, Lehigh Portland Cement Co. B. L. Swett, Eastern Sales Manager.

[fol. 2702½] DEF'TS' EX. NO. D-545

12-18-1920.

The H. Wales Lines Co., Meriden, Conn.:

GENTLEMEN: Referring to the freight rate of 75 cents per barrel from the Universal to New England points, we wish to advise that actually figuring the 40% plus war tax, makes the present rate $1.06. However as most of the other companies figure and quote at $1.05 per barrel, it will be in order to abide by $1.05 until a further change is made.

Very truly yours, —— ——, Manager of Sales. HF:C.

[fol. 2703] DEF'TS' EX. NO. D-546

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, 12/18/20. 191-. Salesman: Henry Office: Buffalo.

1. What information regarding competitors or quotations did you get during the week?
Mr. Drake of the Elmira Bldrs. told me that Atlas & Edison were offering dealers same proposition as the Hercules Co. in regards to contracting for 1921 warehouse requirements. Showed me the Edison form of contract. All competitors active.

2. What special inducement of any nature are competitors offering in your territory?
See above.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
None.

[fol. 2703½] 5. Give the complete History of any complaints that you may have on competitors' brands of cement.
None.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reasons of dissatisfaction.
Those on whom I called all stated that they could have sold more cement this year, but under the circumstances were satisfied that we had done the very best possible for them.

7. What suggestions have you for improving our methods of handling business in your territory?
None at present. Active solicitation of business early in Spring will, I believe, help.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
Not at present.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Business for next 30 days will not be very good.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
Pleased. Are especially well satisfied with the dealer calendars.

Remarks: —— ——.

Yours very truly, Geo. M. Henry, Salesman.

[fol. 2704] DEF'TS' EX. No. D-547

Western Union Telegram

Baltimore, Md., 1921, Feb. 3.

Pennsylvania Cement Co., 813 Commercial Building, Philadelphia, Penn.:

Atlas Lehigh three four eight ten cents discount.

Speight.

[fol. 2704½] DEF'TS' EX. No. D-548

Philadelphia Office

February 3, 1921.

Mr. L. R. C. Speights:

I have your telegram of this date, advising me that Atlas and Lehigh are quoting $3.48 per barrel f. o. b. Baltimore su' ject to 10¢ per barrel cash discount. This beats our present price 5¢ per barrel and I am not in a position to tell you that we can meet it at this time.

The best thing to do will be to mark time for two or three days and see what develops in the price situation.

I do not think there is any question that we will be able to meet competition in Baltimore and Washington, but at the present moment, I cannot tell you that our price will be $3.48.

Please give me any further information you are able to find regarding prices made by other Companies, and to whom the prices of the Atlas and Lehigh Companies were given.

Yours very truly, —— ——, District Sales Manager. HAM/ JKS.

[fol. 2705] DEF'TS' EX. No. D-549

Philadelphia Office

February 4, 1921.

Mr. L. R. C. Speights:

You may quote dealers in Baltimore and Washington, for delivery to those two points, $3.48 per barrel, less then cents per barrel for discount, until further notice.

It is not our intention to actively solicit business at this price at the present time, but to take care of anything that may come up either for dealer's warehouse requirements, or for contract, for a reasonable amount, which they may want us to protect.

In cases where the freight absorption would be too great when figuring on the Universal Base of $1.80, I would like to have you take up the question of price with me before naming it, but Baltimore and Washington deliveries at the above price are all right.

Yours very truly, —— ——, District Sales Manager. HAM/JKS.

[fol. 2705½] DEF'TS' EX. No. D-550

The Cumberland Hydraulic Cement & Mfg. Co.

Cumberland, Md.

Jan. 28, 1921.

Lawrence Cement Co., New York City:

We herewith enclose you quotation from the Phœnix Portland Cement Company which shows a reduction in the price of paper bags from 30c. to 25c. This quotation is also made by the Atlas Portland Cement Company, and we presume that it is your desire to quote Dragon in paper on the same basis.

Yours truly, W. L. Sperry, President.

[fol. 2706] DEF'TS' EX. No. D-551

Feb. 8, 1921.

Messrs. Mathesius, Wight, Furbush, Bigbie, Kahn, Thon, Swett:

I was very much encouraged to have Ed. Mathesius telephone into the office before 11 o'clock yesterday morning to the effect that the first two dealers he called on yesterday placed an order with him for immediate shipment, and better still in a sense, was Eddie's advice to the effect that he noted a distinct change in the attitude of the dealers—they seemed to be in a more optimistic frame of mind; more buoyant, and apparently of the opinion that building is about to get started. It was not long thereafter when Hal Swett

telephoned in two cars for immediate shipment to two different customers.

I honestly believe that all that is necessary to get things opened up is a slight impetus to the "ship now" movement, and if the rest of you men find that business in your respective territories is still very quiet, cite these instances of free booking in New Jersey and Long Island as indicating that things are opening up, and that if it [fol. 2706½] is at all possible for the dealers to take in a carload of cement at this time, be sure and take advantage of the opportunity for securing prompt shipment (with price guaranteed against decline up to and including March 31st, 1921) so that they will be sure and have some cement in stock to supply their trade as it is required rather than to hold off until they have an actual demand and then perhaps be confronted by shipping delay, due to the fact that everybody will be wanting cement at the one time.

I have told Mr. Mambert that the New York Division would ship at least 25,000 barrels during the month of February. Up to yesterday, our total was 4502 barrels, which leaves about 20,000 more that you men must produce for us to ship the balance of the month. I therefore want to ask you to put forth extra effort to bring about the desired result. Use the telephone and telegraph freely and pull for every car that you think can be shipped between now and the end of the month.

Raw.

[fol. 2707] DEF'TS' EX. No. D-552

Security Cement & Lime Co.

Inter-Departmental Correspondence, G.S.M.'s Office

Date: 2/2/21.

To Mr. H. S. Rayner.

DEAR HARRY: Answering yours of Jan. 31st and confirming our several 'phone talks.

From prices checked up in Balto., Wash., and Cumberland, the indications are, that the Atlas Co. is making the same delivered price to the dealer in cloth as that made by the Universal—the Atlas, however, giving 10c discount while the Universal gives 5. This means that the Universal base price is the one on which companies are now working and it further means that the dealer who does not discount his bills pays in Balto. and Wash. $3.48 per bbl. If he discounts, Atlas costs him 5c less per bbl. than Universal. Unless we find some contrary information, new quotations on this basis will be sent to all our trade, tomorrow, Thursday. Meanwhile, to all of those whom you can reach you had better give a quotation on this basis.

[fol. 2707½] Glad to know of the progress made with Mr. Staub toward reinstating security in his favor. He certainly has dealt

with us long enough to know how we play and I am hoping that you will impress upon John Kelly the necessity for switching that business to security.

Your comments regarding the Davison Chem. Co. indicate that we may be able to nose in on this. I would ask you to please keep both these subjects before you so that you can hit them from different angles from time to time rather than wait on the dealers to do anything of their own accord.

When will Ober & Sons likely start to order Berkley Hydrate? All orders are a little slow now but I am hoping by everyone of us going after everything possible to make a fair showing for February and March.

Between now and February 15th, please try to get both the National and the Maryland Lime and Cement in a frame of mind to take some cement in some one of their warehouses during February and an additional quantity during March. If we could move a total of 5000 bbls., split up between the two concerns between Feb. 15th and 28th, it would be helpful.

H. B. Warner.

[fol. 2708] DEF'TS' EX. NO. D-553

Pennsylvania Cement Co.

From Philadelphia Office, Inter-Office Letter

To Mr. E. P. Alker. January 28, 1921.

I enclose herewith copy of a letter received from Mr. Marshall today, indicating that other Companies are quoting less than a 10c differential to the D. L. & W. Railroad on their requirements.

While we are quoting the Railroad Companies on a 10c advance above dealers' prices, it is very evident, from Marshall's report, that other Companies are quoting a straight dealer's price to Railroads. [fol. 2708½] I would be glad to hear from you again regarding this class of business.

Yours very truly, H. A. Moore, District Sales Manager.

Mr. E. P. Alker

Jan. 29, 1921.

H. A. Moore:

In reply to your letter of Jan. 28th wish to advise that we will quote the dealer's price to railroads, in order to meet competition.

Yours truly, —— ——, Sales Manager. EPA:MC.

[fol. 2709] DEF'TS' EX. No. D-554

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, 2/5/21. Salesman: J. L. Hall. Office: Buffalo.

1. What information regarding competitors or quotations did you get during the week?
Edison quoting 5¢ lower in Fonda Penna shipping on low price contract into Schenectady and work is not going ahead at present.

2. What special inducement of any nature are competitors offering in your territory?
None.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

[fol. 2709½] 4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
None.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.
Ironclad quoted John P. Dugan, Amsterdam, N. Y. who has the contract for the paving work at Johnstown, N. Y. dealers' price, Dugan handles Ironclad at Amsterdam.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Guy Park Cement Co. Amsterdam N. Y. complained about the tearing of bags every time a car door was opened.

7. What suggestions have you for improving our methods of handling business in your territory?
None.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
No.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Quiet.

[fol. 2710] 10. What seems to be the opinion of the trade on our advertising? How can we improve it?

Very well satisfied.

Remarks: ——.

Yours very truly, J. L. Hall, Salesman.

[fol. 2710½] DEF'TS' EX. NO. D-555

Nazareth Cement Company

Nazareth Sales Office

Subject: ——.

February 8, 1921.

John W. Ramsay, Sales Mgr., Boston Office:

The Lehigh Valley price to Warren Bros. Co. delivered Tioga, Mansfield and Lambs Creek, Tioga Co., Pa., is $3.73 made up of $2.10 bulk cement, $1.00 for duck bags and 63¢ for freight. The Universal price to these points is $3.64 made up of $1.90 bulk, $1.00 bags and 74¢ freight. We would, therefore, have to quote the Universal price of $3.64 and absorb the difference or 9¢ per bbl. and which would give us $2.01 for bulk cement.

The Boss says this is O. K. and you can quote them on this basis.

Yours truly, —— ——.

[fol. 2711] DEF'TS' EX. NO. D-556

Nazareth Cement Company

Boston Office

Subject: ——.

3/7/21.

Mr. S. J. Fehney, Nazareth, Penna.:

Our Mr. J. M. Ahern reports that the Atlas Company is quoting dealers in Waterbury, Conn., a price of $3.76 per bbl., and as you know, our price is $3.77.

Would like to know whether we can meet the issue or not.

Very truly yours, John W. Ramsay.

[fol. 2711½] DEF'TS' EX. NO. D-557

Confidential.

March 8, 1921.

Messrs. Furbush, Bigbie, Thon, Swett, Kahn, Wight, Mathesius:

While I know that an active demand for cement has not yet developed, it certainly is discouraging to get nothing but reports from

the field force. Here it is the 8th of the month, and we, the Company, have shipped the huge (?) total of 6,451½ barrels of cement during the first seven days of the month.

Last month we shipped a total of 32,000 barrels as against some 64,000 barrels which I understand were shipped by the "Pennsylvania Company," 49,000 barrels shipped by the "Dragon Company," etc., etc.—In fact, we were even out-shipped some 7,000 barrels by the small "Giant Company."

Now, I tell you, we, each and everyone of us, will have to perk up and dig up business, otherwise we all will be looking for other jobs.

Raw.

[fol. 2712] DEF'TS' EX. No. D-558

Erie Contractors Supply Co.

Erie, Penna.

Mar. 9, 1921.

Dexter Portland Cement Co., Nazareth, Pa.

DEAR SIR: The Universal, Vulcanite, Alpha, Atlas and Cre-cent cement are all quoting the price of $3.33 per barrel less ten cents per barrel discount if paid within ten days from date of invoice. We wonder whether or not you can meet this price so that we can be in the market for carload lots.

A prompt reply will be appreciated.

Very truly yours, Erie Contractors Supply Co. G. S. Stage, President.

[fol. 2712½] DEF'TS' EX. No. D-559

Mch. 16, 1921.

Erie Contractors Supply Co., Erie, Pa.

GENTLEMEN: Replying to your letter of the 9th inst., we would cheerfully accept order from you for prompt shipment at $3.33 per bbl., less 10c. per bbl., discount if paid within ten days from date of invoice.

Very truly yours, —— ——, Manager of Sales.

[fol. 2713] DEF'TS' EX. No. D-560

Messrs. Bigbie, Furbush, Thon, Kahn, Swett, Wight, Mathesius:

N. Y., March 28, 1921.

Effective immediately we are reducing our cloth sack charge to the basis of forty (40) cents per barrel (ten cents per sack) which means a reduction of sixty (60) cents per barrel in the gross delivered price.

The marking for the ten cent package will be a small script letter "d" following the capital script letter "E" on the reverse of the sack near the neck. This marking will supersede any previous marking on the face of the sack.

Please acknowledge receipt and advise your understanding.

FAS/JN.

[fol. 2713½] DEF'TS' EX. No. D-561

Edison Portland Cement Co.

N. Y. City, March 29, 1921.

DEAR SIR:

Announcing a Reduction in Our Gross Price to You of Sixty Cents (60¢) per Bbl.

Effective today Edison cloth bags will be leased to the purchaser of Edison Cement at the rate of 10¢ each;—that is to say, the bags will be charged at 10¢ and refund made in the same amount, subject to the conditions specified on the back of this letter.

We have also changed the valuation of Edison paper sacks from 25¢ to 15¢ per Barrel. These paper sacks are not redeemable.

On this new cloth and paper sack valuation basis, we quote you — per barrel in cloth bags, f. o. b. cars, your station.

[fols. 2714 & 2715] Shipments in paper sacks, 25¢ per barrel less than price just quoted for shipment in cloth.

This quotation applies on one carload for immediate acceptance and immediate shipment—incidently, we have a large stock of cement on hand, assuring the prompt filling of orders.

Please note that on approved credit, we will allow 10¢ per barrel discount for cash paid within 10 days from date of invoice, or 30 days net.

We believe the above quotation is a particularly favorable one, and urge your taking advantage of the opportunity of securing prompt shipment prior to the demand which we believe will follow in the face of this substantial reduction in gross price just at the beginning of the active building season.

Edison Portland Cement Co.

[fol. 2716] DEF'TS' EX. No. D-562

March 5, 1921.

Alabama Produce Co., Basom, New York.

Attention Mr. W. B. Brigg

GENTLEMEN: Our Mr. Bigbie has written us of the nice visit he had with you, and we are very hopeful that a little later on when

the building busines gets actively under way, we will have the pleasure of supplying at least part of your cement requirements.

We make a specialty of dealer trade business, and having in mind the difficulty experienced last year by the trade in getting cement not previously contracted for, we have evolved a plan of dealer-warehouse requirement protection that has already met with much favor on the part of our dealer friends to whom it has been submitted. Mr. Bigbie doubtless explained this to you, however, I am writing this in confirmation for your further consideration.

The practical working out of this plan, is to give the dealer an [fol. 2716½] option on a certain quantity of cement, to be shipped during specified months of the year, while we on our part are able to gauge the warehouse needs of our customers and can accordingly prepare ourselves by having a sufficient stock on hand to supply their needs.

We appreciate that it is very difficult this early in the year to accurately gauge the demands of your trade after business once gets under way, and we therefore offer you the privilege of the cancellation of any one month's schedule booking if it is found that cement has not moved as quickly as anticipated and you are not in position to take in the schedule car; you are likewise under no obligation to accept the cement if our price is not as low or lower than that of other standard brands. There is therefore no real obligation on your part in executing such dealer-warehouse contract, although, we ask in all fairness to our other customers and ourselves that the dealers to whom this protective measure is submitted, do not subscribe for more cement than they really believe they will be able to take care of. We attach two copies of such dealer-warehouse contract for your further consideration, and if you feel as we do, that by reason of light business at the present time, there is going to be a very heavy demand later on in the season, with very likely the same congestion of orders that existed last year, you may be inclined to protect yourselves for a limited quantity.

I would like very much to see you get started with Edison, if it is only to the extent of one carload, because I believe that we can [fol. 2717] take such good care of you as to warrant a continuance of your business.

We will greatly appreciate it if you will let us hear from you at your convenience. In the meanwhile, remain, with best wishes.

Very truly yours, RAW., Vice-President.

Town—Basom.
County—Genesee.
State—N. Y.
Salesman—W. H. Bigbie.
Date—Feb. 28, '21.
Parties on whom I called—Alabama Produce Co., A. A. Grinnell Yard.
Interviewed—W. B. Brigg.
Dlrs., Con., Ind., Arch.

Brands—Alpha.
Barrels per year—750 to 1,500.
Stock on hand—Low.

State briefly attitude of above parties toward "Edison" (Product, Policies or Organization)—Rather dissatisfied with Alpha treatment last year and very good prospect. Write him in detail regarding dealers-warehouse contract. Add to mailing list if not already on same.

[fol. 2717½] DEF'TS' EX. NO. D-563

The H. Wales Lines Co.

Meriden, Conn., April 8, 1921.

Dexter Portland Cement Co., Nazareth, Pa.

GENTLEMEN: We are in receipt of letter from the Windsor Cement Co., Inc., of Hartford, Conn., which reads as follows:

"Re Dexter Contracts—Hartford-Conn. Trust Building, Travelers Insurance Co.

We note shipments of cement on above contracts are being billed at twenty-three cents per barrel above the contract price which increase, we understand, is for the increase in freight charges that went into effect after contract was closed.

[fol. 2718] For your information, we have a contract with the Atlas Cement Co. on the above work, and they add only twenty-one cents per barrel for freight increase.

We understand most of the Pennsylvania mills are absorbing the two cents per barrel difference in increase over the Hudson River rates.

Will you kindly take this up with the Dexter Cement Co. and arrange with them to bill on the basis of the Hudson River rate?"

This would also apply to the St. Francis Hospital contract on which we are not shipping two cars per month.

Will you kindly advise what we may say to the Windsor Cement Co. on this matter.

Very truly yours, The H. Wales Lines Co. E. C. W.

[fol. 2718½] DEF'TS' EX. NO. D-564

4-12-1921.

The H. Wales Lines Co., Meriden, Conn.

GENTLEMEN: Referring to yours of the 8th inst., in regard to the price on your contracts at Hartford, Conn., wish to advise that hereafter we will invoice shipments to apply against the contracts in question 2 cents per barrel less than formerly, in order to meet the Hudson River price.

Thanking you for calling this matter to our attention, we are,
Very truly yours, —— ——, Manager of Sales. HY:C.

[fol. 2719] DEF'TS' EX. NO. D-565

April 9, 1921.

DEAR MR. WHITE: Referring to your letter of March 29th, with regard to the Dalton situation, while it is expected that each salesman will handle his territory to best advantage and as long as the territory is properly covered, we will be satisfied, nevertheless I find by examining your daily reports that you were in the vicinity of Dalton on several occasions between February first and March 4th and as there is a street car line to Dalton, it would seem that you could have easily visited that point at an earlier date.

I note the result of your visit to Dalton and it would seem as though very little was accomplished. Certainly, with the facts you have in hand with respect to Crane & Company, it would seem as though you should be able to either convince Mr. Adams that he should use Knickerbocker or secure some other dealer. I believe if the situation is strongly presented to Mr. Adams that he could be persuaded to handle Knickerbocker and if he declined to do so and there is no other dealer to be secured at Dalton, then I may be able through Mr. Winthrop Crane or Mr. Daniels to have Knickerbocker absolutely specified for the work of Crane & Company and [fol. 2719½] this would probably have considerable influence with Mr. Adams.

There also may be other mills in the locality of Dalton who on account of friendship for myself or Mr. Daniels could be persuaded to specify Knickerbocker and I think if the matter is handled properly, we can secure the necessary co-operation from the local Dalton dealers.

I am rather afraid that you are not persistent enough in your efforts to place our cement and while I do not wish to criticize unnecessarily, the fact remains that out of thirty new dealers secured this year, you have added only one in your territory. I hope that your efforts to secure new dealers will meet with better results in the next thirty days.

Very truly yours, —— ——, President. ADN:W.

[fol. 2720] DEF'TS' EX. No. D-566

Knickerbocker Portland Cement Company, Inc.

New York, N. Y.

May 5, 1921.

Mr. W. M. Floring, Assistant to the President, Sales Dept., Knickerbocker Portland Cement Company, Inc., New York City.

MY DEAR MR. FLORING: Upon looking over our list of dealers I find that we only have eight in the State of Vermont.

I would suggest that this State be given special attention.

Yours very truly, A. D. Naylor, President.

[fol. 2720½] DEF'TS' EX. No. D-567

May 5, 1921.

MY DEAR MR. STINSON: Upon looking over our list of dealers, I find that we only have eight in the State of New Hampshire. I also find that we did not ship a single barrel into New Hampshire during April this year. It looks as though we would have to give this State some very special attention.

Yours very truly, A. D. Naylor, President.

Copy to Mr. Floring.

[fol. 2721] DEF'TS' EX. No. D-568

Alpha Portland Cement Company

Easton, Pa., December 9, 1920.

Mr. J. J. Collister, T. M. Atlas Portland Cement Co., New York City.

DEAR SIR: We wish to call your attention to Me. C. tariff I. C. C. C-2971 which names proportional class rates between Brunswick, Me., and points on the Maine Central Railroad. On page 2 of this tariff under the heading of "Application of rates" we read as follows: "Rates specified herein are proportional rates to be used only where no through rates are in effect and will not apply on traffic destined to or originating at points beyond (West of Brunswick, Me.) in States of Maine, New Hampshire, Rhode Island and Connecticut, or on traffic routed via coastwise steamer lines."

We interpret this to mean that you cannot use the Brunswick combination where you have a through rate on cement over Portland as published in their tariff I. C. C. C-3313. For an example we will figure the rate to Hersey's, Me. We contend that the rate of [fol. 2721½] $8.20 which is made up over Portland, a combination of two Cement rates, is the only lawful rate to apply even though the Brunswick combination which is made up of a cement and class rate figures lower.

We contend that the words "through rate" as used in the above rule by the Maine Central Railroad means the Portland rate to point of destination and does not mean necessarily the rate from point of shipment, that is L. V. of Hudson region, to ultimate destination on the Maine Central Railroad which in this case is Hersey's. We base our argument on the fact that the Maine Central have repeatedly said that they want their full rate from Portland and we believe they mean by this their full cement rate.

We will appreciate it very much if you will look into this matter and advise us fully your views. We would also call your attention to the fact that Me. C. tariff I. C. C. C-3253, maning proportional class rates between Milford, Oakland and Washington Junction and Stations on the Maine Central Railroad cannot be used for the reason that on page two under "Rules governing tariff" "application of Rates" appears the clause "Rates specified herein apply only as proportional rates on traffic originating at or destined to points west of the Niagara frontier from or to which no through rates are in effect." This will result in our being obliged to use the Cement rates shown in I. C. C. C-3313 or the proportional Class rates if cheaper shown in I. C. C. C-2971, provided it is determined that the latter tariff can be used.

[fol. 2722] I would further call your attention to the fact that the proportional class tariff from Brunswick, I. C. C. C-2971, has a clause to the effect that whenever a carload commodity rate is established it removes the application of the class rate to or from the same points on that commodity. This would further seem to carry out our contention that the Brunswick proportional class tariff is not the proper tariff to use in figuring rates on cement to points on the Maine Central Railroad in view of the fact that a cement tariff is in effect from Portland to practically all points on the Maine Central Railroad.

Please advise.

Very truly yours C. N. Apgar, Traffic Manager. K.

[fol. 2722½] DEF'T'S EX. NO. D-569

Alpha Portland Cement Company

Easton, Pa.

Dec. 16, 1920.

J. J. Collister, T. M. Atlas Portland Cement Co., 30 Broad St., New York, N. Y.

DEAR SIR: Your letter of Dec. 13th, file X 60-28. We have had considerable discussion in our office regarding the use of the Brunswick Tariff. The writer practically agrees with the argument submitted by you except that in view of the fact that the rules covering the tariff are technical, there is still some question in my mind as to whether, strictly speaking, the rates could be used either east or west of Brunswick in preference to the through commodity rate. I

base my argument on the fact that Tariff Circular 18-A provides that where commodity rates are established they remove the application of the class rate.

It is true there are no commodity rates in effect from Brunswick but in view of the fact that there are commodity rates in effect from Portland to practically all points on the Maine Central, I believe, if [fol. 2723] the Maine Central would care to do so they could insist on such rates being used in handling cement shipment. We have partially cleared up the matter by having wired them whether they would protect the Brunswick combination to Hersey's, Me., and they advised us they would. The question now in our minds is what portion of the Maine Central Railroad can be determined as being east and west of Portland. If you draw a line north and south through Brunswick you will find that the branch running up to Farmington is west of this line, while the rates at the present time from the L. V. Region have been checked in to points on this line by the use of Brunswick combination. I believe this is in violation of the rules governing the tariffs and that the only rates which are applicable on cement shipments to points on the Maine Central in the territory west of the line drawn north and south through Brunswick is the cement rates applicable from Portland. Of course, this brings up the question of what rates are applicable on the line from Leeds Junction to Oakland due to the fact that the north and south line through Brunswick cuts this branch at about Winthrope. It is hardly possible that Leeds Junction to Winthrope could be considered west and Winthrope to Oakland considered east.

The Lehigh Company has taken the matter up with the Maine Central Railroad to get an interpretation of that part of the Brunswick Tariff which refers to restrictions against the use of rates to points beyond Brunswick in the State of Maine.

[fol. 2723½] I would be glad to have you study the tariff carefully and advise us fully how you interpret this clause to read. The fact that the L. & N. E. class rate tariff says that rates to points on the Maine Central Railroad are to be made on the Brunswick combination where no through rates are in effect, has no bearing whatever on this subject. I have had the matter up with the tariff bureau of the L. & N. E. Railroad in an endeavor to find out from them under what authority they made reference to the Brunswick combination in their tariff and they state it is a heirloom, having been carried from time to time for years, and they do not know today whether it is right or wrong. After reading over the rules governing the application of rates, their opinion is that due to cement rates being in effect from Portland, the Brunswick combination could not be used. Further than this, I do not see that Morris has anything to do with this question because the Brunswick class rate tariff is not subject to the use of Morris' insofar as class rates are concerned. In fact, I find the reissues of the Maine Central Tariff which have just been received, cancels the combination clause, making it necessary to use full advanced rates.

I would thank you to advise us promptly regarding the several points which are brought up, and oblige.

Yours truly, C. N. Apgar, Traffic Manager. C/R.

[fol. 2724] DEF'TS' EX. No. D-570

Copy to Mr. W. F. Clark, T. M. Lehigh Portland Cement Co., Allentown, Pa.

Dec. 13, 1920.

Mr. C. N. Apgar, T. M. Alpha Portland Cement Co., Easton, Pa.

DEAR SIR: Replying to yours of the 9th inst., in reference to using the proportional class rates shown in Me. I. C. C. C 2971 (Now superseded by I. C. C. C 3454 effective Jan. 1st, 1920.) The only restriction we see in using this tariff in making combination rates is, from Brunswick to points west of Brunswick and to points in New Hampshire, Rhode Island and Connecticut and via coastwise steamer liner; and we interpret the clause "Rates specified herein are proportional rates to be used where no through rates are in effect" as meaning no thru rate from originating point, and can be used if the combination makes a lower rate than if via some other junction even though there may be a commodity rate in effect from some other junction.

[fol. 2724½] We take the stand that Brunswick is as much of a basing point as Portland, see L. & N. E. Class Rate Tariff I. C. C. A 3926 which shows under Rate Groups covering nearly all stations on pages 9-10-11 and 12 the following "No joint Rates" based on Brunswick, Me.

From Hudson the Boston & Albany and New York Central Tariffs both publish thru rate to Brunswick, Me. and we have used some for basing point for years and the rates were protected. Can find nothing in Morris 228 which would lead us to believe that we would be compelled to use a combination of commodity rates from one junction if we could make a lower rate on some other junction base, on combination of a class and commodity rate.

In regard to Maine Central Tariff I. C. C. C 3253 proportional class rate from Milfore, Oakland and Washington Junction to M. C. points, we agree with you that same cannot be used except from or to points west of Niagara Frontier.

Regarding last paragraph in your letter relative to the clause in I. C. C. C 2971 to the effect "that whenever a carload commodity rate is established it removes the application of the class rate to or from the point on that commodity." This would refer to the station from which tariff applies and not to any other station. As there are no commodity rates on cement from Brunswick it would be perfetly proper to use the class rates in making a thru combination rate.

Yours truly, —— ——, The Atlas Portland Cement Company. EEW/FD.

[fol. 2725] DEF'TS' EX. No. D-571

Lehigh Portland Cement Co.

Alentown, Pa., Dec. 14, 1920.

Mr. J. J. Collister, T. M. Atlas Portland Cement Co., 30 Broad Street, New York City.

DEAR SIR: In reply to your letter of December 11, File X 60-28, in regard to rate to Princeton, Me. We agree with you with the exception of the rate from Alsen. The New Brunswick tariff names a rate of 20¢ per hundred pounds from Brunswick to Princeton. This would make the rate from Alsen to Princeton $8.34 instead of $8.44.

We expect to have a list of points affected by this tariff ready to send to you tomorrow for your information in checking.

Yours very truly, W. F. Clark, Traffic Manager.

[fol. 2725½] DEF'TS' EX. No. D-572

December 21, 1920.

Mr. C. N. Apgar, T. M. Alpha Portland Cement Company, Easton, Pa.

DEAR SIR: Replying to yours of the 16th inst., regarding the use of the Brunswick Tariff in making combination rates to points on the Maine Central. We are still of the opinion that same can be used in preference to the Portland Combination, if lower rate can be made on Brunswick. In reference to the clause of the above tariff regarding points "West of Brunswick," this is open to various interpretations and would say that same applies to all points west of Brunswick to Portland and west of Auburn to Portland and points west to Lime Ridge, Quebec, inclusive or it may mean that it only applies to the points on the line between Brunswick and Portland and points west of Portland.

We do not think that his clause means to run a straight line north and include points west of same. We will await the decision received by the Lehigh, kindly advise us as soon as received. We have [fol. 2726] just received the new Rumford tariff. The combination clause has been eliminated and no doubt the Portland Tariff etc., will also be reissued in the near future. We have had the Maine rates retyped on the figures agreed upon and think it will be well to check same when we check the New York State book. Do you not think so? As the matter now stands we will have to mark time on the New England books until the Maine Central, New Jersey Central, Bangor & Aroostook Etc., reissued their tariffs and we have not changed the rates caused by the reissued of the L. & N. E. tariffs, as

we might as well hold it up and make one correction to cover when the balance of the new tariffs have been received, Kindly advise,

Yours truly, The Atlas Portland Cement Company, by ——
——, Traffic Manager. EEW/BR.

c/o Mr. W. F. Clark, T. M. Lehigh Portland Cement Co., Allentown, Pa.

[fol. 2726½] DEF'TS' EX. No. D-573

Alpha Portland Cement Company

Easton, Pa., Dec. 23, 1920.

J. J. Collister, T. M. Atlas Portland Cement Company, 30 Broad St., New York, N. Y.

DEAR SIR: Yours of Dec. 21st, file X 60-27. I really do not see what bearing the reference West of Brunswick has to points West of Auburn and Lime Ridge. However, this matter seems to be one that we cannot agree upon and, until such time as the Lehigh Company hears from the Maine Central, nothing can be done.

We are making changes in our working book as the tariffs are received so that when the whole question is decided it will take us but a very few minutes to check such rates as have been changed since the check in New York. It seems to us that just as soon as the Brunswick situation is lined up and, provided the Portland Tariff is not changed by the elimination of the combination clause, we should go ahead and have New England printed.

[fol. 2727] We understand that the Central R.R. will not be able to distribute their cement tariff compiled on the 100 lb. basis until about the first of March. Further than this, there is at least one tariff applying out of Universal which must be changed to the 100 lb. basis and we do not know just what date it will become effective. If we were to hold up the printing until all these changes are made in the various tariffs which are now on the per ton basis, our books will not be printed before the 15th of March. This will be agreeable to us provided it is to the other companies.

Yours truly, C. N. Apgar, Traffic Manager.

[fol. 2727½] DEF'TS' EX. No. D-574

Dec. 30, 1920.

Mr. W. F. Clark, T. M. Lehigh Portland Cement Co., Allentown, Pa.

DEAR SIR: Your letter of December 28th received.

We agree to rates as shown by you to points in Maine with the following exception. From Hudson, New York, to Barkers, Me., we check a rate of $7.00 made up as follows:

Hudson to Portland	$4.06	
Portland to Barkers	3.40	
Total	7.46	
Less	.50	a ton as per Morris 228
	$7.00	through rate.

[fol. 2728] From Hudson, New York to Laings Pit, Me. we check a rate of $7.40 a ton made up as follows:

From Hudson to Portland	$4.10	
Portland to Laings Pit	3.80	
	7.90	
Less	.50	as per Morris 228.
	$7.40	through rate.

From Hudson, New York to Sunkhaze, Me. $7.00 made up as follows:

Hudson to Portland	$4.10	
Portland to Sunkhaze	3.40	
Total	7.50	
Less	.50	as per Morris 228.
	$7.00	through rate.

From Lehigh Valley to Conants, Davis, Lancaster and Woolen Mills, Me. $7.00. These stations being intermediate to Pea Cove, Me., as per Central Railroad ICC G 644.

Yours very truly, The Atlas Portland Cement Company, by ——— ———, Traffic Manager. AFB/EMS.

[fol. 2728½] DEF'TS' EX. No. D-575

Lehigh Portland Cement Company

Allentown, Pa., December 28, 1920.

Mr. J. J. Collister, T. M. Atlas Portland Cement Co., 30 Broad Street, New York City, N. Y.

DEAR SIR: Referring to the new Maine Book which I forwarded you yesterday: This morning I discovered that the rate from Hudson to Laings Pit is shown thereon as $6.70 or $1.31 per barrel. This should be $6.90 or $1.35 per barrel.

The rate to Woolen Mills from the Lehigh District is shown as $7.48 or 1.46 per barrel, whereas it should be $7.70 or $1.51 per barrel.

Will you kindly make the necessary corrections, obliging

Yours very truly, W. F. Clark, Traffic Manager.

[fol. 2729] DEF'T'S EX. NO. D-576

Alpha Portland Cement Company

Easton, Pa., Jan. 3, 1921.

J. J. Collister, Traffic Mgr. Atlas Portland Cement Co., 30 Broad Street, New York, N. Y.

DEAR SIR: Yours of Dec. 29th, file X 60-14, regarding checking of the New York State Freight Rate Book.

We have advised Mr. Clark that we will be able to check on Wednesday, January 5th. We have the New York and New Jersey Freight Rate Books completed and they can be checked at that time.

We understand that the questions which were brought up about rates in Maine have been about decided. The only matter now which is not entirely decided is the date that the application of Morris' tariff will be restored. If this is going to be done so as to become effective within a month from now, I believe, it might be well to check in the rates on the new basis. The Lehigh Company [fol. 2729½] has taken up regarding the matter and they, undoubtedly, will know definitely by the middle of this week so that possibly the state of Maine can be cleaned up and sent along the same time that New York and New Jersey are completed.

Yours truly, C. N. Apgar, Traffic Manager.

[fol. 2730] DEF'TS' EX. NO. D-577

January 4, 1921.

Mr. W. F. Clark, T. M. Lehigh Portland Cement Co., Allentown, Pa.

DEAR SIR: Referring to your letter of the 31st ultimo, file Q-48-Maine. We have corrected our Maine list of rates on Barkers, Laings Pit and Sunkhaze to read $6.70, $6.90 and $6.70 respectively.

On again reviewing the Central Railroad tariff applicable to points on the B. & A., we agree with you that we cannot apply the Pea Cove rates to Conants, Davis, Lancaster and Woolen Mills.

Yours truly, The Atlas Portland Cement Company, by ——
——, Traffic Manager. EEW/BR.

c/c Mr. C. N. Apgar, T. M. Alpha Portland Cement Co., Easton, Pa.

[fol. 2730½] DEF'TS' EX. NO. D-578

Lehigh Portland Cement Company

Allentown, Pa., December 31, 1920.

Mr. J J. Collister, T. M. Atlas Portland Cement Co., 30 Broad Street, New York City, N. Y.

DEAR SIR: Replying to yours of the 30th, file X-68-14 wherein you acknowledge mine of the 28th:

Rates to the following points are found in Maine Central R. R. tariff I. C. C. C-3193 from Hudson, N. Y.:

Barkers	$6.70
Laings Pit	6.90
Sunkhaze	6.70

If you will again review the C. R. R. of N. J. tariff applicable to points on the B. & A., I think you will agree with me that you cannot apply the Pea Cove rates to Conants, Davis, Lancaster and Wooden Mills under the present intermediate clause. Mr. Apgar also concurs in my interpretation of this tariff.

Yours very truly, W. F. Clark, Traffic Manager.

[fol. 2731] DEF'TS' EX. NO. D-579

August 12, 1921.

Personal.

Mr. G. M. Crosland, Chief Section of Tariffs, Interstate Commerce Commission, Washington, D. C.

DEAR MR. CROSLAND: Inasmuch as I am having an argument as to the proper through rate to apply to a through shipment of cement from our mill at Ormrod, Pa. to Rangeley, Me. located on the Sandy River & Rangeley Lakes R. R., will you do me the kindness to review the following and let me have your opinion whether official or unofficial in the premises.

In the first place there are no through rates, class or commodity, from Ormrod, Pa. to Rangeley, Me.

The combination on Portland, Me. is as follows:

Ormrod, Pa., to Portland, Me., 23¢ cwt.—Page 43, L. V. R. R. I. C. C. C-7244.

Portland to Rangeley, Me., 42¢ cwt.—(Sixth class.) Page 11, Me. C. I. C. C. C-3414.

Through rate, 65¢ cwt.

[fol. 2731½] The triple combination on Brunswick, Me. and Farmington, Me. is as follows:

Ormrod, Pa., to Brunswick, Me., 25¢ cwt.—Page 11, L. V. R. R. I. C. C. C-7244.

Brunswick to Farmington, Me., 4¢ cwt.—(Sixth class.) Page 7, Me. C. I. C. C. C-3454.

Transfer at Farmington, Me., 4¢ cwt.—S. R. & R. L. I. C. C. 164.

Farmington to Rangeley, Me., 24¢ cwt.—(Sixth class.) Page 2, S. R. & R. L. I. C. C. 176.

Through rate, 58¢ cwt.

I have taken the position that inasmuch as there are no through rates from Ormrod, Pa. to Rangeley, Me. and no specific manner of constructing a combination rate is prescribed that if a shipment is routed by us from Ormrod, Pa. to Rangeley, Me. via the Lehigh Valley-Boston & Maine to Portland, Maine Central to Brunswick, Maine Central to Farmington c/o Sandy River & Rangeley Lakes R. R., the through rate of 58¢ would be correctly applicable. On the other hand it is argued that because there is a through rate from Portland to Rangeley, Me. that that fact would require the use of the Portland combination precluding the use of the triple combination on Brunswick and Farmington. It is also argued that because the through rate from Portland to Rangeley is also applicable from Brunswick that it is improper to use from Brunswick to Rangeley the combination on Farmington. This would be very true if we [fol. 2732] were figuring on a shipment from Brunswick to Rangeley, but I do not believe that it would eliminate the application of the triple combination on Brunswick and Farmington on a through shipment from Ormrod, Pa. to Rangeley, Me. Inasmuch as all of the tariffs in question are on file with the Commission, I cannot see where we are confined to the Portland combination.

With kind personal regards and hoping to see you in Washington shortly, I am,

Yours very truly, —— ——, Traffic Manager. ER.

[fol. 2732½] DEF'TS' EX. NO. D-580

Interstate Commerce Commission

Washington, August 13, 1921.

Mr. W. F. Clark, Traffic Manager Lehigh Portland Cement Company, Allentown, Pa.

DEAR SIR: I have yours of the 12th inst. file B-311-108-AW relative to Cement Rates, Ormrod, Pa. to Rangeley, Me.

Assuming that your statement of the rates is correct and that there are no through rates, nor specific manner of constructing the com- [fol. 2733] bination rate, provided in the tariffs your view of the applicable through combination rate is correct. In support of this conclusion I quote you rule 5 (c) of Tariff Circular 18-A:

"If no specific rates from point of origin to destination of a through shipment is provided, and no specific manner of constructing combination rate for it is prescribed, the lowest combination of rates applicable via the route over which the shipment moves is the lawful rate for that shipment."

The Commission has passed upon situations of the kind presented in your letter and in every instance, so far as I am aware, have decided that the lowest combination over the route of movement is the applicable through rate.

Yours truly, G. M. Crosland, Chief Section Tariffs.

Copy E. E. Wolfe.
9/7/21.

[fol. 2733½] DEF'TS' EX. No. D-581

August 16, 1921.

Mr. C. N. Apgar, T. M. Alpha Portland Cement Co., Easton, Pa.

DEAR SIR: For your information I attach copy of my note of the 12th inst. to Mr. Crosland of the Interstate Commerce Commission and copy of his reply.

Yours very truly, —— ——, Traffic Manager. MR.

[fol. 2734] DEF'TS' EX. No. D-582

August 19, 1921.

Mr. C. N. Apgar, T. M. Alpha Portland Cement Co., Easton, Pa.

DEAR SIR: I have noted yours of August 18, relative to cement rates from the Lehigh District to Rangeley, Me., and also that you have written the Maine Central in regard to the matter.

I put the matter up squarely to the Commission and it seems to me that the Commission's Ruling should be sufficient for you.

Yours very truly, —— ——, Traffic Manager. J. G.

Mr. Paulson, Washington:

Please read the attached file and discuss it with Mr. Crosland? The contention of the Alpha is that because the Portland rate also applies as a through rate from Brunswick that it is not in order to use the combination on Farmington from Brunswick to destination.

W. F. C.

Did not see Crossland, but you are OK.

[fol. 2734½]

DEF'TS' EX. No. D-583

Summary of Coats & Burchard Company's Appraisal of Lehigh Portland Cement Company's Plants as of August, 1920

Plant	Reproductive value	Sound value	Working capital	Rock deposits	Total sound value
Ormord #1	$2,980,465.79	$2,239,444.16	Exhibit 277		
" "2	1,899,576.14	1,500,917.34		$877,793.90	.....
" "3	2,018,643.91	1,545,585.18			
Fogelsville	4,051,709.79	3,099,526.78		700,750.00	.....
West Coplay	2,780,590.15	1,999,807.93		263,385.54	.....
New Castle #1	1,979,283.70	1,439,919.50			
" " "2	1,612,916.25	1,189,684.63		438,489.90	.....
" " "3	2,431,579.98	1,935,713.16			
Fordwick	3,242,223.20	2,372,213.11		190,722.25	.....
Total	$22,996,988.91	$17,322,811.79	$2,156,504.88	$2,471,141.59	$21,950,458.26

[fol. 2735] DEF'TS' EX. NO. D-584

Edison Portland Cement Co.

New York City, September 16, 1919.

Mr. Robert Cope, Sales Manager Allentown Portland Cement Company, Allentown, Pennsylvania.

DEAR SIR: Attached find acknowledgment of your telephone order of this morning, which I believe contains the salient points we discussed.

I think it would be better if you will telephone or deliver to Mr. A. H. Moses, Assistant Works Manager, your detailed shipping instructions.

It is my understanding you will have your sacks put in at the mill tomorrow, so that if our car supply is adequate, we can start for you on Thursday.

As explained to you, our car supply has been most uncertain and most provoking this month, but we will hope for improvement.

You can rest assured we will do our very best to execute this order [fol. 2735½] as nearly as possible according to your desire.

Yours very truly, H. M. Scott, Vice-President and General Sales Manager.

(Enclosure)

Acknowledgment

Edison Portland Cement Company

New York Office

Sept. 16th, 19—.

Sale No. 6642.
Contract No. —. Customer's No. —.
Ship Allentown Portland Cement Company, Allentown, Pa.
At F. O. B. Cars New Village, N. J.
For Lighterage to ——.
At ——.
Acc't Allentown Portland Cement Company, Allentown, Pa.
Via ——. Freight: ——.
Rate: — per Ton F. O. B. ——.
(Bbls. 10,000 Cloth.) (— Paper.) (— Wood.)
When: Four or Five Cars Daily.
[fols. 2736 & 2737] Allentown Portland Cement Co. to furnish sacks and detailed shipping instructions.
Terms: Net 30 days—5¢ per barrel discount for cash in 10 days.
Authority: Per telephone order from their Mr. Cope, 9-16.
Applied: ——.
Del'd price: 1.60, inc. pkg. F. O. B. New Village, N. J.
We acknowledge with thanks your order as above.
Please check and advise if not correct.

[fol. 2737½] DEF'TS' EX. No. D-585

Edison Portland Cement Co.

Stewartsville, N. J., September 18, 1919.

The Allentown Portland Cement Co., Allentown, Penna.

Attention Mr. A. F. Bendel

DEAR SIR: We received at our Mill, New Village, N. J., from your Company yesterday afternoon 18 bales of Cement bags, as well as, seals and car cards account of your order for 10,000 barrels of Cement.

Yours very truly, A. Hollingsworth Moses, Asst. Secretary.

[fol. 2738] DEF'TS' EX. No. D-586

Copy of Plant or Suppliers Order

Security Cement and Lime Co.

Index 1432

5926

Our Order 5926

Shipped to Supply Officer,
Navy Yard,
Washington, D. C.

via WM-PRR

11/26/18

Sold to Tidewater Portland Cement Co.,
Calvert Building, Baltimore, Maryland.

30 :from receipt of shipment.

Your Order No. Contract #39027
C.C. FIS-M

Received by D:R

Quantity	Description	Car number	Initial	Weight	Price	Amount
350 bbls.	Security Portland cement	228791	NYC	66500	3.099	$1084.65
	Cloth-25¢ bags.	259597	NYC	66500	per bbl. dlvd inc bags, subject to advance in freight prior to shipment.	
	Standing Order-2-175 bbl. cars.					
	Ship at once.					
	8 copies Government Bs/L attacht.					
	EKM—Direct.			Less ft.		119.70
						964.95

Wire shipping notice to consignee marking same "For account Tidewater Portland Cement Co."

To Security Plant, Security, Md.
Bureau of Standards—
7 day cement.

Date 11/23/18
Ship Now.
Fgt. Rate 1.80

(Stamp: Security Cement and Lime Company.)

[fol. 2738½]

Copy of Plant or Suppliers Order

Security Cement and Lime Co.

Index 1432 — 5929 — Our Order 5929

Shipped to Supply Officer,
Naval Academy, Annapolis, Maryland.

via B&O-WB&AE

11/27/18

Sold to Tidewate- Portland Cement —,
Calvert Building,
Baltimore, Maryland.

30 :from receipt of shipment.

Your Order No. 41268 Req. Naval Academy. Annapolis, Md. File #27-N:

Received by HUE:E

Quantity	Description	Car number	Initial	Weight	Price	Amount
525 bbls.	Security Portland cement Cloth-25¢ bags.	23653 107783 82043	NP CB&Q SP	66500 66500 66500	3.3194 per bbl. dlvd inc bags, subject to advance in freight prior to shipment.	$1742.69

Standing Order-3-175 bbl. cars.
Ship at once. Prepd freight $215.46
Eight Commercial Bs/L—
six (6) to Tidewater Portland Cement Co.
two (2) to our agent.
Show on Bs/L "Government Order #42268," Requisition "Naval Academy, Annapolis, Maryland"; Class 1 Y&D
L-252-39947-GAA-NSA-Y&D;
File #27-N
Wire shipping notice.

To Security Plant, Security, Md.
Bureau of Stndards—
7 day cement.

Date 11/23/18
Ship Now.
Fgt. Rate 2.16 Prepay.

(Stamp: Security Cement and Lime Company.)

1679

[fol. 2739]

Copy of Plant or Suppliers Order

Security Cement and Lime Co.

Index
1432

5918

Our Order
5918

Shipped to Consolidated Engineering Co.,
c/o Lieut. Comdr. Anderson
Bureau Yards & Docks,
Grove, Virginia.

Via
, WM-C&O

11/26/18

Sold to Tidewater Portland Cement Co.,
Calvert Building, Baltimore, Maryland.

30 from receipt of shipment.

Your Order No. #CO phoned AHJ 11/22 Received by WDG:E

Quantity	Description	Car number	Initial	Weight	Price	Amount
400 bbls.	Security. Portland cement	68576	UP	64220	3.12	$1248.00
	Cloth-25¢ bags.	50616	MC	87780	per bbl. dlvd inc. bags, subject to advance in freight prior to shipment.	
	Standing Order—2 cars. (1-231 bbl. & 1-169 bbl. cars)					
	Less frt and					228.00
	Six (6) Commercial Bs/L— five (5) to Tidewater Portland Cement Co.					$1020.00

To Security Plant, Security, Md.
Buerau of Standards—
7 day cement.

Date 11/22/18
Ship Now.
Fgt. Rate 3.00

(Stamp: Security Cement and Lime Company.)

[fol. 2739½]

Copy of Plant or Suppliers Order

Security Cement and Lime Co.

Index 1432 — 5930 — Our Order 5930

Shipped to U. S. Constructing Q. M.,
a/c J. Henry Miller Constr. Co.,
Locust Point, Maryland.
Fort McHenry, Baltimore, Maryland.

Via B&O

Sold to Tidewater Portland Cement Co.,
Calvert Building, Baltimore, Maryland.

11/26/18

Letter TPCCo 11/22

Your Order No. General Hospital #2

30 from receipt of shipment.

Req. 106 Ft. McHenry. File 411.8 CR-MT Received by HSR:E

Quantity	Description	Car number	Initial	Weight	Price	Amount
173 bbls.	Security Portland cement Cloth-25¢ bags. Eight Commercial Bs/L— Six (6) to Tidewater Portland Cement Co. two (2) to our Agent.	6546	CofGa	65740	3.18 per bbl. dlvd inc bags, subject to advance in freight prior to shipment.	$550.14
	Less freight					46.02
						$504.12

Show on Bs/L "General Hospital #2"
Wire shipping notice on this car to Production Department, Construction Division, Attention Nash, Washington, D. C.
Collect.

To Security Plant, Security, Md.
Bureau of Standards—
7 day cement.

Date 11/23/18
Ship Now.
Fgt. Rate 1.40

(Stamp: Security Cement and Lime Company.)

1681

[fol. 2740]

Copy of Plain or Suppliers Order

Security Cement and Lime Co.

Index 1432

5912

Our Order 5912

Shipped to U. S. Coast & Geodetic Survey,
a/c Wills Egelhof Co., Inc. of N. Y.
New Jersey Ave. Frt. Station.
Washington, D. C.

Via WM-PRR

11/23/18

Sold to Tidewater Portland Cement Company,
Calvert Building,
Baltimore, Maryland.

30 from receipt of shipment.

Your Order No. C. S. #3-M

Received by W:E

Quantity	Description	Car number	Initial	Weight	Price	Amount
173 bbls.	Security Portland cement Cloth-25¢ bags. Five (5) Commercial Bs/L—	64004	WAB	65740	3.10 per bbl. dlvd inc bags, subject to advance in freight prior to shipment.	$536.30
					Less freight	59.17
						$477.13

Two (2) to our Agent and three (3) to Tidewater Portland Cement Company,
Show on Bs/L "C. C. File #3-M, Req. U. S. C oast & Geodetic Survey Building, Washington, D. C. EKM—Direct.

To Security Plant, Security, Md.
Bureau of Standards—
7 day cement.

Date 11/22/18
Ship Now.
Fgt. Rate 1.80

(Stamp: Security Cement and Lime Company.)

[fol. 2740½]

Copy of Plant or Suppliers Order

Security Cement and Lime Co.

Index 1432

5919

Our Order 5919

Shipped to U. S. Constructing Q. M.,
Camp Humphreys, Accotink, Virginia.

Via B&O-WS

Sold to Tidewater Portland Cement Company,
Calvert Building,
Baltimore, Maryland.

11/22/18
30 from receipt of shipment.

Your Order No. 1388 C. C. 86-File 411.8 CR-MT Received by WDG:E

Quantity	Description	Car number	Initial	Weight	Price	Amount
173 bbls.	Security Portland cement Cloth-25¢ bags. Standing Order—3 cars. (2-231 bbl. & 1-173 bbl.) Prepaid frt and war tax $81.26 Ship at once. Eight (8) Commercial Bs/L—two (2) to our Agent and six (6) to Tidewater Portland Cement Co. Show on Bs/L "Government order #1388-CC-86 File 411.8 CR-MT." Wire shipping notice to "Marshall, Production Dept., Attention Whitney, Washington, D. C. Also to U. S. Constructing Q. M., Camp Humphreys, Va.	30343	SL&SF	65740	3.12 per bbl. dlvd inc bags, subject to advance in freight prior to shipment.	$539.76

To Security Plant, Security, Md.
Bureau of Standards—
7 day cement.

Date 11/22/18
Ship Now.
Fgt. Rate 2.40 Prepay.

(Stamp: Security Cement and Lime Company.)

1683

[fol. 2741]

Copy of Plain or Suppliers Order

Security Cement and Lime Co.

Index 1432 — 5914 — Our Order 5914

Shipped to U. S. Constructing Q. M.,
Camp Humphreys, Accotink, Virginia.

Via B&O-WS

11/22/18

Sold to Tidewater Portland Cement Company,
Calvert Building,
Baltimore, Maryland.

30 from receipt of shipment.

Your Order No. 1388 C. C. 86-File 411.8 CR-MT — Received by WDG:R

Quantity	Description	Car number	Initial	Weight	Price	Amount
167 bbls.	Security Portland cement Cloth-25¢ bags. Standing Order—2 cars. (1-200 bbl. & 1-167 bbl.) and 2-231 cars. Ship at once Prepaid frt and war tax $78.30 Eight (8) Commercial Bs/L—two (2) to our Agent and six (6) to Tidewater Portland Cement Company. Show on Bs/L "Government order #1388-C.C.-86—File 411.8 CR-MT." Wire shipping notice to "Marshall, Production Dept., Attention Whitney, Washington, D. C. Also to U. S. Constructing Q. M. Camp Humphreys, Va.	30103	PM	63460	3.12 per bbl. dlvd inc bags, subject to advance in freight prior to shipment	$521 04

To Security Plant, Security, Md.
Bureau of Standards—
7 day cement.

Date 11/22/18
Ship Now.
Fgt. Rate 2.40 Prepay.

(Stamp: Security Cement and Lime Company.)

[fol. 2741½] DEF'TS' EX. NO. D-587

Hercules Cement Corporation

New York, Aug. 15th, 1918.

Sold to Bath Portland Cement Co., Finance Bldg., Phila., Pa.

Memorandum Invoice

Date	Car No.	Weight
7/29	B&O 224581	985 Cwt.
"	P&R 88699	1039 "
7/31	PRR 155896	918 "
"	P&R 77875	1040 "
"	LV 17412	946 "

[fol. 2742] Hercules Cement Corporation

Philadelphia

New York, Aug. 23rd, 1918.

Sold to Bath Portland Cement Co., Finance Bldg., Phila., Pa.

Memorandum Invoice

Date	Car No.	Weight
8/1.	C. R. J. 63610	949 Cwt.
"	B. & O. 24447	955 "
8/5.	B. & L. E. 41360	922 "
"	T. & O. C. 26200	977 "
"	P. & R. 77795	1034 "

[fol. 2742½] Hercules Cement Corporation

New York, Aug. 28, 1918.

Sold to Bath Portland Cement Co., Finance Bldg., Phila., Pa.

Memorandum Invoice

Date	Car No.	Weight
8/1.	P. & R. 88718	1113 Cwt.
8/3.	C. C. C. 25124	796 "
8/7.	P. R. R. 211972	943 "

Hercules Cement Corporation

Sept. 24, 1918.

[fol. 2743] Memorandum Invoice

Sold to Bath Portland Cement Co., Finance Bldg., Phila., Pa.

6173. 7/31 B. & O. 232054 ..... 97800#

Hercules Cement Corporation

New York, Sept. 30, 1918.

Memorandum Invoice

Sold to Bath Portland Cement Co., Finance Bldg., Phila., Pa.

Terms: Net cash on receipt of invoice.
6390.

Date	Car No.	Weight
8/5.	B. & O. 25584	77900
"	W. & L. E. 59605	106300

[fol. 2743½] DEF'TS' EX. NO. D-588

Bath Portland Cement Co.

New York City, July 18, 1918.

Mr. F. B. Franks, 1st Vice-President, Bath, Penna.

DEAR SIR: We have sold to the Dexter Portland Cement Company, five thousand (5,000) barrels of cement at $1.50 bulk f. o. b. our mills, packed in their bags and they will send the bags to the plant tomorrow.

In placing this order they have requested me to send them the bin number from which each car is loaded and our laboratory test on the bin. They say they have some essential work where these tests are required and it is important that they have them.

Yours very truly, J. F. Twamley, Second Vice-President.

cc. to Phila. office.

[fol. 2744] DEF'TS' EX. NO. D-589

Bath Portland Cement Co.

New York City, July 22, 1918.

Mr. F. B. Franks, 1st Vice-President, Bath, Penna.

DEAR SIR: We have sold the Dexter Portland Cement Company an additional 5,000 barrels, making a total of 10,000 barrels and they have asked if we will pack a little cement for them in paper bags. I told them that we did not want to pack any cement in open mouth paper bags as our packers objected to handling these packages, but that if they furnished us with Bates Valve paper bags, I thought there would be no difficulty in accommodating them.

Yours very truly, J. F. Twamley, Second Vice-President.

[fol. 2744½] DEF'TS' EX. NO. D-590

The Allentown Portland Cement Co.

Allentown, Pennsylvania, December 22, 1919.

Mr. C. H. Breerwood, President Acme Cement Corporation, 134 South 46th Street, Philadelphia, Penna.

MY DEAR MR. BREERWOOD: Confirming our conversation of today, we are placing order with your Company for the purchase of one hundred thousand barrels (100,000) of your cement to be delivered in approximately equal monthly shipments between April 1, 1920, and December 1, 1920.

This cement to be shipped in the bags of this Company which we are to forward to your plant, and to be shipped to points designated by us, we to pay you One Dollar Sixty Cents ($1.60) per barrel for this cement, F. O. B. cars or barge, subject to a discount of 5¢ per barrel for payment within ten days from date of invoice, you to guarantee the cement to pass the Standard Specifications. It is [fol. 2745] understood that you are to use your best efforts to make use of the present loading system, and to make such shipments as we request, by barge when possible to do so.

Very truly yours, Allentown Portland Cement Company, R. S. Weaver, Secretary and Treasurer.

[fol. 2745½] DEF'TS' EX. NO. D-591

Acme Cement Corporation

Catskill, N. Y., December 23, 1919.

Allentown Portland Cement Co., Allentown, Pa.

GENTLEMEN: We have to acknowledge receipt of your favor of December 22nd, in which you place with us an order for 100,000 barrels of Portland cement. This order is accepted in accordance with the terms and conditions named in your letter, subject only, however, to the following qualifications. We understood that you would in each case discount your bills by a payment within ten days from date of invoice upon an allowance of 5 cents per barrel. You do not definitely state in your order that this will be done in each case. Will you kindly write us a letter clearing up this point [fol. 2746] so that we may regard the contract for 100,000 barrels definitely closed.

It is understood, of course, as we stated to your Mr. Weaver, that the performance of the agreement is subject to unusual contingencies, such as fire, strikes, accidents, inability to obtain transportation, and other causes beyond our control.

Very truly yours, Acme Cement Corporation, C. H. Breerwood, President.

[fol. 2746½] DEF'TS' EX. NO. D-592

Acme Cement Corporation

Catskill, N. Y., August 4, 1920.

Mr. J. W. Fuller, Pres. Allentown Portland Cement Co., Allentown, Pa.

DEAR COLONEL FULLER: I have your favor of August 2nd, and I am very sorry you did not let Cope get in touch with me to find out why we were not shipping you, before writing your letter, as then I am sure you would have had no cause for complaint.

The facts of the matter are these: from Wednesday, July 28th up until today, August 4th, we have just received five cars, (even though we have a standing order for five cars a day) and you got [fol. 2747] one of these cars Monday, and are getting one today. We are informed by the West Shore Railroad Co. that they have been ordered to forward all empty box cars West for grain, and do not know when they can give us more cars. So you see you are more than getting your proportion, and when I stated to Cope that I thought I could give you two cars, it was of course dependent upon our getting the cars.

The only cement Waldo Bros. & Bond Co. are getting of any consequence is shipped to them by water, and the cement is trucked from our plant six miles to Catskill, and loaded on barges, at that point, and they are doing the trucking at their expense. If it were not for this method of shipping, we would be obliged to close our plant down. As it is, the cement is piling up on us and have had about $100,000 tied up in cement and clinker, which is about all I can finance, and I would like to state that the arrangement we have with Waldo Bros. & Bond Co. was made prior to the time of making the contract with you.

It seems that just as soon as we commence to get any kind of a supply of box cars, the Railroads leading into the New England States place embargoes on, and we are not able to ship. We have had cases where we have had four or five cars loaded in the yard, embargos were placed and we have to send the cement up to Catskill at a loss of $1.20 a ton.

If you will write to the West Shore Railroad Co., Alsen, N. Y., they will confirm the fact that we have only received five cars in [fol. 2747½] the last seven days, and that we have a standing order with them for five cars a day, which will increase when we get on an average of five cars a day, and I not only have no objection to your sending a representative here to check up these facts, but would prefer that you do so, as it would eliminate any cause for misunderstanding.

I more than appreciate your raising the price of the contract, which is of considerable help, but I have just gotten out my July costs and find that we are losing at least 80 cents a barrel at the new price of $2.15 net. This is caused by our having to go out in the open market and pay from $15 to $17 a ton for coal delivered, and also to our

restricted production, due to the lack of transportation. If we ever have to depend on the Railroads entirely I do not believe we could run more than a week, and if you knew all that I have to contend with I believe you would feel like quitting unil conditions got somewhere near normal. It does seem a pity that cement manufacturers have to sell cement at $2.15 or even $2.60, when the same dealers, who are getting it, turn around and sell it for $6.50 and $7 a barrel.

Nevertheless, we will do the very best we can for you an- no matter what happens, you will certainly get a square deal, and if at any time you do not feel that you are getting it, send Cope up to see me and let him stay long enough to find out all that is going on.

[fol. 2748] If you handle the matter in this way, I am sure you will have no cause for complaint.

Yours truly, Acme Cement Corporation. C. H. Breerwood, President.

[fol. 2748½] DEF'TS' EX. NO. D-593

August 28, 1919.

Mr. B. L. Swett, Sales Manager Lehigh Portland Cement Company, Allentown, Pa.

MY DEAR SIR: I confirm our telephonic conversation of this morning offering to furnish you 100,000 barrels Knickerbocker cement at $1.65 per barrel, f. o. b. cars at our mill, net cash in thirty days.

Mr. Naylor has just informed me upon my return to the office that during my absence, you telephoned him your acceptance of this offer, stating that you would see him tomorrow in regard to shipping instructions, furnishing your bags, etc.

Thanking you for this order which will have our very best attention, I remain,

Very truly yours, —— ——, President. ABD:GH.

P. S.—The above for prompt shipment.

[fol. 2749] DEF'TS' EX. NO. D-594

Lehigh Portland Cement Co

Allentown, Pa., August 28, 1919.

Knickerbocker Portland Cement Co., 30 East 42nd St., New York, N. Y.

GENTLEMEN: Following our telephone conversation this morning, this memorandum is submitted to cover the purchase by your Company from you of 100,000 barrels Knickerbocker Portland Cement under the following terms and conditions.

Price.—Price shall be $1.65 per barrel net exclusive of cost of package, but including cost of packing cement into our bags and placing it f. o. b. cars your tracks Hudson, N. Y.

Terms.—Terms Net cash, we to pay invoices within ten (10) days of dates of presentation.

Delivery.—It is understood that you agree to furnish the entire quantity of 100,000 barrels beginning not later than September 1st, 1919, and completing delivery not later than September 30th, [fol. 2749½] 1919, and that you will make shipments of approximately 4,000 barrels per day. In the event of your inability to ship, due to a shortage of cars or the occurrence of a railroad strike during the month of September, it is understood that our company has the option of either taking delivery subsequent to September 30th, 1919, or else leaving on your hands such cement as you have been unable to furnish prior to September 30th.

Manner of Shipments.—It is understood that you will undertake to make shipments of the cement under this order to such customers and destinations, and in such manner and quantities as we may direct, and that you will arrange to issue billing on such shipments on Lehigh Portland Cement Company bills of lading, which we will furnish you, the name of the Knickerbocker Portland Cement Company not to appear in any way to the consignee receiving the cement.

Package.—It is understood that you will make shipments in sacks (either cloth or paper) bearing Lehigh brand which we will furnish you for the purpose, and that we will undertake to deliver the empty sacks f. o. b. your mill in time to permit you to make deliveries as agreed above. It is further understood that no shipments are to be made except in bags so furnished you.

Notice of Shipment.—It is understood that you will mail to us on the day of shipment bills of lading in duplicate on each carload shipped under this order and that you will promptly follow these papers by invoices to cover. It is also understood that you will, if desired, furnish us with daily telephone information as to the car number of shipments made on that day.

[fol. 2750] Tests.—It is understood that cement which you will furnish us under this order is guaranteed to conform in all respects to the present specifications of the American Society for Testing Materials, and that you agree, upon request, to furnish us with copies of your mill test reports on any of the cars shipped under the order.

If the above agrees with your understanding, please let us have your word of acknowledgment.

Yours truly, Lehigh Portland Cement Company. B. L. Swett. Eastern Sales Manager.

[fol. 2750½] DEF'TS' EX. No. D-595

Lehigh Portland Cement Co.

Allentown, Pa., August 30, 1919.

Knickerbocker Portland Cement Co., New York City.

Attention Mr. Floring

GENTLEMEN: Following this morning's telephone conversation, we are enclosing our orders No. 1 to 32 inclusive, omitting No. 4.

Please make shipment of these cars in the order in which they are numbered, beginning with No. 1.

As explained in our conversation, the steamboat "Perkins" left Jersey City at noon today for your plant, and will deliver to you 35,000 cloth Lehigh sacks to be used in making shipments for us. We hope that it will be possible for you to start shipments on the enclosed orders by Tuesday, the 2d.

The "Perkins" is to return to Jersey City loaded with cement to her capacity of about 750 barrels. We would like, if possible, to have the enclosed carload orders shipped before the "Perkins" is loaded and are willing to have the boat lay over for a few days. Of [fol. 2751] course, should there be any difficulty in securing cars, you can go ahead on loading the "Perkins" immediately.

For the present, please bill the shipments out on plain bills of lading in the name of the Lehigh Portland Cement Company as shipper, sending to this office bills of lading in duplicate on each shipment. We will furnish you within a few days a supply of printed bills of lading.

We will appreciate if you will telephone us each day the car numbers of that day's shipments, or if you will set an hour, we shall be glad to call you for the information daily.

If there are any points not entirely clear in connection with any of the orders, please call on us.

Yours very truly, Lehigh Portland Cement Company. J. Bowen.

[fol. 2751½] DEF'TS' EX. No. D-596

Lehigh Portland Cement Co.

Allentown, Pa., September 12, 1919.

Mr. A. B. Daniels, Pres. Knickerbocker Portland Cement Co., 30 E. 42nd St., New York City, N. Y.

DEAR SIR: Referring to your letter of the 3rd and our several conversations pertaining to our order placed with you for 100,000 barrels of cement, would say that our original desire was to purchase the cement for delivery prior to October 1st, 1919. You will appre-

ciate, of course, that deliveries much later than this would not be of very great service in meeting the present situation.

We recognize the difficulties under which you have been working for the first ten days of the month because of the shortage of cars, and are willing to accept a portion of the order later than October 1st, provided that reasonably heavy shipments are made during September to meet existing conditions.

I am therefore writing to amend our letter of August 28th by [fol. 2752] saying that if delivery of 75,000 barrels is made during September, we will then be willing to accept delivery of the remaining 25,000 barrels during October.

I hope that this arrangement is acceptable, and will appreciate your word.

Yours truly, B. L. Swett, Eastern Sales Manager.

[fol. 2752½] DEF'TS' EX. NO. D-597

October 2, 1919.

Mr. B. L. Swett, Eastern Sales Manager Lehigh Portland Cement Company, Allentown, Pa.

DEAR SIR: Referring to your letter of September 24th which has not been answered earlier on account of my absence from the office.

We were not able to ship as many barrels on your order last month as hoped for due to the failure of your company to keep us fully supplied with sacks. However, we succeeded in forwarding 51,000 barrels and we will fill the balance of the order, forwarding daily as many barrels as possible, but it will be necessary for you to keep us well supplied with sacks. Mr. Floring now has the matter up with your representative here in New York and as I understand it, quite a supply of sacks will reach the mill within the next few days.

Sometime ago in discussing the matter with me, you intimated that you might desire to increase this order and I would like to have you advise at this time as to your desires in connection therewith. Will you kindly let me hear from you at your early convenience?

Very truly yours, —— ——, Treasurer. ADN:GH.

[fol. 2753] DEF'TS' EX. NO. D-598

Lehigh Portland Cement Co.

October 16, 1919.

Mr. A. D. Naylor, Treas. Knickerbocker Portland Cement Co., 30 East 42nd St., New York, N. Y.

MY DEAR SIR: As explained to Mr. Floring yesterday, unfortunately the bottom has fallen out of everything throughout the Middle

West and our business slacked off so that we are amply able to take care of what little business comes in to us ourselves. I can't understand this, as I have been very optimistic as to the demand for the next thirty days and feel that it is on account of the weather conditions alone which has been the cause of our orders falling off.

Under the circumstances, however, you can readily understand that we cannot see our way clear to increase our original order at this time. If it has been the weather conditions that has brought about this change, no doubt if we do get some good weather the latter part of the month, we can give you some day to day business.

When I am in New York next week I will go into this matter further.

Yours truly, B. L. Swett, Eastern Sales Manager.

[fol. 2753½] DEF'TS' EX. NO. D-599

January 9, 1920.

Sorco Pipe & Supply Company, P. O. Box 974, Johnstown, Penna.

Attention Mr. H. B. Toomey

GENTLEMEN: We thank you for your inquiry of January 8th for price on 12,000 bbls. Giant Portland Cement F. O. B. Windber. Penna. for use in bidding on State Highway work—R-222 Richland and Stonycreek Twps.

We regret to advise, however, that just at this time we are not quoting on any cement for future shipment, owing to the uncertain coal situation and general unsettled conditions, but this may only be for a short time, and therefore trust you will advise us from time to time regarding any inquiries that you may have on which you desire price, and upon hearing from you will be very glad indeed to communicate with you further.

We would say, however, that we are in position to take care of any current orders for prompt shipment, and shall be very glad to serve you.

Appreciating your inquiry, and trusting you will understand our position, we remain,

Yours very truly, —— ——, General Sales Manager. N.

[fol. 2754] DEF'TS' EX. NO. D-600

February 2, 1920.

The Clarksburg Coal Sales Co., Clarksburg, W. Va.

GENTLEMEN: I am in receipt of your favor of the 30th ult., and I must admit, the situation as explained in your letter, looks very blue.

I, however, am expecting you to stick by me and please "Don't give up the Ship". Our situation at New Village is so very serious, due to the very large confiscations by Fuel Administrators and the various common carriers, that we have been working at only about 70% capacity for the last thirty days.

I want to assure you, that the writer will be under heavy obligations to you for any and all assistance you can render. Once you lay your hands on a car, ship it to the order of the Edison Portland Cement Company and I assure you, you will have every opportunity to continue shipping us Coal during 1920.

"A friend in need is a friend indeed", and I am relying on your best cooperation to help me out of the very serious situation we now face.

Yours very truly, —— ——, Asst. Secretary. AHM:CB.

[fol. 2754½] DEF'TS' EX. NO. D-601

The Clarksburg Coal Sales Co.

Clarksburg, W. Va., January 30th, 1920.

Edison Portland Cement Co., New Village, N. J.

GENTLEMEN: We are in receipt of your wire of this advising, "our coal suitation serious, advise what we can expect".

We can advise that you will be fortunate to receive any coal as the car supply is the worst we have experienced in this region for years, we had seventeen cars at one of the mines we represent for the entire week, the weekly rateing of this mine is 48 cars, this week the same mine has had 13 cars, you can readily see the car situation is bad.

We are haveing considerable trouble in buying coal for line shipment as the export coal is bringing a much better price and consequently the loose tonnage is attracted by the better price, we have shipped you all the slack from a mine we have been selling the output of and will try to pick up any outside coal we can, we can not give you any thing definite however but will do our best.

Very truly yours, Clarksburg Coal Sales Co.

[fol. 2755] DEF'TS' EX. NO. D-602

February 4, 1920.

Mr. Benjamin Bissell, Century Coal Co., Baltimore, Md.

DEAR MR. BISSELL: I am in receipt of your favor of the 31st ult., report on the "Northern West Virginia Coal Operators' Association."

I have been so busy trying to get sufficient Coal to operate our plant at New Village, that you must pardon me for not sending you a few lines ere this.

I have been passing through one of the most difficult manufacturing periods I have ever experienced in my twenty-two years of business life, and I am candid when I state, that War Condition Times were not even a parallel to the present situation. Known confiscations on Coal shipped to our plant in January amounted to 125 cars, and there are probably 25 to 30 more doubtful cars on my shipments that are evidently confiscated.

At 7 A:M this morning, I had just enough coal to last until 2 P:M.

I assure you my condition is so serious that it is a problem whether we can operate from day to day. I am relying on your usual best cooperation and consideration to help me with every car possible.

Yours very truly, —— ——, Asst. Secretary. AHM:CB.

[fol. 2755½] DEF'TS' EX. No. D-603

Western Union

Telegrams, Cablegrams

Dated March 10th, 1920.

To—Davis Coal Co., Grafton, W. Va.:
Lewis & Burrell, " "
Fisher-Summit Coal Co. Clarksburg, W. Va.:
J. E. Long Coal Co., " "
Callahan Coal Sales Co., " "
Patton Coal Co., Fairmont, W. Va.:
John Wills, Inc. Penna. Bldg., Phila.:
Operators' Fuel Co. 1727 Real Estate Trust Co., Phila.
Logan Coal Co. Harrison Bldg., Phila.:
Pursblove-Maher Coal Co. Rockefeller Bldg., Cleveland, Ohio:

Coal shortage very acute at our plant. Wire recent shipments our expense in order that we may trace. Do everything possible to help relieve situation. Your Kind Co-operation earnestly solicited.

Edison Portland Cement. A. H. Moses.

[fol. 2756] DEF'TS' EX. No. D-604

Western Union

Telegrams, Cablegrams

Dated February 23rd, 1920.

To—Davis Coal Mining Co., Grafton, W. Va.:
Callahan Coal Sales Co. Clarksburg, W. Va.:
Operators' Fuel Co., 1727 Real Estate Trust Bldg., Phila.:

John Wills, Inc. Penna. Bldg., Phila.:
Patton Coal Co., Fairmont W. V.:
Logan Coal Co., Harrison Bldg., Phila.:
Fisher-Summit Coal Co., Clarksburg, W. Va.:
M. B. Courtright & Co., Land Title Bldg., Phila., Penna.:
Lewis & Burrell, Grafton, W. Va.:

Coal situation very serious with us. Use every effort to make heavy shipments this week. Relying on your cooperation to carry us through very serious situation. Any help given me will be highly appreciated.

Edison Portland Cement Company, per A. H. Moses.

[fol. 2756½] DEF'TS' EX. NO. D-605

Western Union

Telegrams, Cablegrams

Dated February 25th, 1920.

To Bixler Coal & Coke Co., Pittsburgh, Penna.:

Coal situation very serious at our plant. Wire me what cooperation can expect of you. Situation very alarming.

Edison Portland Cement Company.

[fol. 2757] DEF'TS' EX. NO. D-606

March 9, 1920.

Operators' Fuel Co., 1727 Real Estate Trust Bldg., Philadelphia, Penna.

Attention Mr. John Wolfe

DEAR MR. WOLFE: Our Coal condition at New Village became so serious that we were obliged to cease operations for the past two weeks, and I am appealing to all our friends to do everything possible to make heavy consignments of coal to us during the coming week.

I want to assure you that any and all help given us in times such as these, will be greatly appreciated by the writer, and rest assured, that our future business will be measured by the help given us in times of need.

Please do everything to scour the Region very carefully for us, and I earnestly hope you will be able to report something definite to us in the course of the next day or two.

Thanking you for past courtesies.

Yours very truly, —— ——, Asst. Secretary. AHM:CB.

[fol. 2757½] DEF'TS' EX. NO. D-607

March 8, 1920.

Fisher-Summit Coal Co., Clarksburg, W. Va.

GENTLEMEN: Our coal conditions are so serious that the writer is appealing to your good will to do everything possible to keep Coal rolling to us in as large a tonnage as is possible.

You are one of the good friends that are helping us out, and you may rest assured that the writer is going to do everything possible from our end after the lid is off to present you with a good contract for our 1920 requirements. We, therefore, hope you will work hard and consistently for us in the field to procure sufficient tonnage rolling in order that the acute condition at our plant may be relieved as quickly as possible.

Work hard for us and rely on the writer's co-operation when business again becomes normal.

Yours very truly, —— ——, Asst. Secretary. AIIM:CB.

[fol. 2758] DEF'TS' EX. NO. D-608

March 24, 1920.

Moore & Co., Inc., Land Title Bldg., Philadelphia, Penna.

GENTLEMEN: Please do everything possible to help us out with a few cars of Coal on our order No. 70279, given you on March 16th.

Our Coal situation is again becoming very serious, and any help you are able to give the writer, at the present time, will without doubt, receive our best co-operation, when conditions again become normal.

May I depend on your co-operation and consideration? A wire or telephone call on the subject matter will be greatly appreciated.

Thanking you for past favors.

Yours very truly, —— ——, Asst. Secretary. AHM:CB.

[fol. 2758½] DEF'TS' EX. NO. D-609

February 19, 1920.

Philadelphia & Reading R. R. Co., Mr. O. W. Stager, Supt. of Transportation, Reading Terminal, Philadelphia, Pa.

DEAR SIR: We respectfully request that the following cars of coal recently shipped to us, be allowed to come through:

Shipped Feb. 12th by Operators' Fuel Agency, cars NW 35076, E.23304, P&R 406717.

Shipped Feb. 16th by Operators' Fuel Agency, cars E 42066, PMcK&Y 60244, LS&MS 49368.

Shipped Feb. 16th by Operators' Fuel Agency, cars N&W 57005, PL 722004, PL 800639.

Shipped Feb. 16th by Madeira, Hill & Co., cars C&O 30853, B&O 237557.

Shipped Feb. 13th by H. H. Lineaweaver & Co., cars LV 17246.

Shipped Feb. 14th by H. H. Lineaweaver & Co., cars L&N 85139.

Shipped Feb. 16th by H. H. Lineaweaver & Co., cars 921669 (PL).

[fol. 2759] We have been having a considerable number of cars diverted from us and unless this coal is allowed to come through to us, we will be at the point of closing down our mill.

The above cars are consigned to us at Egypt, Lehigh Co., Pa.-Iron-ton R. R. delivery.

Yours very truly, Giant Portland Cement Company. ——
——, Secretary.

[fol. 2759½] DEF'TS' EX. NO. D-610

Security Cement and Lime Co.

Hagerstown, Md., February 21st, 1920.

An Important Bulletin

Three serious restrictions have affected the box car situation since the first of the year.

1. Early in January only 50% of the actual box car requirements were given to shippers;

2. From February 7th to 10th no shipments were permitted to points East. This embargo was lifted on the 10th but again,

3. Was effective from February 17th to 21st.

The theory is, that this will prevent shortage of cars later on, but the fact is, that practically every cement plant in the country has orders for immediate shipment just as soon as the snow is off the ground and the further fact is, that road contractors all over the Country are now piling stone on the site of the proposed work and have orders in for immediate and continued prompt shipments [fol. 2760] during the year. You can thus see that this car shortage is with us to stay.

We are avoiding large contracts, so that we will have cement for you for your trade which we want to help you to hold. But, if you do not start right now to make room for a supply—get your order in now so that we can ship it promptly—it will be difficult to get cars and you will be working from hand to mouth all during 1920.

Please give this your serious consideration and help us to help you.

Security Cement & Lime Company. HBW/T.

[fol. 2760½] DEF'TS' EX. NO. D-611

February 23, 1920.

American Hardware & Equipment Co., Charlotte, N. C.

GENTLEMEN: We are in receipt of your telegram and regret that, owing to car shortage and an accumulation of orders, we are unable to quote you on 2,000 bbls., shipments to start the first of March at the rate of one car per week.

Our contract obligations are such that, until conditions become more settled, we feel compelled to go slow in accepting further orders for immediate shipment, therefore can not see our way clear to quote on the 2,000 bbls. referred to in your telegram.

We thank you for the opportunity offered us of quoting you and trust that you appreciate our position in the matter.

Yours very truly, Giant Portland Cement Company. ——
——, General Sales Manager.

[fol. 2761] DEF'TS' EX. NO. D-612

Postal Telegraph-Commercial Cables Telegram

March 1, 1920.

Commonwealth Fuel Co., Oliver Building, Pittsburgh, Penna.:

We are in very urgent need of coal. Will greatly appreciate anything you can do to relieve situation. Heavy railroad confiscations of your coal continue.

Phœnix Portland Cement Co.

[fol. 2761½] DEF'TS' EX. NO. D-613

The J. E. Long Coal Company

Clarksburg, W. Va.

March 1, 1920.

Penn Allen Cement Co., Allentown, Penna.

GENTLEMEN: We have yours of the 28th quoting letter of the 23d which did not reach us until Friday last, asking that we resume shipments at the rate of one car per day until further notice and we wired you this morning as per attached copy.

You are doubtless familiar with the very serious situation relative to the car supply in this region. It is almost impossible to get any coal forward, particularly coal consigned to cement companies as same [fol. 2762] is being diverted as rapidly as the railroads can get hold of it. The railroads are demanding 100 per cent on their fuel requirements and when they are not getting sufficient they are con-

fiscating coal necessary, particularly that of cement companies. What little spot coal is in the market is being eagerly sought after by people claiming to have export and Canadian business and they are offering fancy premiums for same.

We will, however, do the best we can for you and get as much coal forward for you as is possible.

Very truly yours, The J. E. Long Coal Co. J. Edgar Long, President.

[fol. 2762½] DEF'TS' EX. NO. D-614

March 3, 1920.

Mr. W. P. Rogers, Springer & Rogers, 112 South Broadway, New Philadelphia, Ohio.

DEAR SIR: Yours of March 1st to hand, we will send calendars to the parties mentioned.

In regard to cement for the Wise-McClung Co.'s building, we regret exceedingly to advise that owing to our present contract obligations it will be impossible to quote you a price on Giant for this work, as with the contracts now on hand we have apparently all the contract cement we can handle this year, and have therefore discontinued quoting on any additional contract cement for future shipment.

We assure you we regret very much indeed we cannot name you price for this job, but feel that it is better to try and take care of the contracts we now have on our books rather than take on further contracts and disappoint our customers when shipments are called [fol. 2763] for, and as you have contracts with us we know you will appreciate our position.

We can, however, take care of current carload business, and are sending you herewith a revised quotation.

At the present time we are experiencing considerable trouble in securing cars besides the embargoes placed by the railroads, and if you need any cement for stock would request that you give us as much notice as possible of your requirements, as we are trying to treat all of our friends fairly by shipping in rotation as orders are received.

With kind regards, we remain,

Yours very truly, —— ——, General Sales Manager. SNP-N. Enc.

[fol. 2763½] DEF'TS' EX. NO. D-615

March 3, 1920.

Thomas Hardware Co., Statesville, North Carolina.

GENTLEMEN: Your telegram of even date to hand and we wired you as per within confirmation, and regret very much indeed we will be unable to quote on the two thousand bbls. cement for Morrison

Flour Mills, but our present contract obligations are such that we are practically sold up for the year and we feel it is only fair to those friends who have contracts with us that we do not take on more than we could possibly ship. We are, however, in position to take care of any orders you may have for stock, although at the present time owing to car shortage and embargoes we are considerably behind with shipments, but will do our best to take care of any stock orders you may place with us.

Thanking you for the inquiry, and for past favors, we remain,

Yours very truly, —— ——, General Sales Manager. F.

[fol. 2764] DEF'TS' EX. NO. D-616

Postal Telegraph-Commercial Cables Telegram

March 6, 1920.

Mr. George Paull, Commonwealth Fuel Co., Pittsburgh, Pa.:

We are facing serious shut down immediately if we do not get more coal. If you can get coal for us under any conditions to relieve situation we would greatly appreciate it.

Phœnix Portland Cement Co.

[fol. 2764½] DEF'TS' EX. NO. D-617

March 17, 1920.

Copy to Mr. Wooten.

Mr. F. T. Brinkley, Div. Frt. Agt. Norfolk & Western Railway, Winston Salem, North Carolina.

DEAR MR. BRINKLEY: During the past sixty days we have experienced the most serious car shortage in the Lehigh district for many years. We, are four hundred or more cars behind in shipment and can use 250 cars at that rate of twenty cars per day for movements via Hagerstown and Norfolk & Western Railway. I have been continuously after the Phila., & Reading, C. R. R. of New Jersey and Lehigh Valley but we are only getting about 25% of our car supply.

Is there anything that you can do to help us in this matter? If so I assure you your efforts will be very much appreciated.

Awaiting your reply, and *we* kindest personal regards, I remain,

Yours very truly, ——, General Sales Manager. SNP-R.

[fol. 2765] DEF'TS' EX. NO. D-618

March 18, 1920.

Geo. W. Pack & Son, Inc., 415 East Water Street, Syracuse, N. Y.

GENTLEMEN: In reply to your letter of March 17th concerning cement for Jenks-Venton Construction Company, we wish to advise

that this order was received on the 8th inst. and there are still on our order files orders for twenty-five cars which were received prior to that date.

The car situation is very acute, and we are now averaging only twenty to twenty-five per cent of our required supply. If this percentage keeps up we will be able to ship your order sometime next week. For the last month we have not been able to average a car a day, so you can realize the predicament we have been placed in by the railroad. You can count upon it, however, that as soon as there is an available car we will ship your order.

Regretting the circumstances which are beyond our control, we are

Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice President. HCR/H.

[fol. 2765½] DEF'TS' EX. NO. D-619

Geo. W. Pack & Son, Inc.

Syracuse, N. Y., March 17, 1920.

Bath Portland Cement Co., Finance Bldg., Philadelphia, Pa.

GENTLEMEN: Kindly rush and trace car of Cement for Jenks-Venton Const. Co., and kindly advise, we remain,

Very truly yours, George W. Pack & Son, per ALH.

[fol. 2766] DEF'TS' EX. NO. D-620

Copy to Norfolk.

March 18, 1920.

Mr. Wm. C. Mallonee, Robert G. Lassiter & Company, Arcade Building, Norfolk, Virginia.

DEAR SIR: Replying to your telegram of the 17th inst., we wired you as per attached confirmation.

We appreciate fully your position and are exceedingly sorry for the unavoidable delay in shipments, but this is due absolutely to the car shortage. We have the cement on hand and would be only too glad to ship it out if we could get the cars, and if Mr. Ashburner can arrange to secure cars for us, we assure you we will greatly appreciate it and would be glad if he will advise how many cars he can arrange to have furnished to us.

We are constantly in touch with our connecting lines endeavoring to get cars, but are only receiving about 25% of our supply daily, and with the large number of orders ahead of your weekly order received March 4th, we cannot make very much headway with the [fol. 2766½] small number of cars we received daily. We will however make a special effort to get two cars moving to you tomorrow.

We are having the Pennsylvania R. R. trace the two cars shipped March 10th, and two cars shipped March 15th. They advise that car AT&SF 39229, shipped March 10th, left Delmar March 16th for Cape Charles on Engine #6334, and we trust you have now received this car. We will keep after the other cars.

Assuring you we will do our best to help you, we remain

Yours very truly, —— ——, General Sales Manager. N. ENC.

[fol. 2767] DEF'TS' EX. NO. D-621

Western Union Telegram

March 18, 1920.

W. C. Mallonee, R. G. Lassiter & Company, Arcade Building, Norfolk, Virginia:

Delay absolutely due to car shortage. If Ashburner can furnish cars we have cement and can ship. Tracing cars shipped.

S. N. Peters.

[fol. 2767½] DEF'TS' EX. NO. D-622

April 17, 1920.

Hendrickson & Dilatush, Robbinsville, N. J.

GENTLEMEN: In reply to your letter of April 16th, we wish to advise that acknowledgement covering your order for one small car of Bath Portland Cement was sent you on April 15th, and probably crossed your letter in the mail.

In regard to shipment, we cannot promise you anything definite. At the present time all railroads are embargoed on account of the strike, and for the last four days we have not been able to load a car. As soon as the situation changes, we will give your order our best possible attention.

Regretting the conditions, we are,

Very truly yours, Bath Portland Cement Co. —— ——, Second Vice President. HCR/H.

[fol. 2768] DEF'TS' EX. NO. D-623

Hendrickson & Dilatush

Robbinsville, N. J., Apr. 16, 1920.

Bath Portland Cement Co., Finance Bldg., Philadelphia, Pa.

GENTLEMEN: We have not received acknowledgment yet for our order for car cement. Please acknowledge same and give us some information as to when you can ship it. We practically have all

the cement sold we have in stock and if you are not in a position to ship promptly, we will have to get a car from someone else. Kindly advise us.

Yours very truly, Hendrickson & Dilatush. E/D.

[fol. 2768½] DEF'TS' EX. NO. D-624

Postal Telegraph-Commercial Cables Telegram

Phila., Pa., April 24, 1920.

C. T. Kingsbury, c/o Rosslyn Steel & Cement Co., Woodward Building, Washington, D. C.:

Mill advises us B. & O. embargo on again. Cannot ship.

Bath Portland Cement Co.

[fol. 2769] DEF'TS' EX. NO. D-625

May 3, 1920.

Re A. S. Pettit & Sons Order # 3115

Mr. W. J. Kenlon, c/o New York office.

DEAR SIR: We have your letter of May 1st in reference to the above.

At the present time we cannot make shipment to them on account of the existing embargo, and we cannot say exactly when this embargo will be lifted. You can, however, assure them that their order will be shipped just as soon as this embargo is lifted.

You might take up with them the question of this shipment going forward in 25c sacks, as we would like to have this matter straightened out as soon as possible, and let us know what they have to say in regard to receiving shipments in 25c sacks.

Very truly yours, Bath Portland Cement Co., —— ——, Assistant Sales Manager. HCR/H.

[fol. 2769½] DEF'TS' EX. NO. D-626

Bath Portland Cement Co.

New York, May 1, 1920.

Re A. S. Pettit & Sons, Inc. New York Order No. 3115

Mr. W. G. Dutton, Second Vice-President, Finance Building, Philadelphia, Penna.

DEAR SIR: We are in receipt of a letter dated April 29th from the above asking if we will advise them as to when shipment of their

order will be made; also what position their shipment has on our schedule when the railroads begin accepting shipments of carloads of cement.

Yours very truly, Bath Portland Cement Company. Walter J. Kenlon.

[fol. 2770] DEF'TS' EX. No. D-627

Postal Telegraph-Commercial Cables

Telegram, Night Letter

May 3, 1920.

C. R. Capps, First Vice-president Seaboard Air Line Railway Company, Norfolk, Virginia:

Have under contract approximately twenty-five hundred cars cement to move from Egypt, Pennsylvania to North and South Carolina points. Unable to secure adequate car supply and practically all work suspended. Interested contractors meeting Yarborough Hotel, Raleigh, May sixth. Can you meet with us to go over situation.

Giant Portland Cement Company.

[fol. 2770½] DEF'TS' EX. No. D-628

Western Union Telegram

Norfolk, Va., May 4, 1920.

Giant Portland Cement Co., Phila., Pa.:

Your wire third regret I cannot personally be in Raleigh sixth but will endeavor to have representative there.

C. R. Capps.

[fol. 2771] DEF'TS' EX. No. D-629

Western Union Telegram

Pittsburgh, Penna., May 5, 1920.

L. C. Morton, Vice-Pres.-Gen. Mgr. Phœnix Portland Cement Co., Philadelphia, Penna.:

Mines idle no cars yesterday and today prospects for shipment very poor regret to say.

George Paull.

[fol. 2771½] DEF'TS' EX. NO. D-630

Postal Telegraph-Commercial Cables Telegram

May 6, 1920.

Mr. George Paull, Commonwealth Fuel Co., Oliver Bldg., Pittsburgh, Pa.:

Your wire received. Can you possibly ship from any of your other mines. If so, rush all coal possible.

L. C. Morton.

[fol. 2772] DEF'TS' EX. NO. D-631

Western Union Telegram

Pittsburgh, Pa., May 6, 1920.

L. C. Morton, Vice-Pres.-Gen. Mgr. Phœnix Portland Cement Co., Real Estate Trust Bldg., Philadelphia, Penn.:

Your wire have had nothing but bad luck on production at Wendel and Galloway mines this month Galloway mines idle today no cars Wendel mine had a few cars today but men out on strike our labor difficulties are due to wage adjustments under new scale and hope next week will show more productive results understand your situation fully and regret inability to afford you relief today will advise further.

George Paull.

[fol. 2772½] DEF'TS' EX. NO. D-632

Western Union Telegram

Pittsburgh, Penn., May 7, 1920.

L. C. Morton, Vice-Pres.-Gen. Mgr. Phœnix Portland Cement Co., Philadelphia, Penn.:

Mines idle today account no cars and strike attempting to buy you coal this district.

Commonwealth Fuel Company.

[fol. 2773] DEF'TS' EX. NO. D-633

Western Union Telegram

Pittsburgh, Penn., May 10, 1920.

M-L. C. Morton, Vice-Pres. Phœnix Portland Cement Co., Philadelphia:

Mines still idle account strike and short of cars expect to make shipments to you tomorrow will wire.

Geo. Paull.

[fol. 2773½] DEF'TS' EX. NO. D-634

Western Union Telegram

Pittsburgh, Pa., May 12, 1920.

L. C. Morton, Vice-President Phœnix Portland Cement Co., Philadelphia, Penn.:

Weddell mines idle account strike Galloway mines idle no cars yesterday and today regret no shipments.

Commonwealth Fuel Co.

[fol. 2774] DEF'TS' EX. NO. D-635

May 18, 1920.

Ohio Coal & Supply Co., Cleveland, Ohio.

GENTLEMEN: Replying to your telegram of this date, we wired you as follows:

"Cannot ship Geneva for two or three weeks."

We then received your telegram requesting whether we will ship four cars to Geneva in three weeks; we then replied as follows:

"Will endeavor to ship one car Geneva within three weeks. Can make no promises regarding balance until railroad situation is improved."

In reference to this matter of shipment, would say that the situation has become so acute as regards our supply of empty cars that we find it necessary to make no further promises whatever. We are getting further back in our shipments every day, and there is no use of us making a promise until the present situation changes for the better. We are going to do the very best we can by our trade, and that is all we can promise.

[fol. 2774½] Our present price on Bath Portland Cement is $3.54 per barrel in cloth sacks, carload lots, f. o. b. cars Geneva, Ohio; the price in paper sacks is 70¢ per barrel less. We would prefer to make shipment in paper if same could be handled that way.

This price we cannot guarantee, and is subject to change without notice. Of course, any orders on file at this price, and should there be an advance before shipment you would be notified before shipment is made. The quotation is also subject to all the terms and conditions stated on the back of this sheet.

We are indeed sorry that we cannot offer you anything more favorable, but you will realize beyond a doubt that the trouble is entirely due to the railroad situation and is no fault of ours, as we have a large stock of cement which we would like to move; in fact, will have to move it very shortly or else close down on account of not having sufficient storage space to keep running.

Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice President. WGD/H.

[fol. 2775] DEF'TS' EX. NO. D-636

May 22, 1920.

Mr. Louis Rafetto, President Bath Portland Cement Company, Finance Building, Philadelphia, Pa.

DEAR SIR: Unless there is a decided improvement in the car supply for shipment during the coming week, we find it will be necessary, owing to the accumulation of stock, to curtail our production. We have decided during the month of June to operate only four kilns.

Will you please ship during the said period 2,500 tons of Gas and 2,000 tons of Steam Coal to cover our requirements.

Thanking you for your prompt attention in this matter.

Very truly yours —— ——, First Vice President. FBF/J.

[fol. 2775½] DEF'TS' EX. NO. D-637

Alpha Portland Cement Company

Easton, Pa.

Plenty of Cement—No Cars

It seems desirable that the following facts should be brought to the attention of our customers, in view of the delay on our part in making shipment of orders:

1. We have plenty of cement in our stock houses at this time. In fact we have more than twice as much on hand now as we had at this time a year ago.

2. We have not received anything like the number of empty cars needed to ship the orders we have received for the past two months. The car supply is not sufficient in quantity and is very irregular. We have received almost no cars the past week.

3. Many of the orders which we have on file are for destinations for which railroads will not accept loaded cars.

4. Because of the above, we are forced to the following policy:

First. As previously advised, all quotations are withdrawn.

Second. Until further notice, we will not make any obligations for future shipments.

[fol. 2776-2778] Third. Until further notice, we will not accept additional orders from our customers.

Finally, you can be of great assistance in helping us to overcome the car shortage, if you will get in communication with your local Chamber of Commerce, Board of Trade, Rotary Club, Kiwanis Club, or any other influential organization or person in your community, and get them to wire and write the Interstate Commerce Commission, Washington, D. C., explaining the imperative need for building material in your community and urging the adoption of such rules and regulations as will insure a sufficient supply of box cars to the Cement Manufacturer.

Alpha Portland Cement Company.

May 24, 1920.

(Here follow Defendants' Exhibits D-638 to D-641, inc., marked pages 2779-2834½.)

	REPLACEMENT VALUE LESS DEPRECIATION + WORKING CAP. ITEMS & BASIC DEPOSIT	TOTAL CASH DIVIDENDS	%
ALLENTOWN	2623230%	795000	83%
ALPHA	2d431d7799	38000000	1.5%
ATLAS	37652638338	3d4d8817	0.9%
BATH	2d22023565	6300000	2.6%
COPLAY	550d918d8	2817000	0.5%
DEXTER	323300612	15902720	4.9%
EDISON	63826825%	- - -	- - -
GIANT	807561847	- - -	- - -
GLENS FALLS	2863629.22	960000	3.0%
HERCULES	252808998	- - -	- - -
KNICKERBOCKER	5395288830	11900000	2.1%
LAWRENCE	4522012d1	16000000	3.3%
LEHIGH	42666564d9	45261993	2.0%
NAZARETH	428797317	6367410	1.4%
PENN ALLEN	2572112.9	3461000	1.3%
PENNSYLVANIA	5073d8676	- - -	- - -
PHOENIX	2d61c4835	- - -	- - -
SECURITY	3316857.2	7000000	2.1%
VULCANITE	51d409d49	13650000	2.6%
A	151 66225649	2105399.0	1.39%

ALLENTOWN

	1913	1914	1915	1916	1917	1918	1919 (Reorganization)	1920	1921
COMMON STOCK	112651000	115201000	115595000	115595000	115675000	115675000	57837500	57837500	57837500
PREFERRED STOCK	—	—	—	—	—	—	26500000	26500000	26500000
TOTAL CAPITAL STOCK	112651000	115201000	115595000	115595000	115675000	115675000	84337500	84337500	84337500
INVESTED CAPITAL	95212617	99649707	109463871	108751357	114507863	111784149	102285248	131724261	130726192
DIVIDENDS COMMON STOCK (CASH)	—	—	—	—	—	—	—	—	—
DIVIDENDS PREFERRED STOCK (CASH)	—	—	—	—	—	—	795000	1590000	1590000
TOTAL CASH DIVIDENDS	—	—	—	—	—	—	795000	1590000	1590000
STOCK DIVIDENDS	—	—	—	—	—	—	—	—	—
PER CENT-DIVIDENDS-COMMON STOCK-CASH TO TOTAL COMMON STOCK	—	—	—	—	—	—	—	—	—
PER CENT DIVIDENDS-PREFERRED STOCK TO TOTAL PREFFERRED STOCK	—	—	—	—	—	—	3.00%	6.00%	6.00%
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	—	—	—	—	—	—	.094%	1.89%	1.89%
PER CENT - TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT ②	—	—	—	—	—	—	.078%	1.21%	1.22%

27794 DEFENDANT'S EXHIBIT D 639

ALPHA

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	800000000	800000000	800000000	800000000	800000000	800000000	800000000	800000000	1000000000
PREFERRED STOCK	200000000	200000000	200000000	200000000	200000000	200000000	200000000	200000000	200000000
TOTAL CAPITAL STOCK	1000000000	1000000000	1000000000	1000000000	1000000000	1000000000	1000000000	1000000000	1200000000
INVESTED CAPITAL	1116809854	1187326929	1282362049	1293684617	1304534866	1341561419	1368200068	1427299648	1464032785
DIVIDENDS-COMMON STOCK* (CASH)	— • —	— • —	— • —	16000000	24000000	24000000	24000000	48000000	48000000
DIVIDENDS-PREFERRED STOCK (CASH)	14000000	14000000	14000000	14000000	14000000	14000000	14000000	14000000	14000000
TOTAL CASH DIVIDENDS	14000000	14000000	14000000	30000000	38000000	38000000	38000000	62000000	59000000
STOCK DIVIDENDS	— • —	— • —	— • —	— • —	— • —	— • —	— • —	200000000 25%	— • —
PER CENT DIVIDENDS-COMMON STOCK-CASH TO TOTAL COMMON STOCK	— • —	— • —	— • —	2%	3%	3%	3%	6%	4.5%
PER CENT DIVIDENDS-PREFERRED STOCK CASH-TO TOTAL PREFERRED STOCK	7%	7%	7%	7%	7%	7%	7%	7%	7%
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	1.4%	1.4%	1.4%	3%	3.8%	3.8%	3.8%	6.2%	4.9%
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT ⑤	1.25%	1.18%	1.09%	2.32%	2.91%	2.83%	2.77%	4.34%	4.03%

ATLAS

27804

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	$13589000	$15577000	$20970000	$26407600	$17573647	$22459738	$15663116	73619228	11178117052
PREFERRED STOCK	11182500	11182500	11182500	20095000	19720800	18714840	13298570	16058450	16048050
TOTAL CAPITAL STOCK	92491000	92740200	95922000	103056600	101472647	100958278	99359916	89673588	127770106
INVESTED CAPITAL	114447734	115022287	119641248	120287658	125384936	141618036	146117725	160730981	147010610
DIVIDENDS-COMMON STOCK (CASH)	— • —	— • —	— • —	— • —	— • —	— • —	2017967	8627883	4487830
DIVIDENDS-PREFERRED STOCK-(CASH)	892200	894600	1522861	1697746	1509059	1447401	1480580	1274617	1282613
TOTAL CASH DIVIDENDS	892200	894600	1622861	1697746	1509059	1447401	5448417	9902500	5720443
STOCK DIVIDENDS	— • —	— • —	— • —	— • —	— • —	— • —	— • —	3494350000 50%	— • —
PER CENT DIVIDENDS-COMMON STOCK CASH TO TOTAL COMMON STOCK	— • —	— • —	— • —	— • —	— • —	— • —	2.47%	4.93%	3.97%
PER CENT DIVIDENDS-PREFERRED STOCK CASH TO TOTAL PREFERRED STOCK	8.00%	8.00%	13.44%	8.83%	7.65%	7.73%	7.82%	7.94%	7.99%
PER CENT TOTAL DIVIDENDS-(CASH) TO TOTAL CAPITAL STOCK	.96%	.96%	1.68%	1.67%	1.49%	1.43%	5.45%	5.47%	4.47%
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO THE GOVERNMENT ③	.77%	.77%	1.35%	1.33%	1.20%	1.02%	3.35%	3.44%	3.89%

BATH

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock	£684,9000	£687,3000	£687,3000	700,0000	700,0000	700,0000	700,0000	700,0000	910,0000
Preferred Stock	—	—	—	—	—	—	—	—	—
Total Capital Stock	£684,9000	£687,3000	£687,3000	700,0000	700,0000	700,0000	700,0000	700,0000	910,0000
Invested Capital	£694,3049	£670,6457	£670,1700	916,0172	925,9049	921,7844	949,3788	973,3788	996,1788
Dividends - Common (Cash)	13,7380	13,7460	—	28,0000	42,0000	—	63,0000	42,0000	42,9000
Dividends - Preferred (Cash)	—	—	—	—	—	—	—	—	—
Total Cash Dividends	13,7380	13,7460	—	28,0000	42,0000	—	63,0000	42,0000	42,9000
Stock Dividends	—	—	—	—	—	—	—	210,0000 30%	—
Per Cent - Dividends Common Stock Cash To Total Common Stock	2.00%	2.00%	—	4.00%	6.00%	—	9.00%	6.00%	4.71%
Per Cent - Dividends Preferred Stock Cash To Total Preferred Stock	—	—	—	—	—	—	—	—	—
Per Cent Total Dividends (Cash) To Total Capital Stock	2.00%	2.00%	—	4.00%	6.00%	—	9.00%	6.00%	4.71%
Per Cent Total Dividends (Cash) To Invested Capital Reported To The Government (1)	1.98%	1.66%	—	3.06%	4.58%	—	6.44%	4.66%	4.41%

COPLAY

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock	200000000	200000000	200000000	200000000	200000000	200000000	200000000	200000000	200000000
Preferred Stock	93900000	93900000	93900000	93900000	93900000	93900000	93900000	93900000	93900000
Total Capital Stock	293900000	293900000	293900000	293900000	293900000	293900000	293900000	293900000	293900000
Invested Capital	342207563	362671591	379080645	363472309	376631704	343613416	332616642	329940120	325499078
Dividends Common (Cash)	—	—	—	—	—	—	—	—	—
Dividends Preferred (Cash)	—	—	28170.00	563400.00	845100.00	563400.00	281700.00	563400.00	—
Total Cash Dividends	—	—	28170.00	563400.00	845100.00	563400.00	281700.00	563400.00	—
Scrip Dividends (Preferred Stock)	—	—	—	—	2253600.00 2%	—	—	—	—
Per Cent Dividends Common Stock Cash To Total Common Stock	—	—	—	—	—	—	—	—	—
Per Cent Dividends Preferred Stock Cash To Total Preferred Stock	—	—	3.00%	6.00%	9.00%	6.00%	3.00%	6.00%	—
Per Cent Total Dividends (Cash) To Total Capital Stock	—	—	.958%	1.916%	2.875%	1.916%	.958%	1.916%	—
Per Cent Total Dividends (Cash) To Invested Capital Reported To The Government	—	—	.743%	1.593%	2.243%	1.639%	.846%	1.712%	—

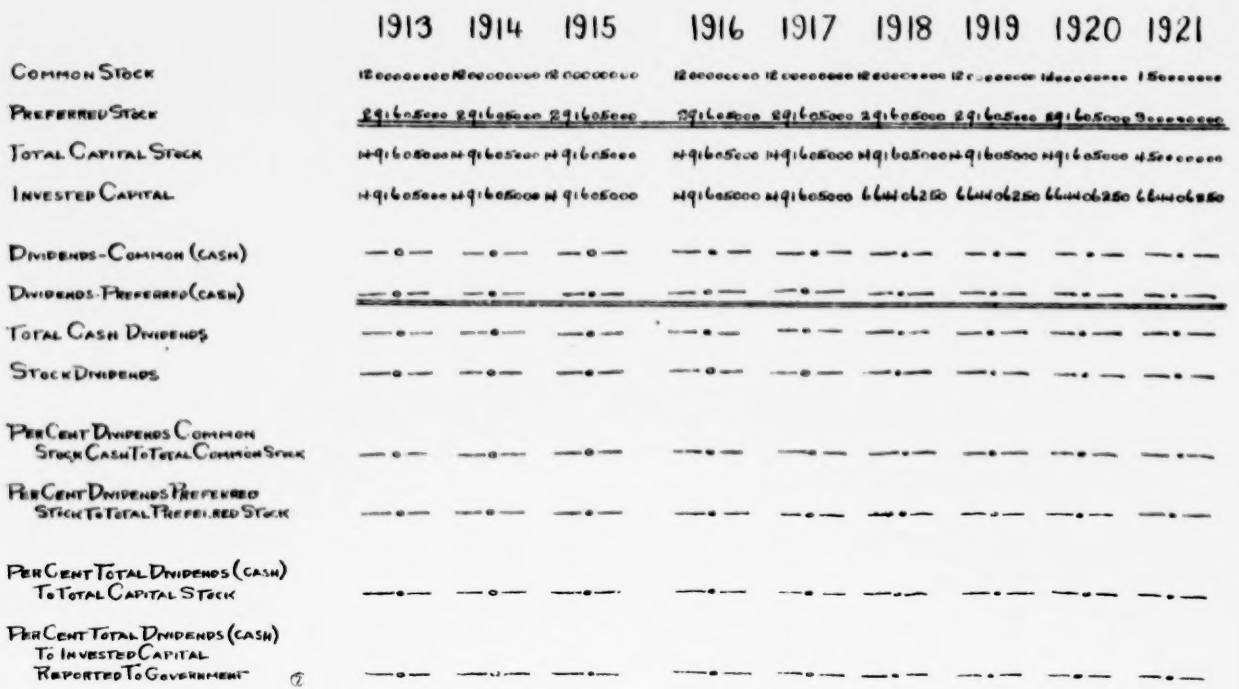
DEXTER

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	3750000	3750000	3750000	3750000	4575000	3924600	3964600	3964600	9924000
PREFERRED STOCK	1250000	1250000	1250000	1250000	425000	704000	304000	304000	304000
TOTAL CAPITAL STOCK	5000000	5000000	5000000	5000000	5000000	4628600	4268600	4268600	9954400
INVESTED CAPITAL	8393961	9668735	9781231	9464819	8803936	10245754	7061099	11848092	11976565
DIVIDENDS - COMMON (CASH)	300000	300000	375000	561800	618900	743300	1587840	1538157	848540
DIVIDENDS - PREFERRED (CASH)	100000	100000	100000	76800	20064	32320	34320	34320	34320
TOTAL CASH DIVIDENDS	400000	400000	475000	638800	638964	746520	1590270	1540577	848970
STOCK DIVIDENDS	— o —	— o —	— o —	— o —	— o —	— o —	— o —	5954400 150%	— o —
PER CENT DIVIDENDS - COMMON STOCK CASH TO TOTAL COMMON STOCK	8.0%	8.0%	10.0%	13.48%	13.85%	18.94%	40.0%	38.7%	8.56%
PER CENT DIVIDENDS - PREFERRED STOCK CASH TO TOTAL PREFERRED STOCK	8.0%	8.0%	8.0%	6.08%	4.71%	4.5%	8.0%	8.0%	8.0%
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	8.0%	8.0%	9.5%	11.66%	12.77%	18.66%	39.75%	38.6%	8.49%
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT ①	4.76%	4.14%	4.85%	6.75%	7.26%	7.28%	15.1%	13.01%	7.08%

2782

EDISON

27821



GIANT

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK		1118000-	1118000-	1118000-	1118000-	1118000-	1118000-	1118000-	1118000-
PREFERRED STOCK		1882000-	1882000-	1882000-	1882000-	1882000-	1882000-	1882000-	1882000-
TOTAL CAPITAL STOCK		2990000-	2990000-	2990000-	2990000-	2990000-	2990000-	2990000-	2990000-
INVESTED CAPITAL		2970018.91	2977967.71	2984365.04	3047896.29	3092762.32	3135515.44	2695921.68	2883363.37
DIVIDENDS - COMMON (CASH)		-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
DIVIDENDS - PREFERRED (CASH)		-0-	-0-	-0-	-0-	-0-	-0-	65800- 3.5% CUM. PFD	-0-
TOTAL CASH DIVIDENDS		-0-	-0-	-0-	-0-	-0-	-0-		-0-
STOCK DIVIDENDS		-0-	-0-	-0-	-0-	-0-	-0-		-0-
PER CENT - DIVIDENDS - COMMON STOCK CASH TO TOTAL COMMON		-0-	-0-	-0-	-0-	-0-	-0-		-0-
PER CENT - DIVIDENDS - PREFERRED STOCK TO TOTAL PREFERRED		-0-	-0-	-0-	-0-	-0-	-0-	3.5 %	-0-
PERCENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK		-0-	-0-	-0-	-0-	-0-	-0-	2.2 %	-0-
PERCENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT		-0-	-0-	-0-	-0-	-0-	-0-	2.44 %	-0-

BEGAN OPERATIONS. MAY 1913

2783

27834

GLENS FALLS

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	500000 -	500000 -	500000 -	500000 -	500000 -	500000 -	500000 -	500000 -	500000 -
PREFERRED STOCK	100000 -	100000 -	100000 -	100000 -	100000 -	100000 -	100000 -	100000 -	100000 -
TOTAL CAPITAL STOCK	600000 -	600000 -	600000 -	600000 -	600000 -	600000 -	600000 -	600000 -	600000 -
INVESTED CAPITAL	9474756	10327509	1099659 -	10218054	10123891	10957856	11530681	12004613	11633975
DIVIDENDS - COMMON (CASH)	50000 -	50000 -	50000 -	50000 -	80000 -	55000 -	80000 -	105000 -	55000 -
DIVIDENDS - PREFERRED (CASH)	6000 -	6000 -	6000 -	6000 -	6000 -	6000 -	6000 -	6000 -	6000 -
TOTAL CASH DIVIDENDS	56000 -	56000	56000 -	56000 -	86000 -	61000 -	86000 -	111000 -	61000 -
STOCK DIVIDENDS	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—
PERCENT DIVIDENDS - COMMON STOCK CASH TO TOTAL COMMON	10. %	10. %	10 %	10. %	16 %	11. %	16. %	21. %	11. %
PERCENT DIVIDENDS PREFERRED STOCK TO TOTAL - PREFERRED	6. %	6. %	6. %	6 %	6. %	6. %	6 %	6. %	6. %
PERCENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	9.333 %	9.333 %	9.333 %	9.333 %	14.333 %	10.167 %	14.333 %	18.50 %	10.167 %
PERCENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT	5.91 %	5.422 %	5.092 %	5.482 %	8.495 %	5.567 %	7.459 %	9.246 %	5.243 %

HERCULES

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock						11300000	11890030	15000000	15000000
Preferred Stock						—	—	—	—
Total Capital Stock						11300000	11890000	15000000	15000000
Invested Capital						10549248	14857946	15036186	14557901
Dividends-Common (cash)						—	—	—	—
Dividends-Preferred (cash)						—	—	—	—
Total Cash Dividends						—	—	—	—
Stock Dividends						—	—	—	—
Per Cent-Dividends-Common Stock Cash Total Common Stock									
Per Cent Dividends-Preferred Stock To Total Preferred Stock									
Per Cent Total Dividends (cash) To Total Capital Stock									
Per Cent Total Dividends (cash) To Invested Capital Reported To Government									

Began Operation August 1917

First Full Year 1918

2784

KNICKERBOCKER

27843

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	4000000 00	701300 00	701300 00	701300 00	701300 00	701300 00	1556700 00	1556700 00	1556700 00
PREFERRED STOCK	1600000 00	1700000 00	1700000 00	1700000 00	1700000 00	1700000 00	1700000 00	1700000 00	1700000 00
TOTAL CAPITAL STOCK	5600000 00	2401300 00	2401300 00	2401300 00	2401300 00	2401300 00	3256700 00	3256700 00	3256700 00
INVESTED CAPITAL	8500000 00	2485972 01	2533976 10	2449492 74	2179948 74	2359154 74	2658477 82	3253978 32	3253978 32
DIVIDENDS - COMMON (CASH)	—	—	—	—	—	—	—	—	—
DIVIDENDS - PREFERRED (CASH)	—	—	—	—	—	119000 00	119000 00	119000 00	119000 00
TOTAL CASH DIVIDENDS	—	—	—	—	—	119000 00	119000 00	119000 00	119000 00
STOCK DIVIDENDS	—	—	—	—	—	—	—	—	—
PER CENT - DIVIDENDS - COMMON STOCK CASH TOTAL COMMON STOCK	—	—	—	—	—	—	—	—	—
PER CENT DIVIDENDS PREFERRED STOCK TO TOTAL PREFERRED STOCK	—	—	—	—	—	6.99 %	7. %	7. %	7. %
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	—	—	—	—	—	4.955 %	3.654 %	3.654 %	3.654 %
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT (1)	—	—	—	—	—	4.717 %	3.999 %	3.378 %	3.336 %

LAWRENCE

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock	10000000	10000000	10000000	17000000	15000000	19000000	20000000	20000000	20000000
Preferred Stock	—o—	—o—	—o—	—o—	—o—	—o—	—o—	—o—	—o—
Total Capital Stock	10000000	10000000	10000000	17000000	15000000	19000000	20000000	20000000	20000000
Invested Capital	14693148	15064757	17117411	17619316	19676096	21976096	24476096	24876358	24476796
Dividends - Common (Cash)	600000	800000	960000	960000	1497644	1550330	1600000	1869345	2000000
Dividends - Preferred (Cash)	—o—	—o—	—o—	—o—	—o—	—o—	—o—	—o—	—o—
Total Cash Dividends	600000	800000	960000	960000	1497644	1550330	1600000	1869345	2000000
Stock Dividends	—o—	—o—	—o—	3000000 75%	—o—	—o—	—o—	—o—	—o—
Per Cent - Dividends - Common Stock - Cash To Total Common Stock	6.00 %	8.00 %	9.60 %	8.00 %	9.979%	8.613%	8.00 %	9.347%	10.00 %
Per Cent - Dividends - Preferred Stock To Total Preferred Stock	—o—	—o—	—o—	—o—	—o—	—o—	—o—	—o—	—o—
Per Cent Total Dividends (Cash) To Total Capital Stock	6.00 %	8.00 %	9.60 %	8.00 %	9.979%	8.613%	8.00 %	9.347%	10.00 %
Per Cent Total Dividends (Cash) To Invested Capital Reported To Government	4.083%	5.310%	5.599%	5.449%	7.634%	7.054%	6.450%	6.714%	6.953%

LEHIGH

27864

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	45248702o	52047859z	60243928z	60243928z	60243928z	72277o813	72277o813	769o784o7	769o784o7
PREFERRED STOCK	—	—	—	—	—	—	—	—	—
TOTAL CAPITAL STOCK	45248702o	52047859z	60243928z	60243928z	60243928z	72277o813	72277o813	769o784o7	769o784o7
INVESTED CAPITAL	7o47l8423	8596lo545	1o6548ooo2	11o2814777	18ooo2l5o8	11782865z9	12l9l2755l	136l3l4o6l	1457199oo6
DIVIDENDS-COMMON (CASH)	3111364z2	3533758y	3614623y	4819449z2	4336624y	2891o852	4526l99z	4613443w4	4613443w4
DIVIDENDS-PREFERRED (CASH)	—	—	—	—	—	—	—	—	—
TOTAL-CASH DIVIDENDS	3111364z2	3533758y	3614623y.	4819449z2	4336624y	2891o852	4526l99z	4613443w4	4613443w4
STOCK DIVIDENDS	—	—	—	—	24o8632o8 50%	—	—	—	—
PER CENT-DIVIDENDS COMMON STOCK CASH TO TOTAL COMMON STOCK	6.88%	6.79%	6.00%	8.00%	7.20%	4.00%	6.26%	6.00%	6.00%
PER CENT DIVIDENDS PREFERRED STOCK TO TOTAL PREFERRED STOCK	—	—	—	—	—	—	—	—	—
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	6.88%	6.79%	6.00%	8.00%	7.20%	4.00%	6.26%	6.00%	6.00%
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT	4.42%	4.21%	3.40%	4.37%	9.34%	2.47%	3.73%	3.39%	3.18%

NAZARETH

	1913	1914	1915	1916	1917	1918 (REORGANIZATION)	1919	1920	1921
Common Stock	$3470000	$3470000	$3470000	$3470000	$3470000	$3000000	$3000000	$3000000	$3000000
Preferred Stock	1453750.00	1453750.00	1453750.00	1453750.00	1453750.00	550000.00	550000.00	550000.00	550000.00
Total Capital Stock	$4923750.00	$4923750.00	$4923750.00	$4923750.00	$4923750.00	$3550000.00	$3550000.00	$3550000.00	$3550000.00
Invested Capital	$4710957.57	$5159191.14	$5358358.44	$4710960.17	$5181091.25	$4794819.74	$4963794.49	$5048473.73	$4947402.11
Dividends - Common (Cash)	—	—	—	—	—	—	$367340	$367265	$371575
Dividends - Preferred (Cash)	—	—	—	—	—	$30940.00	$30940.00	$30940.00	$31400.00
Total Cash Dividends	—	—	—	—	—	$30940.00	$637410	$634165	$637575
Stock Dividends	—	—	—	—	—	—	—	—	—
Per Cent Dividends - Common Stock Cash - To Total Common Stock	—	—	—	—	—	—	6.17 %	6.13 %	6.17 %
Per Cent Dividends - Preferred Stock - To Total Preferred Stock	—	—	—	—	—	5.63 %	5.63 %	5.63 %	5.75 %
Per Cent Total Dividends (Cash) To Total Capital Stock	—	—	—	—	—	.96 %	1.76 %	1.89 %	1.91 %
Per Cent Total Dividends (Cash) To Invested Capital Reported To Government	—	—	—	—	—	1.18 %	3.35 %	3.06 %	3.17 %

Penn Allen.

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock	346,100.00	346,100.00	346,100.00	346,100.00	346,100.00	346,100.00	346,100.00	347,000.00	350,000.00
Preferred Stock	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Total Capital Stock	346,100.00	346,100.00	346,100.00	346,100.00	346,100.00	346,100.00	346,100.00	347,000.00	350,000.00
Invested Capital	344,611.70	409,600.63	419,938.71	419,514.16	455,571.16	534,014.58	600,800.83	639,300.34	651,167.45
Dividends-Common-(Cash)	—.—	—.—	—.—	—.—	—.—	—.—	346,100	—.—	350,000
Dividends-Preferred-(Cash)	—.—	1,671.75	—.—	1,700.00	1,800.00	1,800.00	1,800.00	—.—	1,700.00
Total Cash Dividends	—.—	1,671.75	—.—	1,700.00	1,800.00	1,800.00	346,100	—.—	351,700.00
Stock Dividends	—.—	—.—	—.—	—.—	—.—	—.—	—.—	—.—	—.—
Per Cent-Dividends-Common Stock-Cash-To Total Common Stock	—.—	—.—	—.—	—.—	—.—	—.—	10 %	—.—	1%
Per Cent-Dividends-Preferred Stock-To Total Preferred Stock	—.—	1.67%	—.—	1%	1.80%	1%	10. %	—.—	1%
Per Cent-Total Dividends (Cash) To Total Capital Stock	—.—	0.48%	—.—	0.49%	0.52%	0.52%	10 %	—.—	1%.
Per Cent-Total Dividends (Cash) To Invested Capital Reported To Government	—.—	0.41%	—.—	0.40%	0.39%	0.32%	5.76%	—.—	0.49%

Pennsylvania

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock	4501 0000	4501 0000	4501 0000	4501 0000	4501 0000	4501 0000	4781 0000	4781 0000	4781 0000
Preferred Stock	3552 0000	3552 0000	3552 0000	3552 0000	3552 0000	3552 0000	3552 0000	3552 0000	3552 0000
Total Capital Stock	8053 0000	8053 0000	8053 0000	8053 0000	8053 0000	8053 0000	8333 0000	8333 0000	8333 0000
Invested Capital	8053 0000	8053 0000	8124 4729	9970 3520	10205 9627	11115 2565	12934 7687	13671 1934	14059 0046
Dividends - Common (cash)	—	—	—	—	—	—	—	—	573 1200
Dividends - Preferred (cash)	—	—	—	—	—	426 8400	—	639 8400	1065 6000
Total Cash Dividends	—	—	—	—	—	426 8400	—	639 8400	1065 6000
Stock Dividends	—	—	—	—	—	—	—	—	—
Per Cent - Dividends - Common Stock Cash To Total Common	—	—	—	—	—	—	—	—	12%
Per Cent Dividends - Preferred Stock To Total Preferred Stock	—	—	—	—	—	12%	—	18 00/100%	29%
Per Cent Total Dividends (cash) To Total Capital Stock	—	—	—	—	—	5 25/100%	—	7 67/100%	19 22/100%
Per Cent Total Dividends (cash) To Invested Capital Reported To Government (a)	—	—	—	—	—	3 32/100%	—	4 76/100%	11 32/100%

2787

Phoenix

	1913	1914	1915	1916	1917	1918	1919	1920	1921
Common Stock	1750000	1750000	1750000	1750000	1750000	1750000	1084400	1019900	1069900
Preferred Stock	750000	750000	750000	750000	750000	750000	2090000	2090000	2090000
Total Capital Stock	2500000	2500000	2500000	2500000	2500000	2500000	3174400	3109900	3159900
Invested Capital	2500000	2500000	2500000	2500000	2500000	3284996	4508949	4918546	5681746
Dividends - Common (cash)	—	—	—	—	—	—	—	—	—
Dividends - Preferred (cash)	—	—	—	—	—	—	—	—	—
Total Cash Dividends	—	—	—	—	—	—	—	—	—
Stock Dividends	—	—	—	—	—	—	—	—	—
Per Cent Dividends - Common Stock Cash To Total Common Stock	—	—	—	—	—	—	—	—	—
Per Cent Dividends - Preferred Stock To Total Preferred Stock	—	—	—	—	—	—	—	—	—
Per Cent Total Dividends (cash) To Total Capital Stock	—	—	—	—	—	—	—	—	—
Per Cent Total Dividends (cash) To Invested Capital Reported To Government	—	—	—	—	—	—	—	—	—

SECURITY

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	45000	125000	400000	400000	400000	400000	400000	400000	400000
PREFERRED STOCK	80000	80000	500000	500000	500000	500000	500000	500000	500000
TOTAL CAPITAL STOCK	125000	125000	900000	900000	900000	900000	900000	900000	900000
INVESTED CAPITAL	125000	125000	1000000	1006455 55	1134992 30	1196295 41	1146935 50	1113476 14	1136171 58
DIVIDENDS COMMON (CASH)	0	0	0	0	0	0	0	0	0
DIVIDENDS PREFERRED (CASH)	0	0	0	0	105000	70000	70000	70000	70000
TOTAL CASH DIVIDENDS	0	0	0	0	105000	70000	70000	70000	70000
STOCK DIVIDENDS	0	0	0	0	0	0	0	0	0
PER CENT - DIVIDENDS - COMMON STOCK CASH TO TOTAL COMMON	0	0	0	0	0	0	0	0	0
PER CENT - DIVIDENDS - PREFERRED STOCK TO TOTAL - PREFERRED	0	0	0	0	21. %	14. %	14. %	14. %	14. %
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	0	0	0	0	11.7 %	7.7 %	7.7 %	7.7 %	7.7 %
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT	0	0	0	0	9.2 %	5.8 %	6.1 %	6.3 %	6.2 %

VULCANITE

	1913	1914	1915	1916	1917	1918	1919	1920	1921
COMMON STOCK	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –
PREFERRED STOCK	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—
TOTAL CAPITAL STOCK	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –	2100000 –
INVESTED CAPITAL	2269164.57	2456096.%	2627866.52	2634557.18	2644502.%	2657622.13	2611536.77	2904281.24	2660458.65
DIVIDENDS COMMON (CASH)	—0—	—0—	—0—	94500 –	126000 –	115500 –	136500 –	84000 –	—0—
DIVIDENDS PREFERRED (CASH)	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—
TOTAL CASH DIVIDENDS	—0—	—0—	—0—	94500 –	126000 –	115500 –	136500 –	84000 –	—0—
STOCK DIVIDENDS	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—
PER CENT DIVIDENDS - COMMON STOCK CASH TO TOTAL COMMON	—0—	—0—	—0—	4.5 %	6 %	5.5 %	6.5 %	4. %	
PER CENT DIVIDENDS - PREFERRED STOCK TO TOTAL PREFERRED	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	
PER CENT TOTAL DIVIDENDS (CASH) TO TOTAL CAPITAL STOCK	—0—	—0—	—0—	4.5 %	6 %	5.5 %	6.5 %	4. %	
PER CENT TOTAL DIVIDENDS (CASH) TO INVESTED CAPITAL REPORTED TO GOVERNMENT (1)	—0—	—0—	—0—	3.6 %	4.8 %	4.3 %	5.2 %	2.9 %	

DEFENDANT'S EXHIBIT No. D 640

YEAR	1919	1930
REPLACEMENT VALUE (LESS DEPRECIATION)	117,777,960.00	117,771,960.00
WORKING CAPITAL	15,837,232.09	19,171,441.93
ROCK DEPOSIT	18,053,064.00	18,053,064.00
TOTAL	151,662,256.09	154,996,465.93
PERCENTAGE OF NET EARNINGS REP'TO TO GET (LESS FEDERAL TAXES) TO ABOVE TOTAL	3.2516	1.9962

DEFENDANT'S EXHIBIT No. D 641

SOME INSTANCES WHEREIN THE SPECIFIC JOB CONTRACT REPORTS (FORM 10) OF CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION SHOW CONTRACTS AT THE SAME DELIVERY POINT AT DIFFERENT PRICES ON APPROXIMATELY THE SAME DATE.

CONTRACT REPORT AS OF JANUARY 1st, 1919 (SHEET 1)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
1	Lehigh	5044	Buffalo, N.Y.	8-7-18	2.55
1	Nazareth	1259	Buffalo, N.Y.	8-5-18	2.68
~~1~~	~~Giant~~	~~P-684~~	~~Buffalo, N.Y.~~	~~8-10-18~~	~~2.80~~
1	Edison	A-685-1250	Buffalo, N.Y.	4-3-18	2.26
1	Lehigh	4819	Buffalo, N.Y.	4-23-18	2.68
3	Allentown	2386-764	Tarrytown, N.Y.	1-17-18	2.18
3	Atlas	M-12820	Tarrytown, N.Y.	1-18-18	3.20
4	Penna.	314	Brooklyn, N.Y.	3-28-17	2.00
4	Alpha	N-178	Brooklyn, N.Y.	3-29-17	1.97
4	Knicker.	456	Brooklyn, N.Y.	3-22-18	2.12 A/S
4	Penna.	497	Brooklyn, N.Y.	3-23-18	2.15
4	Lawrence	1508	Brooklyn, N.Y.	3-25-18	2.18 A/S
4	Alpha	N-277	Brooklyn, N.Y.	9-21-18	2.60
5	Lehigh	5111	Brooklyn, N.Y.	9-21-18	3.20
4	Hercules	381	Brooklyn, N.Y.	12-27-18	3.23
4	Penna.	691	Brooklyn, N.Y.	12-4-18	3.20
6	Penna.	63	New York City	10-29-15	1.45
6	Penna.	62	New York City	10-29-15	1.32
5	Knicker	439	New York City	3-5-18	2.10
5	Knicker.	441	New York City	3-8-18	2.15
5	Atlas	M-10811	New York City	8-16-18	2.60
5	Lehigh	5106	New York City	8-19-18	2.63
5	Allentown	3610-843	New York City	4-6-18	2.18
5	Hercules	208	New York City	4-4-18	2.15
7	Atlas	L-10129	Bethlehem, Pa.	4-12-17	1.95
7	Dexter	822-756	Bethlehem, Pa.	4-26-17	2.00
7	Dexter	1038-1106	Bethlehem, Pa.	6-5-18	2.54
7	Dexter	1043-1120	Bethlehem, Pa.	6-14-18	2.44
7	Atlas	L-10482	Bethlehem, Pa.	6-25-18	2.53
7	Atlas	L-10530	Bethlehem, Pa.	10-31-18	3.13
7	Lawrence	1613	Bethlehem, Pa.	10-22-19	3.08

CONTRACT REPORT AS OF JANUARY 1st, 1919 (SHEET 2)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
7	Bath	P-379	Bristol, Pa.	3-21-18	2.14
7	Bath	P-396	Bristol, Pa.	4-4-18	2.54
8	Coplay	1593-1532	Chester, Pa.	3-5-18	2.18
8	Bath	P-395	Chester, Pa.	4-3-18	2.58
8	Lehigh	5012	Essington, Pa.	7-20-18	2.71
8	Allentown	2854-871	Essington, Pa.	7-25-18	2.81
8	Alpha	CD -512	Essington, Pa.	8-2-18	2.68
9	Lehigh	4947	Lewistown, Pa.	6-20-18	2.65
9	Penna.	659	Lewistown, Pa.	6-25-18	2.74
9	Allentown	2863-874	Lansford, Pa.	7-29-18	2.87
9	Bath	P- 399	Lansford, Pa.	6-7-18	2.71
10	Coplay	1735-1664	Reading, Pa.	8-7-18	2.77
10	Allentown	2902-881	Reading, Pa.	8-16-18	2.67
10	Allentown	2575-824	Reading, Pa.	3-22-18	2.03
10	Allentown	2580-829	Reading, Pa.	3-31-18	2.14
10	Lehigh	4719	Shamokin, Pa.	3-22-18	2.26
10	Atlas	P-10668	Shamokin, Pa.	3-22-18	2.16
11	Dexter	1059-1133	Spring City, Pa.	7-25-18	2.69
11	Allentown	2863-874	Spring City, Pa.	7-29-18	2.67
12	Lehigh	4648	Philadelphia, Pa.	3-21-18	2.14
12	Allen.	2566-823	Philadelphia, Pa.	3-22-18	2.54
12	Nazareth	1353	Philadelphia, Pa.	7-29-18	2.87
12	Allentown	2861-873	Philadelphia, Pa.	7-27-18	2.67
12	Coplay	1734-1663	Philadelphia, Pa.	8-12-18	2.87
12	Penna.	679	Philadelphia, Pa.	8-7-18	2.67
12	Dexter	1061-1131	Philadelphia, Pa.	8-2-18	2.77
13	Lehigh	5046	Philadelphia, Pa.	8-6-18	2.70
12	Coplay	1739-1668	Philadelphia, Pa.	8-28-18	2.87
12	Giant	NY- 959	Philadelphia, Pa.	8-31-18	2.77
13	Lehigh	5073	Philadelphia, Pa.	8-30-18	2.67

CONTRACT REPORT AS OF JANUARY 1st, 1919 (SHEET 3)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
12	Lehigh	4897	Philadelphia, Pa.	5-24-16	2.59
12	Atlas	P-10676	Philadelphia, Pa.	5-16-16	3.58
12	Coplay	1864-1593	Philadelphia, Pa.	5-15-16	2.65
13	Penna.	884	Philadelphia, Pa.	10-31-16	3.27
12	Lawrence	1615	Philadelphia, Pa.	10-3-16	2.80
12	Vulcanite	733	Philadelphia, Pa.	9-10-16	2.67
13	Hercules	347	Philadelphia, Pa.	9-30-16	3.47
13	Allentown	3981-888	Philadelphia, Pa.	9-18-16	2.87
13	Nazareth	438	Philadelphia, Pa.	11-4-16	1.74
14	Nazareth	460	Philadelphia, Pa.	11-13-16	1.84
13	Coplay	1747-1676	Philadelphia, Pa.	9-14-16	2.87
14	Atlas	P-10729	Philadelphia, Pa.	9-18-16	2.67
13	Nazreth	1270	Philadelphia, Pa.	9-21-16	3.47
13	Allentown	3026-892	Philadelphia, Pa.	9-23-16	3.27
13	Allentown	3607-842	Philadelphia, Pa.	4-3-16	2.24
14	Coplay	1641-1570	Philadelphia, Pa.	4-22-16	2.58
16	Atlas	L-10478	Garfield, N.J.	6-27-16	2.67
16	Nazareth	1243	Garfield, N.J.	6-28-16	2.56
16	Penna.	404	Jersey City, N.J.	9-12-17	2.16
16	Atlas	L-10364	Jersey City, N.J.	9-10-17	2.22 dock
17	Allentown	1440-607	Longport, N.J.	4-12-17	2.15
17	Coplay	1291-1220	Longport, N.J.	4-11-17	2.17
17	Lawrence	1603	Newark, N.J.	9-10-16	2.61
17	Hercules	369	Newark, N.J.	9-23-16	3.21
17	Nazareth	1275	Newark, N.J.	11-15-16	3.21
17	Lehigh	5146	Newark, N.J.	11-19-16	3.27
18	Dexter	1070-1136	New Brunswick, N.J.	9-28-16	2.40
18	Bath	N-325	New Brunswick, N.J.	9-14-16	2.70
18	Lehigh	Not stated	South River, N.J.	8-1-16	278
18	Nazareth	1263	South River, N.J.	8-21-16	2.70
21	Phoenix	3773-555	Boston, Mass.	7-10-16	2.89
21	Phoenix	3774-556	Boston, Mass.	7-10-16	2.80

CONTRACT REPORT AS OF JANUARY 1st, 1919 (SHEET 4)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
24	Lawrence	1597	Hartford, Conn.	8-22-18	3.80
24	Edison	B-314-1342	Hartford, Conn.	8-28-18	3.79
24	Knicker.	378	New Haven, Conn.	11-27-17	3.21
24	Nazareth	1057	New Haven, Conn.	11-28-17	3.31
25	Vulcanite	715	Wilmington, Del.	4-4-18	3.18
25	Coplay	1683-1612	Wilmington, Del.	4-13-18	2.58
27	Vulcanite	4786	Washington, D.C.	4-4-18	3.24
27	Vulcanite	723	Washington, D.C.	4-29-18	2.68
27	Atlas	P-10696	Washington, D.C.	6-24-18	2.65
27	Giant	M-951	Washington, D.C.	6-24-18	2.67
27	Lehigh	5064	Washington, D.C.	8-23-18	2.71
27	Edison	C-346-1344	Washington, D.C.	8-31-18	2.74
27	Atlas	P-5708	Washington, D.C.	11-7-18	5.21
27	Coplay	1757-1686	Washington, D.C.	11-6-18	3.31
12	Coplay	1574-1503	Philadelphia, Pa.	2-2-18	2.14
13	Alpha	P-105	Philadelphia, Pa.	2-5-18	2.24

CONTRACT REPORT AS OF FEBRUARY 1st, 1919 (SHEET 5)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
1	Lehigh	5044	Buffalo, N.Y.	8-7-18	3.18	
1	Nazareth	1259	Buffalo, N.Y.	8-5-18	3.68	
1	Lehigh	4819	Buffalo, N.Y.	4-22-18	3.17	
1	Edison	A-685-1250	Buffalo, N.Y.	4-3-18	3.36	
1	Knickebocker	382	Fulton, N.Y.	12-4-17	3.36	
1	Knickerbocker	381	Fulton, N.Y.	12-4-17	3.39	
2	Lehigh	50	Long Island City	8-7-18	3.60	
2	Lehigh	5045	Long Island City	8-7-18	3.10	
2	Knickerbocker	410	Mt. Vernon, N.Y.	1-3-18	3.34	
2	Knickerbocker	411	Mt. Vernon, N.Y.	1-3-18	3.33	
2	Edison	A-656-1213	Syracuse, N.Y.	3-28-18	3.37	
2	Bath	NY- 368	Syracuse, N.Y.	3-30-18	3.36	
2	Dexter	1049-1110	Syracuse, N.Y.	6-1-18	3.28	
2	Dexter	1050-1111	Syracuse, N.Y.	6-1-18	3.68	
3	Giant	NY-914	Brooklyn, N.Y.	8-28-17	2.80	
3	Atlas	M-10652	Brooklyn, N.Y.	9-12-17	2.91	
3	Knickerbocker	455	Brooklyn, N.Y.	3-22-18	3.18	A/S
3	Lawrence	1508	Brooklyn, N.Y.	3-25-18	3.29	
3	Lawrence	1341	Brooklyn, N.Y.	1-18-18	3.23	
3	Penna.	448	Brooklyn, N.Y.	1-17-18	2.38	
3	Atlas	198	Brooklyn, N.Y.	1-15-18	1.34	
3	Edison	A-553-1003	Brooklyn, N.Y.	1-18-18	3.27	
3	Atlas	M-10697	Brooklyn, N.Y.	1-15-18	2.68	
3	Atlas	M-10691-A	Brooklyn, N.Y.	1-11-18	3.18	A/S
3	Lehigh	4528	Brooklyn, N.Y.	1-22-18	2.69	
3	Lehigh	5157	Brooklyn, N.Y.	12-14-18	3.20	
3	Hercules	381	Brooklyn, N.Y.	12-27-18	3.23	
4	Knickerbocker	439	New York City.	3-5-18	3.13	
4	Knickerbocker	441	New York City.	3-8-18	3.19	
4	Coplay	1600-1529	New York City.	3-14-18	3.15	A/S
4	Penna.	481	New York City.	3-18-18	3.03	(FOB MILL)
4	Allentown	2551-816	New York City.	3-21-18	3.27	
4	Edison	A-639-1158	New York City.	3-25-18	2.86	

CONTRACT REPORT AS OF FEBRUARY 1ST, 1919 (SHEET 6)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
4	Penna	439	New York City	1-2-18	2.27
4	Atlas	M-10684	New York City	1-7-18	2.12 A/S
4	Knickerbocker	409	New York City	1-4-18	2.24
4	Allentown	2890-878	New York City	8-14-18	2.60
4	Lehigh	5106	New York City	8-19-18	2.63
4	Hercules	309	New York City	4-4-18	2.37
4	Penna.	615	New York City	4-4-18	2.36
4	Knickerbocker	524	New York City	7-19-18	2.60
4	Nazareth	1250	New York City	7-25-18	3.30
4	Bath	NY-286	New York City	9-9-18	2.60
4	Lehigh	5104	New York City	9-11-18	3.10
4	Phoenix	3698-523	New York City	5-6-18	2.68
4	Knickerbocker	406	New York City	5-2-18	2.59 A/S
5	Dexter	910-987	Allentown, Pa.	3-21-18	2.60
5	Atlas	L-10364	Allentown, Pa.	3-25-18	2.63
5	Atlas	L-10502	Bethlehem, Pa.	7-8-18	3.13
5	Atlas	L-10504	Bethlehem, Pa.	7-8-18	3.03
5	Atlas	L-10483	Bethlehem, Pa.	6-25-18	3.03
5	Dexter	1042-1119	Bethlehem, Pa.	6-14-18	3.02
5	Atlas	L-10530	Bethlehem, Pa.	10-31-18	3.13
5	Lawrence	1613	Bethlehem, Pa.	10-22-18	3.08
6	Lehigh	5012	Kesington, Pa.	7-30-18	3.21
6	Allentown	3854- 871	Kesington, Pa.	7-25-18	3.31
6	Alpha	CD-512	Kesington, Pa.	8-2-18	3.38
6	Vulcanite	4602	Lebanon, Pa.	4-30-17	2.89
6	Lawrence	1071	Lebanon, Pa.	4-27-17	2.89
7	Edison	C-276-1069	Marcus Hook, Pa.	2-21-18	3.41
7	Edison	C-277-1070	Marcus Hook, Pa.	2-21-18	3.91
7	Coplay	1667-1596	Marcus Hook, Pa.	5-10-18	3.30
7	Coplay	16871616	Marcus Hook, Pa.	5-24-18	3.70
7	Allentown	3575-624	Reading, Pa.	3-22-18	3.53

CONTRACT REPORT AS OF FEBRUARY 1st, 1919 (SHEET 7)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
7	Allentown	2699-838	Reading, Pa.	3-20-18	2.76
7	Allentown	2756-862	Reading, Pa.	6-14-18	3.17
7	Allentown	2779-865	Reading, Pa.	6-19-18	3.66
7	Coplay	1735-1664	Reading, Pa.	8-7-18	3.37
7	Allentown	2903-881	Reading, Pa.	8-16-18	3.17
8	Dexter	895-881	Philadelphia	11-7-17	2.66
10	Lehigh	4294	Philadelphia	11-13-17	2.87
9	Bath	405	Philadelphia	1-17-19	3.27
9	Vulcanite	USE-45636	Philadelphia	1-13-19	2.36
9	Coplay	1078-1088	Philadelphia	1-31-17	2.02
9	Lawrence	903	Philadelphia	2-27-17	2.22
8	Coplay	1480-1406	Philadelphia	10-12-17	2.79
9	Coplay	1478-1407	Philadelphia	10-23-17	2.24
9	Hercules	20	Philadelphia	8-23-17	2.76
9	Edison	C-212-864	Philadelphia	8-23-17	2.14
10	Nazareth	1000	Philadelphia	8-10-17	2.37
9	Nazareth	754	Philadelphia	3-22-17	2.15
10	Nazareth	831	Philadelphia	4-10-17	2.22
10	Lehigh	4206	Philadelphia	9-13-17	2.14
10	Nazareth	1015	Philadelphia	9-10-17	2.37
8	Allentown	2485-797	Philadelphia	3-11-18	2.36
9	Bath	P-276	Philadelphia	3-15-18	2.46
8	Allentown	2560-817	Philadelphia	3-19-18	2.76
9	Phoenix	3669-609	Philadelphia	3-20-18	2.27
9	Edison	C-315-1195	Philadelphia	3-21-18	2.14
10	Edison	C-300-1188	Philadelphia	3-21-18	2.77
8	Coplay	1734-1663	Philadelphia	7-13-18	2.77
9	Lehigh	5080	Philadelphia	8-24-18	3.17
9	Penn Allen	8485-481	Philadelphia	8-1-18	2.67
10	Atlas	P-10490A	Philadelphia	5-3-18	3.89
9	Penn Allen	8359-477	Philadelphia	5-18-18	2.77
9	Atlas	P-10676	Philadelphia	5-18-18	2.66
8	Lehigh	4897	Philadelphia	5-24-18	3.59
9	Coplay	1681-1610	Philadelphia	5-25-18	3.16
9	Bath	P-365	Philadelphia	1-19-18	2.86
9	Lehigh	4473	Philadelphia	1-13-18	3.87

CONTRACT REPORT AS OF FEBRUARY 1st, 1919 (SHEET 8)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
9	Atlas	P-10706	Philadelphia	7-23-18	2.87
9	Lehigh	5021	Philadelphia	7-22-18	3.17
9	Coplay	1754-1883	Philadelphia	10-21-18	3.27
9	Lawrence	1615	Philadelphia	10-3-18	3.30
9	Phoenix	78-688	Philadelphia	11-25-18	3.27
9	Coplay	1755-1884	Philadelphia	11-2-18	3.37
10	Allentown	3607-842	Philadelphia	4-2-18	2.94
10	Hercules	184	Philadelphia	4-3-18	2.78
10	Coplay	1641-1570	Philadelphia	4-22-18	3.16
10	Hercules	374	Philadelphia	9-20-18	3.47
10	Coplay	1747-1648	Philadelphia	9-14-18	3.27
10	Atlas	P-10729	Philadelphia	9-18-18	2.87
11	Lehigh	4855	Atco, N.J.	6-19-18	3.29
11	Penna.	883	Atco, N.J.	6-6-18	3.30
11	Dexter	926-971	Camden, N.J.	3-23-18	3.79
11	Edison	C-979-1063	Camden, N.J.	3-19-18	3.30
11	Vulcanite	897	Camden, N.J.	3-26-18	3.17
11	Lehigh	5103	Deans, N.J.	9-7-18	3.20
11	Lawrence	1606	Deans, N.J.	9-11-18	3.70
12	Vulcanite	4887	Jersey City	9-15-17	2.85
12	Atlas	L-10264	Jersey City	9-10-17	2.33 Brok
12	Vulcanite	4802	Jersey City	3-7-18	3.08
12	Bath	B-335	Jersey City	3-25-18	3.37
12	Phoenix	8733-846	Jersey City	6-1-18	3.07
12	Lawrence	1574	Jersey City	6-24-18	3.30
12	Allentown	1440-607	Longport, N.J.	4-12-17	3.17
12	Coplay	1891-1390	Longport, N.J.	4-11-17	3.67
12	Bath	B-285	Newark, N.J.	2-8-18	4.70
12	Lawrence	1387	Newark, N.J.	2-8-18	3.90
12	Bath	B-287	Newark, N.J.	3-8-18	3.70
12	Lawrence	1492	Newark, N.J.	3-22-18	3.90

CONTRACT REPORT AS OF FEBRUARY 1st, 1919 (SHEET 9)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
12	Bath	N-309	Newark, N.J.	4-4-18	3.70
12	Lawrence	1563	Newark, N.J.	4-26-18	3.60
13	Lehigh	4803	Newark, N.J.	4-17-18	3.10
13	Lawrence	1603	Newark, N.J.	9-10-18	3.61
13	Hercules	369	Newark, N.J.	9-23-18	3.21
13	Nazareth	1134	Perth Amboy, N.J.	2-1-18	3.26
13	Bath	N-265	Perth Amboy, N.J.	1-31-18	3.24
13	Atlas	P-10564	Phillipsburg Jct.	3-22-18	3.00
13	Giant	P-743	Phillipsburgh Jct.	3-18-18	2.90
13	Bath	NY- 280	So. Amboy, N.J.	6-22-18	3.09
13	Lehigh	4806	So. Amboy, N.J.	6-20-18	3.01
13	Edison	A-713-1331	So. Amboy, N.J.	6-6-18	3.19
13	Edison	A-714-1330	So. Amboy, N.J.	6-6-18	3.20
15	Phoenix	3718-838	E. Cambridge, Mass.	5-23-18	3.87
15	Phoenix	3720-840	E. Cambridge, Mass.	5-23-18	3.71
15	Vulcanite	4774	Fall River, Mass.	3-20-18	3.09
15	Alpha	B-404	Fall River, Mass.	3-18-18	3.27
15	Bath	NY-264	Somerville, Mass.	3-20-18	3.19
15	Allentown	2484-796	Somerville, Mass.	3-11-18	3.39
16	Bath	NY-297	Boston, Mass.	9-20-18	3.09
16	Phoenix	34-665	Boston, Mass.	9-18-18	3.07
16	Atlas	B-10699	Boston, Mass.	9-18-18	3.79
16	Lehigh	5094	Boston, Mass.	9-14-18	3.39
16	Lawrence	1614	Boston, Mass.	10-21-18	3.51
16	Nazareth	1272	Boston, Mass.	10-14-18	3.99
16	Edison	B-221-1357	Boston, Mass.	10-10-18	3.39
17	Knickerbocker	430	New Haven, Conn.	8-23-18	3.43
17	Atlas	B-10716	New Haven, Conn.	9-22-18	3.47
17	Atlas	B-10737	New Haven, Conn.	9-11-18	3.87
17	Knickerbocker	447	New Haven, Conn.	9-18-18	3.48
17	Knickerbocker	442	Stevenson, Conn.	9-6-18	3.47

CONTRACT REPORT AS OF FEBRUARY 1st, 1919 (SHEET 10)

PAGE 19 BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
17	Hazards	1142	Stevenson, Conn.	3-18-18	2.99
17	Giant	P-740	Stevenson, Conn.	3-8-18	2.38
18	Lehigh	5191	Newport, R.I.	10-9-18	3.48
18	Ellcon	S-280-1580	Newport, R.I.	10-1-18	3.39
18	Vulcanite	712	Wilmington, Del.	3-27-18	2.30
18	Vulcanite	715	Wilmington, Del.	4-4-18	2.90
18	Copley	2721-1540	Wilmington, Del.	6-17-18	2.70
18	Atlas	P-10090	Wilmington, Del.	6-20-18	2.69
18	Copley	1740-1840	Wilmington, Del.	9-5-18	3.21
18	Copley	1740-1879	Wilmington, Del.	9-9-18	2.81
20	Copley	1599-1820	Washington, D.C.	1-6-18	2.89
20	Ellcon	C-899-1106	Washington, D.C.	3-6-18	2.37
20	Ellcon	C-228-1261	Washington, D.C.	4-4-18	2.37
20	Vulcanite	4797	Washington, D.C.	4-4-18	2.90
20	Atlas	P-10496	Washington, D.C.	4-24-18	2.21
20	Hazards	1241	Washington, D.C.	4-2-18	2.65
20	Giant	P-851	Washington, D.C.	4-24-18	2.39
20	Lehigh	5284	Washington, D.C.	4-23-18	2.81
20	Ellcon	C-248-1344	Washington, D.C.	4-21-18	2.76
20	Vulcanite	737	Washington, D.C.	12-27-18	2.31
20	Lehigh	5324	Washington, D.C.	12-20-18	2.41
21	Lehigh	4999	Charleston, S.C.	7-13-18	2.69
21	Atlas	C-10184	Charleston, S.C.	7-24-18	2.21

CONTRACT REPORT AS OF APRIL 1st, 1919 (SHEET 11)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
1	Lehigh	5044	Buffalo, N.Y.	8-7-18	3.18	
1	Nazareth	1259	Buffalo, N.Y.	8-8-18	3.68	
1	Lehigh	4721	Buffalo, N.Y.	3-28-18	3.88	
1	Lehigh	4819	Buffalo, N.Y.	4-22-18	3.17	
1	Snicker.	348	Fulton, N.Y.	12-4-17	2.36	
1	Snicker.	381	Fulton, N.Y.	12-4-17	2.39	
2	Snicker.	410	Mt. Vernon, N.Y.	1-3-18	2.34	
2	Snicker.	411	Mt. Vernon, N.Y.	1-3-18	2.33	
2	Lehigh	5107	Brooklyn, N.Y.	9-19-18	3.10	
2	Lehigh	5111	Brooklyn, N.Y.	9-21-18	3.20	
2	Penna.	684	Brooklyn, N.Y.	3-17-19	3.20	
2	Vulcanite	4809	Brooklyn, N.Y.	3-6-19	3.23	
2	Lawrence	1941	Brooklyn, N.Y.	1-16-18	2.23	
2	Penna.	446	Brooklyn, N.Y.	1-17-18	2.28	
2	Atlas	B-[illegible]	Brooklyn, N.Y.	1-15-18	2.62	
2	Silex	A-[illegible]	Brooklyn, N.Y.	1-18-18	2.27	
2	Atlas	B-[illegible]	Brooklyn, N.Y.	1-11-18	2.13	A/B
2	Lehigh	4888	Brooklyn, N.Y.	1-22-18	2.69	
2	Keth	[illegible]	Brooklyn, N.Y.	1-18-18	2.23	
2	Silex	A-[illegible]	New York City	3-25-18	2.26	
2	Allen.	[illegible]	New York City	3-21-18	2.27	
2	Penna.	480	New York City	1-2-18	2.27	
2	Atlas	B-[illegible]	New York City	1-7-18	2.13	A/B
4	Snicker.	418	New York City	1-4-18	2.24	
2	Hercules	808	New York City	4-4-18	2.27	
4	Penna.	818	New York City	4-4-18	2.28	
2	Allen.	[illegible]	New York City	8-14-18	2.80	
2	Lehigh	[illegible]	New York City	8-19-18	2.83	
4	Keth	[illegible]	New York City	2-8-18	2.80	
4	Lehigh	[illegible]	New York City	2-11-18	2.10	
4	Phoenix	[illegible]	New York City	2-6-18	2.68	
4	Snicker.	[illegible]	New York City	2-8-18	2.89	A/B

CONTRACT REPORT AS OF APRIL 1st, 1919 (SHEET 13)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
4	Knicker.	524	New York City	7-19-18	3.60
4	Nazareth	1250	New York City	7-25-18	3.30
5	Edison	C-337-1307	Burnham, Pa.	6-20-18	3.84
5	Lehigh	4991	Burnham, Pa.	7-9-18	3.34
6	Lehigh	5018	Kensington, Pa.	7-20-18	3.31
6	Allen.	2854-871	Kensington, Pa.	7-25-18	3.81
6	Vulcanite	4603	Lebanon, Pa.	4-30-17	3.89
6	Lawrence	1071	Lebanon, Pa.	4-27-17	3.39
6	Edison	C-278-1068	Marcus Hook, Pa.	3-21-18	3.41
6	Edison	C-277-1070	Marcus Hook, Pa.	3-21-18	3.91
6	Coplay	1584-1513	Marcus Hook, Pa.	3-8-18	3.90
6	Coplay	1687-1593	Marcus Hook, Pa.	3-10-18	3.30
6	Coplay	1687-1616	Marcus Hook, Pa.	3-24-18	3.70
7	Coplay	1735-1664	Reading, Pa.	3-7-18	3.37
7	Allen.	2903-881	Reading, Pa.	3-18-18	3.17
7	Edison	C-316-1196	York, Pa.	3-21-18	3.86
7	Penna.	4539	York, Pa.	4-8-18	3.27
7	Lehigh	5186	Philadelphia	3-11-19	3.37
8	Penna.	696	Philadelphia	3-13-19	3.40
7	Nazareth	1188	Philadelphia	3-29-18	3.37
8	Hercules	151	Philadelphia	3-30-18	3.36
8	Bath	P-277	Philadelphia	3-30-18	3.36
8	Penn Allen	2179-480	Philadelphia	3-8-18	3.37
9	Edison	C-308-1188	Philadelphia	3-21-18	3.77
8	Giant	57-288	Philadelphia	3-21-18	3.37
8	Lehigh	5073	Philadelphia	3-30-18	3.17
8	Penn Allen	2485-481	Philadelphia	3-1-18	3.07
7	Hercules	90	Philadelphia	3-29-17	3.76
8	Nazareth	1000	Philadelphia	3-10-17	3.37
7	Dexter	696-681	Philadelphia	11-7-17	3.66
8	Lehigh	4994	Philadelphia	11-13-17	3.67

CONTRACT REPORT AS OF APRIL 1st, 1919 (SHEET 13)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
8	Nazareth	438	Philadelphia	11-4-18	1.97
9	Nazareth	460	Philadelphia	11-13-18	1.97
8	Coplay	1754-1803	Philadelphia,	10-21-18	3.27
8	Lawrence	1615	Philadelphia	1043-18	3.30
8	Bath	402	Philadelphia	1-17-19	3.27
8	Vulcanite USE-	45636	Philadelphia	1-13-19	2.85
7	Lehigh	4499	Philadelphia	1-28-18	2.90
8	Coplay	1760	Philadelphia	1-31-18	3.27
8	Lehigh	4473	Philadelphia	1-12-18	3.27
7	Atlas	P-10706	Philadelphia	7-23-18	2.67
8	Lehigh	5014	Philadelphia	7-19-18	3.17
7	Atlas	P-10676	Philadelphia	5-16-18	2.58
8	Coplay	1681-1610	Philadelphia	5-28-18	3.16
8	Penn Allen	8350-477	Philadelphia	5-16-18	2.77
9	Atlas	P-10480A	Philadelphia	5-8-18	3.39
8	Lehigh	4824	Philadelphia	4-24-18	3.17
9	Coplay	1841-1570	Philadelphia	4-22-18	3.16
8	Lehigh	4208	Philadelphia	9-13-17	2.14
8	Nazareth	1018	Philadelphia	9-10-17	2.27
8	Nazareth	1270	Philadelphia	9-21-18	3.47
8	Allen	8961-888	Philadelphia	9-13-18	4.27
9	Coplay	1747-1676	Philadelphia	9-14-18	3.27
9	Atlas	P-10729	Philadelphia	9-19-18	3.27
10	Lehigh	4958	Atco, N.J.	6-19-18	3.39
10	Penna.	883	Atco, N.J.	6-6-18	3.30
10	Allen	8365-751	Camden, N.J.	12-28-17	2.39
10	Coplay	1599-1484	Camden, N.J.	12-4-17	2.79
10	Hercules	74	Camden, N.J.	2-1-18	2.79
10	Edison	C-279-1063	Camden, N.J.	2-19-18	2.30
10	Lehigh	5108	Penns, N.J.	9-7-18	3.30
10	Lawrence	1606	Penns, N.J.	9-11-18	2.79
10	Penna.	978	Hoboken, N.J.	6-13-17	2.10
10	Vulcanite	4648	Hoboken, N.J.	6-21-17	2.00

CONTRACT REPORT AS OF APRIL 1st, 1918 (SHEET 14)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
10	Valeanite	4667	Jersey City, N.J.	9-15-17	2.88
10	Atlas	L- 15924	Jersey City, N.J.	9-10-17	2.82
11	Valeanite	4808	Jersey City, N.J.	5-7-18	3.06
11	Beth	S-515	Jersey City, N.J.	5-25-15	3.57
11	Phoenix	3733-840	Jersey City, N.J.	6-1-18	3.07
11	Lawrence	1574	Jersey City, N.J.	6-24-18	3.58
11	Allen.	1440 -607	Longport, N.J.	4-12-17	2.17
11	Copley	1951-1580	Longport, N.J.	4-11-17	2.67
11	Penna.	630	Newark, N.J.	4-13-[illegible]	1.45
11	Beth	S-508	Newark, N.J.	4-4-18	3.70
11	Lehigh	4803	Newark, N.J.	4-17-18	3.10
12	Nazareth	1194	Perth Amboy, N.J.	3-1-18	3.25
12	Beth	S-468	Perth Amboy, N.J.	1-31-18	3.24
12	Beth	97-280	So. Amboy, N.J.	6-22-18	3.69
12	Lehigh	4856	So. Amboy, N.J.	6-20-18	3.61
12	Edison	A- 715-1301	So. Amboy, N.J.	6-9-18	3.19
12	Edison	A-714-1330	So. Amboy, N.J.	6-9-18	3.20
12	Lehigh	4842	Trenton, N.J.	4-27-18	3.16
12	Alpha	CB-487	Trenton, N.J.	4-30-18	3.58
14	Beth	97-287	Boston, Mass.	9-20-18	3.90
14	Phoenix	34-885	Boston, Mass.	9-13-18	3287
14	Atlas	B- 10[illegible]	Boston, Mass.	9-18-18	3.79
14	Lehigh	5094	Boston, Mass.	9-14-18	3.39
14	Lawrence	1614	Boston, Mass.	10-31-18	3.51
14	Nazareth	1579	Boston, Mass.	10-14-18	3.59
14	Edison	S-821-1567	Boston, Mass.	10-10-18	3.39
14	Atlas	S-10718	Sidney, Ohio.	1-13-19	3.64
14	Phoenix	181-871	Sidney, Ohio.	1-10-19	3.71
16	Gaither.	481	San Saron, Conn.	1-23-18	3.42
16	Atlas	S-10718	San Saron, Conn.	1-26-18	3.47
16	Atlas	S-10737	San Saron, Conn.	1-11-18	3.97
16	Gaither.	448	San Saron, Conn.	1-19-18	3.43

CONTRACT REPORT AS OF APRIL 1st, 1919. (SHEET 15)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
15	Knicker.	440	Stevenson, Conn.	3-5-18	2.47
15	Nazareth	1143	Stevenson, Conn.	3-18-18	2.99
15	Giant	P-740	Stevenson, Conn.	3-5-18	2.35
16	Vulcanite	713	Wilmington, Del.	3-27-18	2.30
16	Vulcanite	715	Wilmington, Del.	4-4-18	2.90
16	Coplay	1711-1640	Wilmington, Del.	6-17-18	2.70
16	Atlas	P-10693	Wilmington, Del.	6-20-18	2.62
16	Lehigh	4979	Northeast, Md.	7-2-18	3.24
16	Co[illegible]y	1715-1644	Northeast, Md.	6-29-18	3.76
17	Lehigh	5064	Washington, D.C.	8-23-18	3.21
17	Edison	C-346-1344	Washington, D.C.	8-31-18	2.74
17	Atlas	P-10696	Washington, D.C.	6-24-18	3.21
17	Nazareth	1241	Washington, D.C.	6-3-18	2.65
17	Giant	N-951	Washington, D.C.	6-24-18	3.35
17	Coplay	1599-1538	Washington, D.C.	3-6-18	2.89
17	Edison	C-289-1106	Washington, D.C.	3-8-18	2.37
17	Lehigh	4607	Washington, D.C.	3-11-18	2.24
18	Atlas	S- 10160	New Bern, N.C.	12-18-18	3.47
18	Atlas	S- 10078A	New Bern, N.C.	12-4-18	3.38
18	Alpha	S-18	Charleston, S.C.	3-10-19	3.47
18	Lehigh	5170	Charleston, S.C.	3-10-19	3.36
19	Edison	A-540-987	Cleveland, Ohio.	1-16-18	2.47
19	Alpha	C-310	Cleveland, Ohio.	1-18-18	2.34

CONTRACT REPORT AS OF MAY 1ST, 1919 (SHEET 6)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
2	Edison	A-30-1382	Buffalo, N.Y.	4-7-19	2.91	
2	Giant	P-803	Buffalo, N.Y.	4-9-19	2.78	
2	Knicker.	382	Fulton, N.Y.	12-4-17	2.36	
2	Knicker.	381	Fulton, N.Y.	12-4-17	2.39	
3	Knicker.	410	Mt. Vernon, N.Y.	1-24-18	2.34	
3	Knicker.	411	Mt. Vernon, N.Y.	1-3-18	2.33	
4	Penna.	649	Brooklyn, N.Y.	5-31-18	2.00	
4	Atlas	M-10762	Brooklyn, N.Y.	5-1-18	3.09	
4	Penna.	694	Brooklyn, N.Y.	3-7-19	3.90	
4	Valonnite	46809	Brooklyn, N.Y.	3-8-19	3.35	
4	Lawrence	1341	Brooklyn, N.Y.	1-16-18	3.83	
4	Atlas	M-10697	Brooklyn, N.Y.	1-15-18	3.63	
4	Edison	A-353-1003	Brooklyn, N.Y.	1-18-18	3.27-Dock	
4	Atlas	M-10691A	Brooklyn, N.Y.	1-11-18	3.19 A/S	
4	Lehigh	4526	Brooklyn, N.Y.	1-22-18	3.69	
5	Lawrence	1688	New York City	4-22-19	3.68	
5	Lawrence	1699	New York City	4-22-19	3.68	
5	Penna.	489	New York City	1-2-18	3.27	
5	Penna.	426	New York City	1-21-18	3.94	
5	Atlas	M-10694	New York City	1-7-18	3.19 A/S	
5	Edison	A- 639-1158	New York City	3-25-18	3.26	
5	Allentown	3561-618	New York City	3-21-18	3.37	
5	Hercules	309	New York City	4-4-18	3.27	
5	Penna.	615	New York City	4-4-18	3.98	
5	Allentown	3690-679	New York City	5-14-18	3.60	
8	Lehigh	5106	New York City	5-19-18	3.63	
5	Phoenix	3698-633	New York City	5-6-18	3.58	
8	Knicker.	486	New York City	5-8-18	3.59 A/S	
5	Knicker.	534	New York City	7-15-18	3.60	
8	Nazareth	1260	New York City	7-25-18	3.90	

CONTRACT REPORT AS OF MAY 1st, 1919 -(SHEET 47)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
5	Penna.	686	New York City	10-4-18	3.20
5	Lehigh	6131	New York City	10-16-18	3.43
6	Edison	C-337 -1907	Dunbar, Pa.	6-20-18	3.84
6	Lehigh	4981	Dunbar, Pa.	7-8-18	3.24
6	Lehigh	5012	Lexington, Pa.	7-20-18	3.21
6	Allentown	265- 871	Lexington, Pa.	7-26-18	3.21
7	Vulcanite	4909	Lebanon, Pa.	4130-17	3.89
7	Lawrence	1071	Lebanon, Pa.	4-27-17	3.89
7	Coplay	1567-1596	Marcus Hook, Pa.	5-10-18	3.20
7	Coplay	1597-1616	Marcus Hook, Pa.	5-24-18	3.70
8	Coplay	1726-1864	Reading, Pa.	6-7-18	3.27
8	Allentown	2903-601	Reading, Pa.	6-18-18	3.17
8	Edison	C- 316-1196	York, Pa.	3-21-18	3.86
8	Penna.	639	York, Pa.	4-8-18	3.87
8	Coplay	14804-49	Philadelphia, Pa.	10-18-17	3.79
8	Dexter	838-881	Philadelphia, Pa.	11-7-17	3.85
9	Lehigh	4994	Philadelphia, Pa.	11-13-17	3.87
10	Lawrence	1240	Philadelphia, Pa.	12-17-17	3.90
8	Hercules	80	Philadelphia, Pa.	8-22-17	3.75
9	Nazareth	.000	Philadelphia, Pa.	8-10-17	3.37
9	Lehigh	4908	Philadelphia, Pa.	9-13-17	3.14
9	Nazareth	1013	Philadelphia, Pa.	9-10-17	3.37
10	Hercules	84	Philadelphia, Pa.	9-28-17	3.76
9	Nazareth	784	Philadelphia, Pa.	3-29-17	3.10
10	Nazareth	601	Philadelphia, Pa.	4-10-17	3.83
8	Nazareth	1198	Philadelphia, Pa.	3-29-18	3.97
9	Hercules	131	Philadelphia, Pa.	3-30-18	3.88
10	Edison	C-866 -1186	Philadelphia, Pa.	3-21-18	3.77
9	Lehigh	5080	Philadelphia, Pa.	5-24-18	3.17
9	Giant	89-489	Philadelphia, Pa.	5-21-18	3.27
10	Edison	C-845- 1389	Philadelphia, Pa.	5-8-18	3.67

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CONTRACT REPORT AS OF MAY 1st, 1919 (SHEET 18)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
8	Lehigh	5186	Philadelphia, Pa.	3-11-19	3.27
9	Coplay	1762	Philadelphia, Pa.	3-26-19	3.47
9	Penna.	696	Philadelphia, Pa.	3-13-19	3.40
8	Lehigh	4499	Philadelphia, Pa.	1-22-18	2.90
9	Coplay	1760	Philadelphia, Pa.	1-31-18	3.27
9	Lehigh	4473	Philadelphia, Pa.	1-12-18	3.07
8	Atlas	P-10708	Philadelphia, Pa.	7-23-18	2.67
9	Lehigh	5014	Philadelphia, Pa.	7-19-18	3.17
10	Coplay	1644-1573	Philadelphia, Pa.	5-1-18	3.18
10	Coplay	1747-1676	Philadelphia, Pa.	5-8-18	3.27
8	Atlas	P-10676	Philadelphia, Pa.	5-16-18	2.58
9	Coplay	1681-1610	Philadelphia, Pa.	5-25-18	3.18
9	Phoenix	78- 568	Philadelphia, Pa.	11-25-18	3.27
9	Coplay	1755-1684	Philadelphia, Pa.	11-2-18	3.37
9	PennAllen	8873-402	Philadelphia, Pa.	4-3-19	3.72
9	Edison	C-5-1387	Philadelphia, Pa.	4-4-19	3.82
9	Bath	402	Philadelphia, Pa.	1-17-19	3.37
9	Vulcanite U89	-46436	Philadelphia, Pa.	1-13-19	3.26
9	Lawrence	1615	Philadelphia, Pa.	10-3-18	3.30
9	Atlas	P-10736	Philadelphia, Pa.	10-15-18	3.37
9	Nazareth	1370	Philadelphia, Pa.	9-21-18	3.47
9	Allentown	2981-889	Philadelphia, Pa.	9-13-18	3.87
10	Coplay	1747-1676	Philadelphia, Pa.	9-14-18	3.27
11	Lehigh	4965	Atco, N.J.	6-9-18	3.23
11	Penna.	863	Atco, N.J.	6-6-18	3.30
11	Allentown	2363-781	Camden, N.J.?	12-29-17	3.23
11	Coplay	1539-1458	Camden, N.J.	12-4-17	3.79
11	Lehigh	5163	Deans, N.J.	9-7-18	3.30
11	Lawrence	1606	Deans, N.J.	9-11-18	3.70
11	Penna.	875	Hoboken, N.J.	6-13-17	3.18
19	Vulcanite	4542	Hoboken, N.J.	6-29-17	3.06

CONTRACT REPORT AS OF MAY 1st, 1919 (SHEET 4)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
12	Bath	N-323	Jersey City, N.J.	5-25-18	2.57
12	Vulcanite	4802	Jersey City, N.J.	5-7-18	3.08
12	Allentown	1440-807	Longport, N.J.	4-12-17	2.17
12	Coplay	1891-1230	Longport, N.J.	4-11-17	2.67
12	Penns	638	Newark, N.J.	4-13-18	1.45 FOB MILL
12	Bath	N-309	Newark, N.J.	4-4-18	2.70
13	Nazareth	1134	Perth Amboy, N.J.	3-1-18	2.25
13	Bath	N-268	Perth Amboy, N.J.	1-31-18	2.94
13	Edison	A- 713-1331	South Amboy, N.J.	6-9-18	3.19
13	Edison	A-714-1330	South Amboy, N.J.	6-9-18	3.20
13	Lehigh	4842	Trenton, N.J.	4-27-18	3.16
13	Alpha	CD487	Trenton, N.J.	4-30-18	2.58
13	Atlas	L-10609	Trenton, N.J.	4-11-19	2.73
13	Alpha	CD-618	Trenton, N.J.	4-25-19	2.277
15	Atlas	B-10701	Quincy, Mass	9-23-18	2.99
15	Edison	B-317-1348	Quincy, Mass.	9-14-18	2.94
15	Bath	NY-287	Boston, Mass.	9-20-18	2.99
15	Phoenix	34-665	Boston, Mass.	9-13-18	2.87
15	Edison	B- 316-1347	Boston, Mass.	9-9-18	2.98
15	Atlas	B-10699	Boston, Mass.	9-18-18	2.79
15	Lehigh	5094	Boston, Mass.	9-14-18	2.89
15	Phoenix	81-669	Boston, Mass.	12-4-18	3.47
15	Penns.	431	Boston, Mass.	12-7-18	2.94
15	Atlas	B-10713	Kittery, Maine	3-12-19	2.84
15	Phoenix	131-671	Kittery, Maine	3-10-19	2.71
16	Lawrence	1358	Hartford, Conn.	9-18-18	2.99
16	Phoenix	3740-849	Hartford, Conn.	6-8-18	3.37
16	Belcher.	430	New Haven, Conn.	3-23-18	2.43
16	Atlas	B- 10718	New Haven, Conn.	3-25-19	2.47
16	Atlas	B-10737	New Haven, Conn.	3-11-19	2.37
16	Belcher.	448	New Haven, Conn.	3-19-19	2.43

CONTRACT REPORT AS OF MAY 1st, 1919 (SHEET 10)

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16	Kalaker,	440	Stevenson, Conn.	3-5-19	2.47
16	Hamarth	1142	Stevenson, Conn.	3-10-19	2.89
16	Giant	P-760	Stevenson, Conn.	3-8-19	2.95
17	Vulcanite	712	Wilmington, Del.	3-27-19	2.50
17	Vulcanite	715	Wilmington, Del.	4-4-19	2.90
18	Copley	1711-1840	Wilmington, Del.	6-17-19	2.70
18	Atlas	JP-10009	Wilmington, Del.	6-20-19	2.68
19	Ellcon	0-999-1106	Washington, D.C.	3-8-19	2.57
19	Lehigh	4807	Washington, D.C.	3-11-19	2.54
19	Hamarth	1241	Washington, D.C.	4-3-19	2.65
19	Giant	B-681	Washington, D.C.	4-24-19	2.55
19	Atlas	P-10756	Washington, D.C.	5-20-19	2.31
19	Hercules	899	Washington, D.C.	4-8-19	2.91
21	Atlas	P-10160	New Bern, N. C.	12-16-18	2.47
21	Atlas	P-10076-A	New Bern, N.C.	12-4-18	2.58
21	Alpha	P-16	Charleston, S.C.	3-10-19	2.47
21	Lehigh	5170	Charleston, S.C.	3-10-19	2.55
21	Atlas	P-10168	Pensacola, Fla.	4-12-19	2.27
21	Atlas	P-10168	Pensacola, Fla.	4-18-19	2.27

CONTRACT REPORT AS OF JUNE 1st, 1918 - SHEET # 8

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
8	Ellcon	A-10-1365	Buffalo, N. Y.	4-9-18	2.61	
8	Giant	P-910	Buffalo, N. Y.	4-9-18	2.78	
8	Reicher.	368	Fulton, N. Y.	12-4-17	2.56	
8	Reicher.	381	Fulton, N. Y.	12-4-17	2.59	
8	Reicher.	410	Mt.Vernon, N.Y.	1-8-18	2.54	
8	Reicher.	411	Mt.Vernon, N.Y.	1-8-18	2.57	
8	Penna.	894	Brooklyn, N. Y.	3-7-18	2.81	
8	Tulsacello	46839	Brooklyn, N. Y.	3-8-18	2.83	
8	Alpha	B-633	Brooklyn, N. Y.	3-8-18	2.10	
8	Atlas	B-109916	Brooklyn, N. Y.	3-11-18	2.10	4/5
8	Atlas	B-10897	Brooklyn, N. Y.	3-15-18	2.68	
8	Ellcon	A-910-10996	Brooklyn, N. Y.	3-18-18	2.27	Scrd
8	Lawrence	1341	Brooklyn, N. Y.	3-18-18	2.83	
8	Lehigh	4586	Brooklyn, N. Y.	3-20-18	2.99	
8	Lawrence	1338	New York City	4-20-18	2.88	
8	Lawrence	1339	New York City	4-20-18	2.88	
8	Atlas	B-10884	New York City	3-7-18	2.13	4/5
8	Penna.	488	New York City	3-8-18	2.87	
	Reicher.	439	New York City	3-8-18	2.74	
8	Ellcon	A-896-1198	New York City	3-25-18	2.58	
8	Allentown	8821-838	New York City	3-27-18	2.89	
8	Penna.	818	New York City	4-4-18	2.99	
8	Bernalino	378	New York City	4-4-18	2.87	
8	Allentown	8899-879	New York City	4-14-18	2.93	
8	Lehigh	5138	New York City	4-13-18	2.93	
8	Phoenix	1888-848	New York City	4-8-18	2.88	
8	Reicher.	488	New York City	4-8-18	2.98	
8	Reicher.	586	New York City	4-18-18	2.81	
8	Remmerle	1881	New York City	4-[illegible]-18	2.81	
8	Penna.	888	New York City	18-4-18	2.87	
8	Lehigh	5181	New York City	18-18-18	2.88	

CONTRACTS REPORTED AS OF JUNE 2nd, 1958 :- CREDIT $ [illegible]

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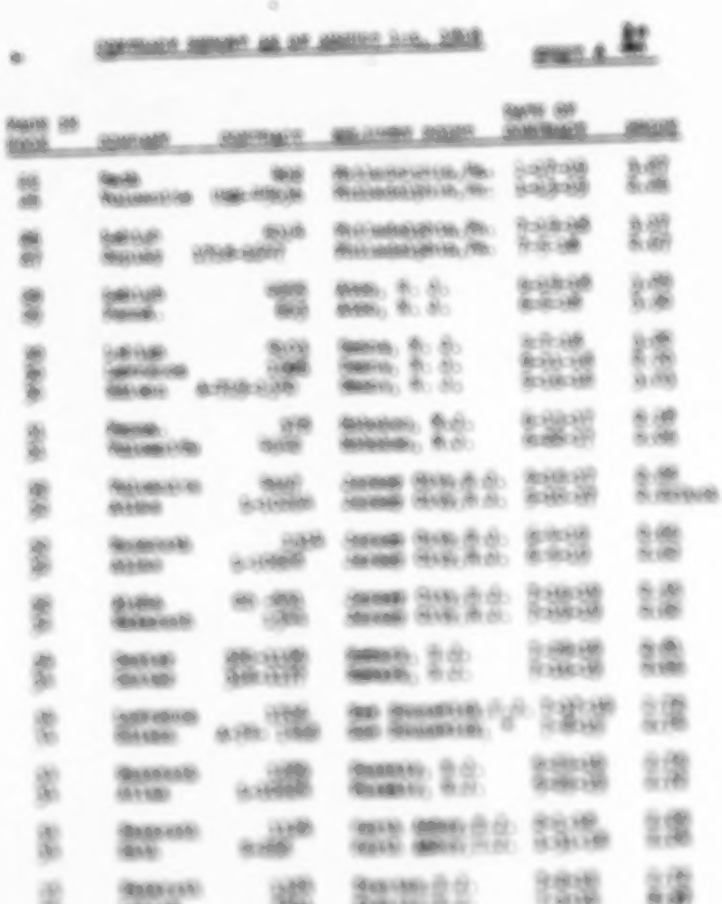
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[illegible] REPORT AS OF AUGUST 1st, 1919 [illegible]

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[illegible] REPORT AS OF SEPTEMBER 1st, 2010 (UNAUDITED)

Page 13 Item	[illegible]	[illegible]	[illegible]	Date of [illegible]	[illegible]
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CONTRACT REPORT AS OF SEPTEMBER 1st, 1919 (SHEET # 36 42)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
62	Atlas	B-10786	Boston, Mass.	7-17-19	2.92
62	Allentown	6782-977	Boston, Mass.	7-17-19	2.93
64	Penn Allen	8607-553	Bristol, Conn.	8-8-19	2.94
64	Edison	B-45-1533	Bristol, Conn.	8-3-19	2.97
64	Vulcanite	4799	Hartford, Conn.	4-18-18	3.40
64	Lawrence	1559	Hartford, Conn.	5-16-18	2.89
64	Lawrence	1597	Hartford, Conn.	8-23-18	2.80
64	Penn Allen	8480-480	Hartford, Conn.	7-15-18	3.49
65	Knickerbocker	430	New Haven, Conn.	2-23-18	2.43
65	Atlas	M-10718	New Haven, Conn.	2-25-18	2.47
65	Atlas	M-10727	New Haven, Conn.	3-11-18	2.97
65	Knickerbocker	448	New Haven, Conn.	3-19-18	2.42
68	Alpha	B-488	Stamford, Conn.	6-9-18	2.40
68	Atlas	M-10854	Stamford, Conn.	6-13-18	2.94
68	Knickerbocker	440	Stevenson, Conn.	3-5-18	2.47
68	Giant	P-740	Stevenson, Conn.	3-5-18	2.35
69	Coplay	1711-1640	Wilmington, Del.	6-17-18	2.70
69	Atlas	P-10893	Wilmington, Del.	6-20-18	2.62
75	Atlas	P-10803	Williamson, W.Va.	6-19-19	3.10
75	Alpha	VA-111	Williamson, W.Va.	7-23-19	3.05
77	Atlas	B-10761	portsmouth, N.H.	6-10-19	3.00
77	Penn Allen	9365-514	Portsmouth, N.H.	7-10-19	3.24
78	Giant	48382	Washington, D.C.	7-19-19	3.44
78	Coplay	1837	washington, D. C.	7-14-19	3.81
79	Alpha	C-384	Cleveland, Ohio	3-17-19	3.23
79	Alpha	C-387	Cleveland, Ohio	4-11-19	3.37-P
79	Edison	A-37-1433	Cleveland, Ohio	5-28-19	3.37
79	Alpha	C-405	Cleveland, Ohio	6-3-19	3.72
80	Edison	A-66-1462	Cleveland, Ohio	7-3-19	3.46
80	Alpha	C-441	Cleveland, Ohio	7-1-19	3.72
81	Allentown	5073-898	Youngstown, Ohio	3-8-19	3.18
81	Dexter	1081-1142	youngstown, Ohio	4-26-19	3.68

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CONTRACT REPORT AS OF SEPTEMBER 1st, 1919. (Sheet # ~~43~~ 37)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
84	Atlas	P-10745	Norfolk, Va.	12-9-18	3.23
84	Coplay	1758-1685	Norfolk, Va.	11-6-18	3.39
84	Atlas	P-10754	Norfolk, Va.	3-24-19	3.23
84	Hercules	387	Norfolk, Va.	3-5-19	3.26
84	Atlas	P-10841	Norfolk, Va.	7-7-19	2.73
84	Atlas	P-10834	Norfolk, Va.	7-3-19	2.75
84	Penn Allen	9317-510	Quantico, Va.	7-3-19	2.86
84	Atlas	P-10872	Quantico, Va.	7-29-19	2.8343
87	Alpha	8-18	Charleston, S/C.	3-10-19	3.47
87	Lehigh	5170	Charleston, S.C.	3-10-19	3.3643
88	Atlas	S-10175	Miami, Fla.	5-21-19	3.48
88	Lehigh	5340	Miami, Fla.	5-19-19	3.35
88	Atlas	S-10183	Miami, Fla.	6-10-19	3.33

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CONTRACT REPORT AS OF OCTOBER 1st, 1919. (SHEET 38 ~~10~~)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
1	Lehigh	5181	Buffalo, N.Y.	4-9-19	2.78
2	Edison	A-10-1382	Buffalo, N.Y.	4-7-19	2.81
3	Giant	P-808	Buffalo, N.Y.	5-8-19	2.98
3	Penna.	708	Buffalo, N.Y.	5-2-19	2.78
3	Phoenix	950-656	Buffalo, N.Y.	8-25-19	2.78
3	Giant	P-923	Buffalo, N.Y.	9-19-19	2.79
6	Knickerbocker	382	Fulton, N.Y.	12-4-17	3.36
6	Knickerbocker	381	Fulton, N.Y.	12-4-17	3.39
6	Dexter	326-1304	Livingston Manor	8-1-19	2.80
6	Nazareth	1398	Livingston Manor	8-14-19	2.90
9	Atlas	M-10992	Long Island City	8-22-19	2.65
9	Hercules	493	Long Island City	8-21-19	2.68
9	Atlas	H-10603	Middletown, N.Y.	7-30-19	2.83
9	Alpha	CD-557	Middletown, N.Y.	7-19-19	2.80
14	Knickerbocker	589	Syracuse, N.Y.	9-8-19	2.82
14	Bath	549	Syracuse, N.Y.	9-9-19	2.80
17	Penna.	851	Brooklyn, N.Y.	8-22-19	2.68
18	Atlas	MET -11027	Brooklyn, N.Y.	9-20-19	2.85
18	Atlas	M-10691A	Brooklyn, N.Y.	1-11-18	2.12 A/S
18	Atlas	M-10697	Brooklyn, N.Y.	1-15-18	2.62)
18	Edison	A-553-1003	Brooklyn, N.Y.	1-18-18	2.27 Dock)
18	Lawrence	1341	Brooklyn, N.Y.	1-18-18	2.33
18	Lehigh	5534	Brooklyn, N.Y.	7-24-19	2.68
18	Edison	A-93-1518	Brooklyn, N.Y.	7-25-19	2.65
18	Edison	83-1486	Brooklyn, N.Y.	7-12-19	2.68
17	Lehigh	5546	Brooklyn, N.Y.	7-11-19	2.65
17	Penna.	694	Brooklyn, N.Y.	3-7-19	3.20
18	Vulcanite	4609	Brooklyn, N.Y.	3-5-19	3.23
19	Lawrence	1629	New York City	4-23-19	2.68
19	Lawrence	1628	New York City	4-23-19	2.65
20	Penna.	429	New York City	1-2-18	2.27
21	Atlas	M-10684	New York City	1-7-18	2.12A/S

39 CONTRACT REPORT AS OF OCTOBER 1st, 1919 (SHEET ~~17~~ 39)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
24	Knickerbocker	409	New York City	1-4-18	2.24
20	Edison	A- 639-1158	New York City	3-25-18	2.26
21	Allentown	2551-816	New York City	3-21-18	2.27
20	Allentown	3610-842	New York City	4-6-18	2.27
23	Penna	615	New York City	4-4-18	2.28
21	Atlas	M-10812	New York City	8-20-18	2.60
21	Lehigh	5106	New York City	8-19-18	2.63
20	Dexter	1172-1230	New York City	8-25-19	2.65
20	Penna.	838	New York City	8-25-19	2.68
21	Allentown	7145- 1018	New York City	8-8-19	2.68
21	Penna	806	New York City	8-8-19	2.65
23	Coplay	1948	New York City	8-28-19	2.90
23	Atlas	M-11008	New York City	8-28-19	2.65
23	Dexter	1187-1244	New York City	9-3-19	2.75
20	Edison	A-144-1606	New York City	9-3-19	2.65
20	Penna.	788	New York City	7-21-19	2.68
23	Knickerbocker	552	New York City	7-21-19	2.65
21	Lehigh	5861	New York City	7-30-19	2.68
21	Lawrence	1750	New York City	7-30-19	2.65
26	Lehigh	5839	Biglerville, Pa.	9-9-19	2.80
26	Coplay	1964	Biglerville, Pa.	9-9-19	2.70
29	Atlas	P-10940	Frackville, Pa.	9-10-19	2.76
29	Lawrence	1842	Frackville, Pa.	9-9-19	2.74
30	Lehigh	5838	Indiana, Pa	9-10-19	2.70
30	Atlas	P-10930	Indiana, Pa.	9-9-19	2.35
32	Coplay	1667-1513	Marcus Hook, Pa.	5-10-18	3.30
32	Coplay	1687-1616	Marcus Hook, Pa.	5-24-18	2.70
32	Coplay	1805	Marcus Hook, Pa.	7-2-19	2.86
32	Coplay	1905	Marcus Hook, Pa.	7-30-19	2.76
35	Nazareth	1430	Plymouth, Pa.	8-27-19	2.78
35	Lawrence	1835	Plymouth, Pa.	8-23-19	2.72

CONTRACT REPORT AS OF OCTOBER 1st, 1919 (SHEET ~~16~~ 40)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
35	Nazareth	1401	Plymouth, Pa.	8-16-19	2.78
35	Lawrence	1832	Plymouth, Pa.	8-13-19	2.72
35	Nazareth	1397	Pottsville, Pa.	8-15-19	2.72
35	D°xter	1158-1230	Pottsville, Pa.	8-11-19	2.73
35	Penn Allen	9064-498	Reading, Pa.	5-16-19	2.72
36	Allentown	7171-1033	Reading, Pa.	5-7-19	2.82
43	Lehigh	4208	Philadelphia	9-13-17	2.14
45	Hercules	24	Philadelphia	9-28-17	2.76
39	Nazareth	1182	Philadelphia	3-29-18	2.37
43	Hercules	168	Philadelphia	3-27-18	2.86
39	Allentown	2981-888	Philadelphia	9-13-18	2.87
46	Coplay	1750-1679	Philadelphia	9-26-18	3.27
42	Lehigh	5014	Philadelphia	7-19-18	3.17
43	Lawrence	1588	Philadelphia	7-29-18	2.77
44	Coplay	1718-1647	Philadelphia	7-5-18	2.67
39	Lehigh	5166	Philadelphia, Pa.	3-11-19	3.27
40	Coplay	1762	Philadelphia	3-26-19	3.47
43	'Edison	C-5- 1367	Philadelphia	4-4-19	2.92
44	Lehigh	5175	Philadelphia	4-3-11	2.72
40	Allentown	6565-934	Philadelphia	6-30-19	2.72
41	Penn Allen	9272-509	Philadelphia	6-25-19	2.75
39	Coplay	1890	Philadelphia	7-31-19	2.82
40	Bath	501	Philadelphia	7-31-19	2.72
41	Coplay	1810	Philadelphia	7-15-19	2.82
44	Giant	P-843	Philadelphia	7-15-19	2.45
40	Edison	C-13-1470	Philadelphia	7-2-19	2.72
41	Coplay	1803	Philadelphia	7-2-19	2.82
42	Vulcanite	761	Philadelphia	7-24-19	2.70
42	Vulcanite	762	Philadelphia	7-24-19	2.72
42	Nazareth	1386	Philadelphia	7-3-19	2.82
43	Atlas	P-10823	Philadelphia	7-3-19	2.72

" CONTRACT REPORT AS OF OCTOBER 1st, 1919 (SHEET ~~19~~ 41)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
39	Phoenix	645-587	Philadelphia, Pa.	7-17-19	2.72
45	Allentown	6963-978	Philadelphia	7-17-19	2.74
45	Atlas	P-10886	Philadelphia	7-5-19	2.35
46	Coplay	1801	Philadelphia	7-8-19	2.72
42	Alpha	P-143	Philadelphia	8-1-19	2.72
46	Lawrence	1793	Philadelphia	8-1-19	2.82
39	Lawrence	1837	Philadelphia	8-22-19	2.82
46	Lawrence	1838	Philadelphia	8-22-19	2.72
39	Dexter	1168-1224	Philadelphia	8-19-19	2.82
46	Dexter	1169-1225	Philadelphia	8-19-19	2.75
41	Coplay	1944	Philadelphia	8-21-19	2.82
42	Penn Allen	9701-566	Philadelphia	8-21-19	2.72
41	PennAllen	9869-574	Philadelphia	9-19-19	2.75
41	Coplay	1968	Philadelphia	9-19-19	2.72
49	Lehigh	5103	Deans, N.J.	9-7-18	3.30
49	Lawrence	1806	Deans, N.J.	9-11-18	3.70
49	Edison	A-719-1350	Deans, N.J.	9-16-18	3.33
51	Penna.	378	Hoboken, N.J.	6-13-17	3.18
51	Vulcanite	4642	Hoboken, N.J.	6-22-17	3.06
52	Vulcanite	4667	Jersey City, N.J.	9-15-17	2.88
52	Atlas	L-10264	Jersey City, N.J.	9-10-17	3.33 Dock
53	Nazareth	1366	Madison, N.J.	8-1-19	3.97
53	Atlas	L-10701	Madison, N.J.	8-14-19	3.72
54	Dexter	320-1195	Newark, N.J.	7-29-19	2.81
54	Dexter	318-1177	Newark, N.J.	7-16-19	3.68
55	Nazareth	1445	Newark, N.J.	9-20-19	2.81
55	Lawrence	1852	Newark, N.J.	9-26-19	3.66
55	Lawrence	1706	New Brunswick,	7-17-19	3.72
55	Edison	A-74- 1468	New Brunswick	7-8-19	3.74
55	Nazareth	1289	Passaic, N.J.	5-24-19	2.75
55	Atlas	L-10629	Passaic, N.J.	5-29-19	3.73

v2 CONTRACT REPORT AS OF OCTOBER 1st, 1919 (SHEET 4/2 90)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
58	Alpha	CD-547	Trenton, N.J.	7-8-19	2.73
58	Lehigh	5401	Trenton, N.J.	7-3-19	2.37
60	Lehigh	5398	Brockton, Mass	7-30-19	2.94
60	Lehigh	5399	Brockton, Mass.	7-30-19	2.92
63	Penna.	807	Medford, Mass.	8-8-19	2.93
73	Bath	525	Medford, Mass.	8-5-19	3.04
64	Bath	524	Somerville, Mass.	8-5-19	3.03
64	Bath	527	Somerville, Mass.	8-11-19	3.04
64	Allentown	7178-1030	Somerville, Mass.	8-22-19	2.92
65	Bath	520	Springfield, Mass.	8-13-19	2.78
65	Penna.	833	Springfield, Mass.	8-18-19	2.88
67	Atlas	B-10786	Boston, Mass.	7-17-19	2.92
67	Allentown	6788-977	Boston, Mass.	7-17-19	2.93
69	Penn Allen	9607-655	Bristol, Conn.	8-8-19	2.94
69	Edison	B-45-1533	Bristol, Conn.	8-2-19	2.97
71	Knickerbocker	430	New Haven, Conn	2-23-18	2.42
71	Atlas	M-10718	New Haven, Conn.	2-25-18	2.47
71	Atlas	M-10737	New Haven, Conn.	3-11-18	2.97
71	Knickerbocker	448	New Haven, Conn.	3-19-18	2.42
79	Dexter	1146-1248	Rutland, Vt.	7-8-19	2.90
79	Atlas	H-10643	Rutland, Vt.	9-33-19	2.45
85	Giant	48282	Washington, D.C.	7-19-19	2.44
85	Bath	448	Washington, D.C.	7-24-19	2.81
86	Alpha	C-405	Cleveland, Ohio	8-2-19	2.72
86	Alpha	C-406	Cleveland, Ohio	8-2-19	2.37-P
87	Alpha	C-460	Cleveland, Ohio	8-18-19	2.37-P
87	Alpha	C-454	Cleveland, Ohio	8-15-19	2.72
88	Edison	A-160-1628	Cleveland, Ohio	9-19-19	2.46
88	Edison	157-1626	Cleveland, Ohio	9-18-19	2.72

43 CONTRACT REPORT AS OF OCTOBER 1st, 1919 (SHEET ~~91~~ 43)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
88	Alpha	C-402	Hamilton, Ohio	5-27-19	2.72
88	Edison	A-48-1440	Hamilton, Ohio	5-5-19	2.42P
91	Atlas	P-10841	Norfolk, Va.	7-7-19	2.73
91	Atlas	P-10824	Norfolk, Va.	7-3-19	2.75
95	Atlas	S-10175	Miami, Fla	5-21-19	3.48
95	Lehigh	5240	Miami, Fla.	5-19-19	3.35

CONTRACT REPORT AS OF NOVEMBER 1st, 1919. (SHEET # 44)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
1	Vulcanite	5089	Baldwin, N. Y.	10-21-19	2.94
1	Atlas	M-10646	Baldwin, N. Y.	10-7-19	3.00
2	Giant	P-808	Buffalo, N. Y.	5-8-19	2.98
2	Lehigh	5247	Buffalo, N. Y.	5-16-19	2.78
3	Phoenix	950-656	Buffalo, N. Y.	8-25-19	2.78
3	Giant	P-823	Buffalo, N. Y.	9-19-19	2.79
3	Lehigh	5181	Buffalo, N. Y.	4-9-19	2.78
4	Edison	A-10-1382	Buffalo, N. Y.	4-7-19	3.81
08	Dexter	328-1304	Livingston Manor	8-1-19	2.80
8	Nazareth	1398	Livingston Manor	8-14-19	2.90
9	Hercules	493	Long Island City	8-21-19	2.68
9	Copley	1949	Long Island City	8-26-19	2.65
9	Atlas	M-10616	Middletown, N. Y.	7-31-19	2.83
9	Alpha	CD-557	Middletown, N. Y.	7-19-19	2.80
12	Atlas	MET-11070	Pt.Washington,NY.	10-28-19	2.98
12	Atlas	MET-11082	Pt.Washington	10-20-19	2.90
15	Knickerbocker	589	Syracuse, N.Y.	9-8-19	2.82
15	Bath	549	Syracuse, N.Y.	9-9-19	2.80
19	Lawrence	1341	Brooklyn, N. Y.	1-18-18	2.23
19	Atlas	M-10697	Brooklyn, N. Y.	1-15-18	2.62
19	Atlas	M-10691A	Brooklyn, N. Y.	1-11-18	2.12 A/B
18	Vulcanite	5013	Brooklyn, N.Y.	9-29-19	2.65
19	Alpha	M-326	Brooklyn, N. Y.	9-26-19	2.68
20	Atlas	MET-11038	Brooklyn, N. Y.	9-20-19	2.65
18	Penna.	851	Brooklyn, N. Y.	9-23-19	2.68
20	Allentown	6959-973	Brooklyn, N. Y.	7-16-19	2.65
20	Lehigh	5534	Brooklyn, N. Y.	7-24-19	2.68
20	Allentown	6959-973	Brooklyn, N. Y.	7-16-19	2.65
20	Lehigh	5524	Brooklyn, N. Y.	7-24-19	2.68
21	Lawrence	1628	New York City	4-23-19	2.65
21	Lawrence	1629	New York City	4-23-19	2.68

CONTRACT REPORT AS OF NOVEMBER 1st, 1919. (SHEET # 45)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
22	Penna.	836	New York City	8-15-19	2.68
22	Penna.	836	New York City	8-18-19	2.65
22	Penna.	439	New York City	1-2-18	2.27
23	Atlas	M-10684	New York City	1-7-18	2.13 A/B
27	Knickerbocker	409	New York City	1-4-18	2.24
26	Penna.	815	New York City	4-4-18	2.38
23	Allentown	3610-842	New York City	4-6-18	2.27
23	Allentown	7145-1018	New York City	8-8-19	2.68
24	Penna.	806	New York City	8-8-19	2.65
23	Lehigh	5661	New York City	7-30-19	2.68
23	Bath	552	New York City	7-31-19	2.65
23	Atlas	M-10812	New York City	8-20-18	2.60
23	Lehigh	5106	New York City	8-19-18	2.65
26	Bath	555	New York City	9-15-19	2.65
26	Dexter	1181-1244	New York City	9-3-19	2.75
26	Coplay	1948	New York City	8-28-19	2.90
26	Knickerbocker	583	New York, City	8-21-19	2.65
32	Bath	562	Conshohocken, Pa.	10-2-19	2.82
32	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
33	Atlas	P-10940	Frackville, Pa.	9-10-19	2.76
33	Lawrence	1842	Frackville, Pa.	9-9-19	2.74
34	Vulcanite	796	Harrisburg, Pa.	10-30-19	2.78
34	Vulcanite	795	Harrisburg, Pa.	10-29-19	2.73
35	Lehigh	577	Indiana, Pa.	9-10-19	2.70
35	Atlas	591	Indiana, Pa.	9-6-19	2.35
37	Coplay	1667-1596	Marcus Hook, Pa.	5-10-18	3.30
37	Coplay	1687-1616	Marcus Hook, Pa.	5-24-18	2.70
40	Lawrence	1835	Plymouth, Pa.	8-22-19	2.72
40	Nazareth	1430	Plymouth, Pa.	8-27-19	2.78
40	Lawrence	1823	Plymouth, Pa.	8-18-19	2.72
40	Nazareth	1401	Plymouth, Pa.	8-16-19	2.78

CONTRACT REPORT AS OF NOVEMBER 1st, 1919. (Sheet # 46)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
40	Nazareth	1397	Pottsville, Pa.	8-15-19	2.73
40	Dexyer	1158-1230	Pottsville, Pa.	8-11-19	2.73
40	Penn Allen	9064-496	Reading, Pa.	5-16-19	2.72
41	Allentown	7171-1023	Reading, Pa.	5-7-19	2.82
44	Allentown	7540-1063	Wyomissing, Pa.	10-1-19	2.72
44	Lawrence	1869	Wyomissing, Pa.	10-9-19	2.73
48	Hercules	168	Philadelphia, Pa.	3-27-18	2.86
44	Nazareth	1182	Philadelphia, Pa	3-29-18	2.37
45	Coplay	1763	Philadelphia	3-26-19	3.47
44	Lehigh	5166	Philadelphia	3-11-19	3.27
44	Lawrence	1837	Philadelphia	8-22-19	2.82
44	Nazareth	1417	Philadelphia	8-26-19	2.72
51	Dexter	1169-1235	Philadelphia	8-19-19	2.75
44	Allentown	6818-969	Philadelphia	7-21-19	2.72
44	Coplay	1890	Philadelphia	7-31-19	2.82
49	Giant	P-843	Philadelphia	7-15-19	2.45
45	Coplay	1997	Philadelphia	10-23-19	2.82
45	Vulcanite	797	Philadelphia	10-29-19	2.72
46	Coplay	1971	Philadelphia	9-25-19	2.82
46	Atlas	P-10946	Philadelphia	9-17-19	2.72
46	Penn Allen	9869-574	Philadelphia	9-19-19	2.75
46	Alpha	P-132	Philadelphia	6-5-19	2.82
46	Lehigh	5348	Philadelphia	6-20-19	2.72
46	Penn Allen	9272-509	Philadelphia	6-25-19	2.75
50	Phoenix	649-589	Philadelphia	7-18-19	2.72
50	Allentown	6963-978	Philadelphia	7-17-19	2.74
50	Atlas	P-10886	Philadelphia	7-5-19	2.35
47	Lehigh	5014	Philadelphia	7-29-18	3.17
48	Lawrence	1588	Philadelphia	7-29-18	2.77
48	Edison	C-5-1387	Philadelphia	4-4-19	2.92
48	Lehigh	5175	Philadelphia	4-3-19	2.72

#7 CONTRACT REPORT AS OF NOVEMBER 1st, 1919 (SHEET # 47)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
56	Lehigh	5393	Hackensack,N.J.	7-2-19	2.78
56	Atlas	L-10677	Hackensack,N.J.	7-31-19	2.76
56	Penna.	378	Hoboken, N.J.	6-13-17	2.18
56	Vulcanite	4642	Hoboken, N.J.	6-22-17	2.06
58	Atlas	L-10720	Jersey City,N.J.	9-9-19	2.62
58	Dexter	336-1260	Jersey City,N.J.	9-20-19	2.77
58	Nazareth	1366	Madison, N. J.	8-1-19	2.97
58	Atlas	L-10701	Madison, N. J.	8-14-19	2.72
59	Dexter	330-1195	Newark, N. J.	7-29-19	2.81
59	Dexter	318-1177	Newark, N. J.	7-16-19	2.66
60	Nazareth	1445	Newark, N. J.	9-20-19	2.81
60	Lawrence	1853	Newark, N. J.	9-26-19	2.66
60	Lawrence	1706	New Brunswick,NJ	7-17-19	2.72
60	Edison	A-74-1468	New Brunswick,NJ	7-8-19	2.74
60	Nazareth	1289	Passaic, N. J.	5-24-19	2.75
60	Atlas	L-10624	Passaic, N. J.	5-29-19	2.72
63	Nazareth	1334	Trenton, N. J.	7-2-19	2.72
63	Lehigh	5401	Trenton, N. J.	7-3-19	2.37
65	Alpha	B-501	Attleboro, Mass.	8-5-19	2.94
65	Lehigh	5635	Attleboro, Mass.	7-31-19	2.92
65	Lehigh	5398	Brockton, Mass.	7-30-19	2.94
65	Lehigh	5399	Brockton, Mass.	7-30-19	2.92
68	Bath	525	Medford, Mass.	8-5-19	3.04
68	Penna.	907	Medford, Mass.	8-8-19	2.92
70	Bath	520	Springfield,Mass.	8-12-19	2.78
70	Penna.	821	Springfield,Mass.	8-16-19	2.88
76	Penn Allen	9607-565	Bristol, Conn.	8-8-19	2.94
76	Edison	B-45-1533	Bristol, Conn.	8-2-19	2.57
78	Knickerbocker	430	New Haven, Conn.	3-23-18	2.42
78	Atlas	M-10718	New Haven, Conn.	3-25-18	2.47

CONTRACT REPORT AS OF NOVEMBER 1st, 1919 (SHEET # 48)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
78	Atlas	M-10727	New Haven, Conn.	3-11-18	2.97
78	Knickerbocker	448	New Haven, Conn.	3-19-18	2.42
81	Alpha	B-507	Windsor Locks, Conn	8-3-19	2.92
81	Alpha	B-505	Windsor Locks, Conn	8-7-19	2.94
87	Dexter	1146-1248	Rutland, Vt.	9-8-19	2.90
87	Atlas	M-10643	Rutland, Vt.	9-22-19	2.45
88	Atlas	P-10756	Washington, D.C.	3-26-19	3.31
88	Hercules	399	Washington, D.C.	4-2-19	3.81
88	Atlas	P-10865	Washington, D.C.	7-25-19	3.81
88	Giant	48883	Washington, D.C.	7-19-19	3.44
90	Edison	A-86-1463	Cleveland, Ohio	7-3-19	3.48
90	Alpha	C-441	Cleveland, Ohio	7-1-19	3.73
94	Atlas	P-10841	Norfolk, Va.	7-7-19	3.73
94	Atlas	P-10834	Norfolk, Va.	7-3-19	3.75
94	Atlas	P-10754	Norfolk, Va.	3-24-19	3.33
94	Hercules	387	Norfolk, Va.	3-5-19	3.86
98	Lehigh	5898	Huntington, W. Va.	8-20-19	3.87
98	Alpha	VA-117	Huntington, W. Va.	9-8-19	3.83
101	Atlas	S-10175	Miami, Fla	5-21-19	3.48
101	Lehigh	5240	Miami, Fla.	5-19-19	3.35
101	Lehigh	5828	Miami, Fla.	9-15-19	3.32
101	Atlas	S-10831	Miami, Fla.	9-15-19	3.14
101	Lehigh	5903	Miami, Fla.	10-11-19	3.32
101	Penn Allen	10057-581	Miami, Fla.	10-22-19	3.40

CONTRACT REPORT AS OF DECEMBER 1st, 1919 (SHEET # 49).

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
1	Vulcanite	5039	Baldwin, N. Y.	10-31-19	3.94	
1	Atlas	M-10646	Baldwin, N.Y.	10-7-19	3.00	
3	Lehigh	5181	Buffalo, N.Y.	4-8-19	3.78	
4	Edison	A-10-1383	Buffalo, N. Y.	4-7-19	2.81	
2	Giant	P-808	Buffalo, N. Y.	5-6-19	3.98	
2	Lehigh	5247	Buffalo, N. Y.	5-16-19	3.78	
8	Dexter	326-1304	Livingston Manor	8-1-19	3.80	
8	Nazareth	1398	Livingston Manor	8-14-19	3.90	
9	Penn Allen	10187-587	Long Island City	11-11-19	3.94	
9	Giant	N-983	Long Island City	11-14-19	3.85	
8	Atlas	M-10898	Long Island City	8-22-19	3.65	
8	Hercules	493	Long Island City	8-21-19	3.68	
9	Atlas	M-10603	Middletown,N.Y.	7-30-19	3.83	
8	Alpha	CD-557	Middletown,N.Y.	7-19-19	3.80	
9	Atlas	M-10665	Middletown,N.Y.	11-26-19	3.83	
9	Alpha	CD-810	Middletown,N.Y.	11-5-19	2.80	
11	Atlas	MET-11070	Pt.Washington,NY	10-28-19	3.98	
11	Atlas	MET-11083	Pt.Washington,NY	10-30-19	3.90	
14	Knickerbocker	589	Syracuse, N. Y.	9-8-19	3.83	
14	Bath	549	Syracuse, N. Y.	9-9-19	3.80	
18	Penna.	951	Brooklyn, N. Y.	9-23-19	3.80	
19	Atlas	MET-11038	Brooklyn, N. Y.	9-30-19	3.85	
18	Lawrence	1331	Brooklyn, N.Y.	1-18-18	3.33	
19	Atlas	M-10887	Brooklyn, N.Y.	1-15-18	3.68	
19	Atlas	M-10691A	Brooklyn, N.Y.	1-11-18	3.13	A/E
20	Alpha	N-233	Brooklyn, N.Y.	1-2218	3.13	
18	Edison	A-93-1513	Brooklyn, N. Y.	7-25-19	3.65	
20	Lehigh	5534	Brooklyn, N. Y.	7024-19	3.68	
20	Edison	83-1486	Brooklyn, N. Y.	7-13-19	3.68	
20	Atlas	M-10873	Brooklyn, N.Y.	7-16-19	3.65	

CONTRACT REPORT AS OF DECEMBER 4 , 1919. (SHEET # 50)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
21	Lawrence	1628	New York City.	4-23-19	2.65	
21	Lawrence	1629	New York City	4-23-19	2.68	
21	Phoenix	731-809	New York City	7-30-19	2.65	
23	Lehigh	5861	New York City	7-30-19	2.68	
26	Dexter	1187-1244	New York,City	9-2-19	2.75	
28	Bath	547	New York City	9-5-19	2.65	
23	Dexter	1172-1230	New York City	8-25-19	2.65	
23	Penna.	836	New York City	8-25-19	2.68	
23	Lehigh	5106	New York City	8-19-18	2.63	
23	Atlas	M-10812	New York City	8-20-18	2.60	
23	Allentown	7145-1018	New York City	8-8-19	2.68	
24	Penna.	808	New York City	8-8-19	2.65	
22	Penna.	429	New York City	1-3-18	2.37	
27	Knickerbocker	409	New York City	1-4-18	2.34	
33	Atlas	M-10884	New York City	1-7-18	2.12	A/S
23	Allentown	3810-848	New York City	4-6-18	2.37	
27	Penna.	615	New York,City	4-4-18	2.38	
32	Bath	563	Conshohocken, Pa.	10-3-19	2.83	
32	Lehigh	5987	Conshohocken,Pa.	10-24-19	2.78	
33	Dexter	1210-1279	Conshohocken,Pa.	10-11-19	2.75	
34	Vulcanite	795	Harrisburg, Pa.	10-29-19	2.78	
34	Vulcanite	795	Harrisburg, Pa.	10-29-19	2.72	
35	Lehigh	5836	Indiana, Pa.	9-10-19	2.70	
35	Atlas	P-10930	Indiana, Pa.	9-9-19	2.35	
43	Allentown	7540-1063	Wyomissing,Pa.	10-1-19	2.78	
44	Lawrence	1669	Wyomissing,Pa.	10-9-19	2.73	
47	Alpha	P-143	Philadelphia, Pa.	8-1-19	2.78	
51	Lawrence	1733	Philadelphia,Pa.	8-1-19	2.82	
44	Hercules	30	Philadelphia	8-28-17	2.76	
45	Bath	P-253	Philadelphia	8-16-17	3.47	
44	Dexter	1168-1224	Philadelphia	8-18-19	2.82	

CONTRACT REPORT AS OF DECEMBER 1st, 1919 (SHEET # 51)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
45	Hercules	551	Philadelphia	8-18-19	2.73
51	Dexter	1169-1225	Philadelphia	8-19-19	2.75
44	Lawrence	1837	Philadelphia	8-29-19	2.83
46	Coplay	1944	Philadelphia	8-31-19	2.83
51	Lawrence	1836	Philadelphia	8-28-19	2.73
44	Lehigh	5160	Philadelphia	3-11-19	3.3743
45	Coplay	1762	Philadelphia	3-26-19	3.47
47	Atlas	P-10966	Philadelphia	11-6-19	2.72
50	Atlas	P-10990	Philadelphia	11-8-19	2.35
45	Hercules	612	Philadelphia	11-7-19	2.73
49	Allentown	7839-1099	Philadelphia	11-7-19	2.35
45	Penn Allen	9272-309	Philadelphia	6-25-19	2.75
48	Allentown	6593-936	Philadelphia	6-33-19	2.83
50	Lawrence	1689	Philadelphia	6-24-19	2.72
45	Edison	C-13-1470	Philadelphia	7-3-19	2.73
46	Coplay	1802	Philadelphia	7-3-19	2.82
47	Atlas	P-10983	Philadelphia	7-3-19	2.73
47	Nazareth	1336	Philadelphia	7-3-19	2.82
47	Lawrence	1703	Philadelphia	7-7-19	2.73
50	Atlas	P-10886	Philadelphia	7-5-19	2.35
46	Coplay	1810	Philadelphia	7-15-19	2.83
49	Giant	P-643	Philadelphia	7-15-19	2.45
44	Atlas	P-10853	Philadelphia	7-11-19	2.73
45	Penn Aller	9409-516	Philadelphia	7-16-19	2.73
50	Allentown	6963-978	Philadelphia	7-17-19	2.74
44	Lehigh	5835	Philadelphia	9-17-19	2.73
45	Penn Allen	9869-574	Philadelphia	9-19-19	2.75
45	Bath	560	Philadelphia	9-30-19	2.73
46	Coplay	1971	Philadelphia	9-25-19	2.83
48	Lehigh	4209	Philadelphia	9-13-17	3.14
50	Hercules	34	Philadelphia	9-28-17	2.76

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CONTRACT REPORT AS OF DECEMBER 1st, 1919 (SHEET # 52)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
48	Edison	C-5-1387	Philadelphia	4-4-19	2.93	
48	Lehigh	5175	Philadelphia	4-3-19	2.73	
44	Lehigh	5891	Philadelphia	10-1-19	2.73	
46	Coplay	1877	Philadelphia	10-6-19	2.83	
56	Lehigh	5393	Hackensack,N.J.	7-2-19	2.78	
56	Atlas	L-10677	Hackensack,N.J.	7-31-19	2.78	
57	Penna.	378	Hoboken, N. J.	6-13-17	2.18	
57	Vulcanite	4642	Hoboken, N. J.	6-22-17	2.08	
57	Atlas	L-10738	Hoboken, N. J.	10-10-19	2.72	
57	Lawrence	1870	Hoboken, N. J.	10-2-19	2.68	
57	Vulcanite	4667	Jersey City,N.J.	9-15-17	2.88	
57	Atlas	L-10364	Jersey City,N.J.	9-10-17	2.82	Dock
58	Atlas	L-10730	Jersey City,N.J.	9-19-19	2.68	
58	Dexter	336-1260	Jersey City,N.J.	9-20-19	2.77	
59	Atlas	L-10701	Madison, N. J.	8-14-19	2.78	
59	Nazareth	1366	Madison, N. J.	8-1-19	2.97	
59	Dexter	318-1177	Newark, N. J.	7-16-19	2.66	
60	Dexter	320-1195	Newark, N. J.	7-29-19	2.81	
60	Lawrence	1853	Newark, N. J.	9-26-19	2.66	
60	Nazareth	1445	Newark, N. J.	9-30-19	2.81	
61	Lawrence	1706	New Brunswick	7-17-19	2.73	
61	Lawrence	1717	New Brunswick	7-31-19	2.74	
61	Nazareth	1389	Passaic, N. J.	5-24-19	2.75	
61	Atlas	L-10624	Passaic, N. J.	5-29-19	2.72	
64	Alpha	CD-547	Trenton, N. J.	7-8-19	2.73	
64	Lehigh	5401	Trenton, N. J.	7-3-19	2.37	
66	Lehigh	5398	Brockton, Mass.	7-30-19	2.94	
66	Lehigh	5399	Brockton, Mass.	7-30-19	2.92	
69	Bath	525	Medford, Mass.	8-5-19	3.04	
69	Penna.	807	Medford, Mass.	8-8-19	2.92	

CONTRACT REPORT AS OF DECEMBER 1st, 1919 - SHEET # 53

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
70	Bath	B-10882-534	Somerville,Mass.	8-5-19	3.08
70	Bath	527	Somerville,Mass.	8-11-19	3.04
70	Allentown	7178-1030	Somerville, Mass.	9-22-19	3.92
71	Penna.	809	Springfield,Mass.	8-12-19	3.88
71	Bath	590	Springfield,Mass.	8-13-19	3.78
73	Allentown	6782-977	Boston, Mass.	7-17-19	3.93
73	Atlas	B-10785	Boston, Mass.	7-16-19	3.92
76	Penn Allen	9807-555	Bristol, Conn.	8-8-19	3.94
77	Edison	B-45-1533	Bristol, Conn.	8-2-19	2.97
82	Alpha	B-507	Windsor Locks	8-9-19	3.92
82	Alpha	B-505	Windsor Locks	8-7-19	3.94
84	Dexter	1146-1348	Rutland, Vt.	9-8-19	3.90
84	Atlas	B-10643	Rutland, Vt.	9-22-19	3.45
89	Bath	448	Washington,D.C.	7-24-19	3.81
89	Giant	48282	Washington,D.C.	7-19-19	3.44
90	Alpha	C-408	Cleveland, Ohio	6-2-19	3.72
90	Alpha	C-411	Cleveland, Ohio	6-2-19	3.37-P
91	Alpha	C-416	Cleveland, Ohio	6-6-19	3.72
91	Alpha	C-415	Cleveland, Ohio	6-6-19	3.37-P
92	Edison	A-160-1628	Cleveland, Ohio	9-9-19	3.46
92	Edison	157-1626	Cleveland, Ohio	9-18-19	3.72
93	Alpha	C-402	Hamilton, Ohio	5-27-19	3.72
93	Edison	A-48-1440	Hamilton, Ohio	5-5-19	2.42-P
96	Atlas	P-10841	Norfolk, Va.	7-7-19	3.73
96	Atlas	P-10824	Norfolk, Va.	7-3-19	3.75
108	Lehigh	5903	Miami, Fla.	10-11-19	3.38
108	Penn Allen	10057-581	Miami, Fla.	10-22-19	3.40

CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 54

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
2	Atlas	H-10646	Baldwin, N. Y.	10-7-19	3.00
2	Vulcanite	5039	Baldwin, N. Y.	10-21-19	2.94
3	Alpha	D-377	Black Rock, N.Y.	12-18-19	2.98
3	Lehigh	6229	Black Rock, N.Y.	12-20-19	2.78
3	Giant	P-808	Buffalo, N. Y.	5-8-19	2.98
3	Lehigh	6247	Buffalo, N.Y.	5-16-19	2.78
3	Giant	P-923	Buffalo, N. Y.	9-19-19	2.79
4	Lehigh	5950	Buffalo, N. Y.	10-20-19	2.78
4	Edison	A-10-1362	Buffalo, N.Y.	4-7-19	2.81
3	Lehigh	5186	Buffalo, N.Y.	4-17-19	2.78
6	Penn Allen	10425-667	Buffalo, N.Y.	1-2-20	2.78
6	Lehigh	6448	Buffalo, N.Y.	1-2-20	2.70
6	Atlas	H-10730	Buffalo, N.Y.	2-21-20	2.78
6	Lehigh	6819	Buffalo, N.Y.	2-21-20	2.00
8	Lawrence	1991	Corning, N.Y.	12-26-19	2.80
8	Atlas	H-10690	Corning. N.Y.	12-19-19	2.30
17	Penn Allen	10167-587	Long Island City	11-11-19	2.94
17	Giant	[illegible]-982	Long Island City	11-14-19	2.65
21	Lehigh	6080	No. Tonawanda, N.Y.	12-8-19	2.75
21	Lawrence	1960	No. Tonawanda, N.Y.	12-11-19	2.78
22	Knickerbocker	607	Oneonta, N.Y.	12-15-19	2.62
22	Knickerbocker	617	Oneonta, N.Y.	12-18-19	2.80
22	Penna.	941	Oswego, N.Y.	12-23-19	2.82
22	Dexter	1326-1361	Oswego, N.Y.	1-6-20	2.88
23	Atlas	MET-11113	Portchester, N.Y.	12-15-19	2.49
23	Atlas	MET-11106	Portchester, N.Y.	12-15-19	2.94
24	Atlas	H-10674	Poughkeepsie, N.Y.	12-16-19	2.30
24	Atlas	H-10726A	Poughkeepsie, N.Y.	1-4-20	2.65
24	Atlas	MET-11062	Port Washington, N.Y.	10-20-19	2.90
24	Atlas	MET-11070	Pt. Washington, N.Y.	10-28-19	2.96
24	Lehigh	6290	Randolph, N.Y.	12-24-19	2.78
24	Lehigh	6451	Randolph, N.Y.	1-3-20	2.85

CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 55

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT		PRICE
25	Coplay	2161	Rochester, N.Y.	12-26-19		2.82
25	Allentown	8071-1190	Rochester,N.Y.	1-6-20		2.92
25	Giant	P-1072	Rochester, N.Y.	1-23-20		2.82
28	Dexter	1219-1296	Syracuse, N.Y.	11-28-19		2.87
28	Alpha	D-365	Syracuse, N.Y.	12-1-19		2.82
29	Dexter	6821	Syracuse, N.Y.	1-30-20		2.85
29	Phoenix	1505-747	Syracuse, N.Y.	1-30-20		2.82
29	Nazareth	5998	Syracuse, N.Y.	2-5-20		2.85
29	Knickerbocker	5808	Syracuse, N.Y.	2-18-20		2.78
29	Lehigh	1374-1466	Syracuse, N.Y.	2-20-20		2.82
29	Atlas	SB-10194	Tarrytown, N.Y.	1-26-20		2.85
29	Penna.	1095	Tarrytown, N.Y.	2-7-20		2.80
29	Atlas	MET-11174	Tuckahoe, N.Y.	12-15-19		2.86
29	Atlas	MET-11099	Tuckahoe,N.Y.	12-15-19		2.85
30	Knickerbocker	642	Utica, N.Y.	12-29-19		2.80
30	Hercules	935	Utica, N.Y.	12-31-19		3.00
39	Alpha	N-233	Brooklyn, N.Y.	1-2-18		2.12
39	Atlas	M-10691-A	Brooklyn, N.Y.	1-11-18		2.12 A/S
38	Atlas	M-10697	Brooklyn, N.Y.	1-15-18		2.62
37	Lawrence	1341	Brooklyn, N.Y.	1-18-18		2.23
34	Atlas	MET-11132	Brooklyn,N.Y.	12-9-19		2.68
34	Alpha	N-351	Brooklyn, N.Y.	12-9-19		2.65
39	Atlas	MET-11028	Brooklyn,N.Y.	9-20-19		2.65
34	Penna.	851	Brooklyn,N.Y.	9-22-19		2.68
39	Edison	82-1486	Brooklyn,N.Y.	7-1-19		2.68
35	Nazareth	1339	Brooklyn, N.Y.	7-16-19		2.65
36	Nazareth	1634	Brooklyn, N.Y.	1-5-20		2.65
42	Alpha	N-361	Brooklyn, N.Y.	1-5-20		2.90
43	Giant	NY-924	New York City	11-28-17		2.19
54	Knickerbocker	398	New York City	12-29-17		2.24
46	Penna.	429	New York City	1-2-18		2.27
54	Knickerbocker	409	New York City	1-4-18		2.24
47	Atlas	M-10684	New York City	1-7-18	A/S	2.12

54 CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 56

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
47	Penna.	468	New York City	2-21-18	2.15
47	Allentown	2551-816	New York City	3-21-18	2.27
54	Penna.	615	New YorkmCity	4-4-18	2.28
54	Knickerbocker	496	New York City	5-2-18	2.39
54	Penna.	700	New York City	4-16-19	2.65
43	Lawrence	1629	New York City	4-23-19	2.68
43	Lawrence	1628	New York City	4-23-19	2.65
48	penna.	806	New York City	8-8-19	2.65
46	Allentown	7145-1018	New York City	8-8-19	2.68
44	Dexter	1172-1230	New York City	8-25-19	2.65
45	Penna.	836	New York City	8-25-19	2.68
44	Phoenix	731-609	New York City	7-30-19	2.65
47	Lehigh	5861	New York City	7-30-19	2.68
51	Dexter	1187-1244	New York City	9-2-19	2.75
56	Bath	547	New York City	9-5-19	2.65
43	Lawrence	2037	New York City	12-29-19	2.65
44	Alpha	N-393	New York City	12-29-19	2.90
43	Lawrence	2095	New York City	1-16-20	2.68
44	Nazareth	1672	New York City	1-16-20	2.65
57	Lawrence	2011	Allentown, Pa.	12-23-19	2.35
57	Allentown	8074-1193	Allentown, Pa.	12-24-19	2.35
57	Allentown	8075-1194	Allentown, Pa.	12-24-19	2.35
57	Atlas	P-11127	Allentown, Pa.	12-26-19	2.35
57	Allentown	8076-1195	Allentown, Pa.	12-29-19	2.35
57	Vulcanite	5173	Allentown, Pa.	1-7-20	2.55
62	Nazareth	1370	Clifton, Pa.	8-6-19	2.78
62	Hercules	614	Clifton, Pa.	11-6-19	2.72
62	Nazareth	1621	Clifton, Pa.	12-30-19	2.78
62	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
62	Lehigh	5967	Conshohocken,Pa.	10-24-19	2.72
64	Vulcanite	5216	Erie, Pa.	2-9-20	2.72
64	Atlas	P-11296	Erie, Pa.	2-17-20	2.73
64	Alpha	D-425	Erie, Pa	1-19-20	2.87
64	Nazareth	1721	Erie, Pa.	1-20-20	2.82

57 CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 57

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
64	Phoenix	704-598	Fairview, Pa.	7-24-19	2.82
64	Edison	C-27-1560	Fairview, Pa.	8-6-19	2.80
64	Lawrence	1842	Trackville, Pa.	9-9-19	2.74
64	Atlas	P-10940	Trackville, Pa.	9-10-19	2.76
65	Vulcanite	796	Harrisburg, Pa.	10-29-19	2.78
65	Vulcanite	795	Harrisburg, Pa.	10-29-19	2.72
65	Edison	C-53-1658	Harrisburg, Pa.	10-31-19	2.78
68	Lehigh	6288	Kane, Pa.	12-26-19	2.78
68	Atlas	P-11238	Kane, Pa.	1-16-20	2.43
71	Alpha	168	Marcus Hook, Pa.	1-29-20	2.76
71	Lawrence	2172	Marcus Hook, Pa.	1-30-20	2.68
74	Penna.	900	Overbrook, Pa.	12-8-19	2.80
74	Hercules	795	Overbrook, Pa.	12-18-19	2.76
75	Lawrence	1798	Plymouth, Pa.	7-30-19	2.72
75	Nazareth	1401	Plymouth, Pa.	8-16-19	2.78
75	Dexter	1158-1220	Pottsville, Pa.	8-11-19	2.73
75	Nazareth	1397	Pottsville, Pa.	8-15-19	2.72
76	Alpha	CB-550	Rittersville, Pa.	7-16-19	2.57
76	Atlas	P-10896	Rittersville, Pa.	8-8-19	2.65
77	Dexter	1214-1287	Scranton, Pa.	10-27-19	2.72
77	Nazareth	1501	Scranton, Pa.	11-22-19	2.78
80	Nazareth	1529	Wilkes Barre, Pa.	12-15-19	2.78
80	Coplay	2115	Wilkes Barre, Pa.	12-17-19	2.72
81	Lawrence	1869	Wyomissing, Pa.	10-9-19	2.73
81	Allentown	7540-1063	Wyomissing, Pa.	10-1-19	2.72
83	Bath	P-253	Philadelphia, Pa.	8-16-17	2.47
83	Hercules	20	Philadelphia.	8-22-17	2.76
87	Lehigh	5014	Philadelphia	7-19-18	3.17
89	Lawrence	1588	Philadelphia	7-29-18	2.77
82	Alpha	P-146	Philadelphia	8-25-19	2.72
84	Hercules	553	Philadelphia	8-23-19	2.72
82	Coplay	1922	Philadelphia	8-15-19	2.82
83	Lawrence	1837	Philadelphia	8-22-19	2.82

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE	
85	- - - Eight (8) Coplay Contracts at 2.82 - not sold to builder					
85	- - - Five (5) Coplay Contracts at 2.82 - not sold to builder					
85	Penn Allen	9272-509	Philadelphia,Pa.	6-25-19	2.75	
92	Lawrence	1689	Philadelphia	6-24-19	2.72	
87	Atlas	P-10823	Philadelphia	7-3-19	2.72	
92	Atlas	P-10886	Philadelphia	7-5-19	2.35	
83	Phoenix	645-587	Philadelphia	7-17-19	2.72	
90	Giant	P-843	Philadelphia	7-15-19	2.45	
85	Hercules	612	Philadelphia	11-7-19	2.72	
90	Allentown	7829-1099	Philadelphia	11-7-19	2.36	
86	Lehigh	6156	Philadelphia	12-15-19	2.72	
89	Giant	P-988	Philadelphia	12-15-19	2.66	
88	Hercules	656	Philadelphia	12-15-19	2.82	
88	Lehigh	6622	Philadelphia	1-12-20	2.72	
90	Penn Allen	104470684	Philadelphia	1-12-20	2.75	
104	Atlas	NNJ-10906	Greenville, N.J	1-30-20	2.62	
104	Atlas	L-10840	Greenville, N.J.	12-23-19	2.65	
104	Nazareth	1314	Harrison, N.J.	6-4-19	2.66	
104	Penna.	2013	Harrison, N.J.	7-30-19	2.78	
104	Atlas	L-10728	Hoboken, N.J.	10-10-19	2.72	
104	Lawrence	1870	Hoboken, N.J.	10-2-19	2.62	
105	Vulcanite	4667	Jersey City, N.J.	9-15-17	2.88	
105	Atlas	L-10264	Jersey City, N.J.	9-10-17	2.22	Dock
106	Lehigh	6524	Jersey City, N.J.	12-29-19	2.79	
106	Giant	M-1005	Jersey City, N.J.	12-26-19	2.62	
106	Vulcanite	5107	Jersey City, N.J.	12-24-19	2.62	
106	Atlas	L-10855	Jersey City, N.J.	12-24-19	2.35	
107	Penn Allen	100816579	Lakehurst, N.J.	10-25-19	2.97	
107	Penna.	901	Lakehurst, N.J.	12-10-19	2.84	
107	Nazareth	1366	Madison, N.J.	8-1-19	2.97	
107	Atlas	L-10701	Madison, N.J.	8-14-19	2.72	
108	Dexter	320-1195	Newark, N.J.	7-29-19	2.81	
108	Nazareth	1364	Newark, N.J.	8-1-19	2.66	

59 CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 59

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
109	Nazareth	1445	Newark, N.J.	9-20-19	2.81
109	Lawrence	1852	Newark, N.J.	9-26-19	2.66
111	Lawrence	1706	New Brunswick,N.J.	7-17-19	2.72
111	Lawrence	1717	New Brunswick,N.J.	7-21-19	2.74
112	Nazareth	1289	Passaic, N.J.	5-24-19	2.75
112	Atlas	L-10628	Passaic, N.J.	5-31-19	2.72
114	Edison	A-357-1804	Perth Amboy, N.J.	12-26-19	2.70
114	Edison	A-311-1847	Perth Amboy, N.J.	12-30-19	2.35
114	Vulcanite	5067	Phillipsburg,N.J.	12-16-19	2.50
114	Alpha	CD-660	Phillipsburg,N.J.	12-26-19	2.57
115	Lehigh	6564	Rahway, N.J.	12-31-19	2.72
115	Lehigh	6563	Rahway, N.J.	12-31-19	2.76
115	Lehigh	6562	Rahway, N.J.	12-31-19	2.76
115	Lehigh	6655	Rahway, N.J.	1-13-20	2.72
115	Penna.	1055	Ridgefield Park,	1-23-20	2.72
115	Penna.	1089	Ridgefield Park	2-3-20	2.76
116	Hercules	580	Riverside, N.J.	9-18-19	2.88
116	Coplay	1946	Riverside, N.J.	8-23-19	2.74
116	Vulcanite	831	Salem, N.J.	1-6-20	2.74
116	Hercules	892	Salem, N.J.	1-13-20	2.86
117	Edison	A-288-1791	South River, N.J.	12-22-19	2.79
117	Edison	A-289-1798	South River, N.J.	12-22-19	2.74
117	Hercules	863	Swedesboro, N.J.	12-22-19	2.49
117	Hercules	865	Swedesboro, N.J.	12-22-19	2.49
117	Coplay	2258	Swedesboro, N.J.	1-6-20	2.84
117	Coplay	2262	Swedesboro, N.J.	1-6-20	2.84
120	Atlas	NNJ-10862	Weehawken, N.J.	1-2-20	2.62
120	Atlas	NNJ-10866	Weehawken, N.J.	1-8-20	2.72
121	Alpha	B-501	Attleboro, Mass.	8-5-19	2.94
121	Lehigh	5625	Attleboro, Mass.	7-31-19	2.92
122	Lehigh	5599	Brockton, Mass.	9-10-19	2.92
122	Lehigh	5825	Brockton, Mass.	9-10-19	2.94
122	Atlas	B-10957	Brookline, Mass	12-17-19	2.94
122	Atlas	B-10959	Brookline, Mass.	12-17-19	2.92

CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 60)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
128	Bath	525	Medford, Mass.	8-5-19	3.04
128	Penna.	807	Medford-Mass.	8-8-19	2.92
129	Lehigh	5759	Newtown Lower Falls	8-22-19	2.92
129	Lehigh	5817	Newton Lower Falls	9-9-19	2.94
130	Lehigh	6397	Revere, Mass.	12-24-19	2.92
130	Vulcanite	5156	Revere, Mass.	1-6-20	2.94
131	Bath	524	Somerville, Mass.	8-5-19	3.02
131	Bath	527	Somerville, Mass	8-11-19	3.04
132	Knickerbocker	760	Taunton, Mass	1-12-20	2.65
132	Knickerbocker	697	Taunton, Mass	1-6-20	2.94
136	Atlas	B-11025	Biddeford, Maine	1-13-20	3.00
136	Alpha	2186	Biddeford, Maine	12-31-19	3.13
141	Nazareth	1617	Rutland, Vt.	12-27-19	2.80
141	Atlas	M-10663	Rutland, Vt.	11-21-19	2.45
141	Atlas	M-10697-A	Rutland, Vt.	12-19-19	2.92
141	Atlas	M-10621	Rutland, Vt.	8-7-19	2.80
141	Atlas	M-10643	Rutland, Vt.	9-22-19	2.45
142	Atlas	B-10946	Newport, R.I.	12-15-19	2.94
142	Lehigh	6265	Newport, R.I.	12-17-19	2.89
142	Dexter	7557-1333	Newport, R.I.	1-8-20	2.94
142	Hercules	963	Newport, R.I.	1-21-20	2.97
146	Edison	P-45- 1533	Bristol, Conn.	8-2-19	2.97
146	Penn Allen	9607-855	Bristol, Conn.	8-8-19	2.94
148	Knickerbocker	581	Danbury, Conn.	8-21-19	2.94
148	Lehigh	5857	Danbury, Conn.	9-23-19	2.92
149	Knickerbocker	430	New Haven, Conn.	2-23-18	2.42
149	Atlas	M-10727	New Haven, Conn.	3-11-18	2.97
153	Nazareth	1744	Waterbury, Conn.	1-30-20	3.02
153	Atlas	639	Waterbury, Conn.	1-19-20	3.09
153	Dexter	7583-1342	Waterbury, Conn.	1-12-20	2.92
153	Nazareth	1616	Waterbury, Conn.	12-29-19	2.92
153	Alpha	B-507	Windsor Locks.	8-9-19	2.92
153	Alpha	B-505	Windsor Locks	8-7-19	2.94

CONTRACT REPORT AS OF MARCH 1st, 1920 (SHEET 61)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
155	Vulcanite	803	Wilmington, Del.	12-22-19	2.90
155	Lehigh	6352	Wilmington, Del	12-16-19	2.76
154	Vulcanite	791	Wilmington	8-29-19	2.76
155	Phoenix	987-652	Wilmington	9-9-19	2.90
156	Atlas	P-10756	Washington, D.C.	3-26-19	3.31
156	Hercules	399	Washington	4-2-19	2.81
157	Penn Allen	10401-651	Washington	12-27-19	2.81
156	Hercules	762	Washington	12-27-19	2.84
157	Vulcanite	5195	Washington	1-16-20	2.81
156	Atlas	P-11231 &2	Washington	1-16-20	2.82
157	Lehigh	6771	Washington	2-16-20	2.82
157	Atlas	P-11295	Washington	2-16-20	2.82
157	Atlas	P-11114	Washington	2-19-20	2.81
163	Alpha	C-441	Cleveland, Ohio	7-1-19	2.72
163	Edison	A-66-1412	Cleveland, Ohio	7-3-19	2.46
163	Edison	A-160-1628	Cleveland, Ohio	9-19-19	2.46
163	Edison	A-157-1526	Cleveland, Ohio	9-18-19	2.72
166	Alpha	W-583	Toronto, Ohio	12-16-19	2.64
166	Alpha	W-569	Toronto, Ohio	12-31-19	2.29
167	Atlas	P-10244	Columbia, S.C.	11-10-19	3.20
167	Giant	P- 998	Columbia, S.C.	12-19-19	3.10
167	Alpha	S-31	Columbia, S.C.	1-21-20	3.45
169	Alpha	VA-138	Danville, Va.	1-2-20	2.91
169	Atlas	P-11269	Danville, Va.	2-5-20	3.01
169	Atlas	P-11118	Emporia, Va.	12-24-19	2.95
169	Atlas	P-11029	Emporia, Va.	12-15-19	2.80
170	Atlas	P-10798A	Newport News, Va	1-21-20	2.73
170	Atlas	P- 11227	Newport News, Va.	1-22-20	2.83
170	Atlas	P-10751	Norfolk, Va.	2-18-19	3.23
170	Hercules	387	Norfolk, Va.	3-5-19	3.26
170	Atlas	P-10824	Norfolk, Va.	7-3-19	2.75
170	Alpha	So- 72	Norfolk, Va.	7-23-19	2.75

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
171	Atlas	P-11257	Norfolk, Va.	1-23-20	2.83
171	Alpha	80-84	Norfolk, Va.	1-28-20	2.73
171	Lawrence	2187	Norfolk, Va.	2-2-20	2.73
171	Atlas	P-11283	Norfolk, Va.	2-8-20	2.83
171	Edison	C-30-1720	Norfolk, Va.	12-2-19	2.91
170	Alpha	SO- 81	Norfolk, Va.	12-2-19	2.73
172	Lehigh	6682	Richmond, Va.	1-19-20	2.83
172	Dexter	1377@1430	Richmond, Va.	1-23-20	2.73
172	Dexter	1354-1408	Richmond, Va.	1-12-20	2.73
172	Lehigh	6672	Richmond, Va.	1-14-20	2.83
172	Dexter	1227-1351	Richmond, Va.	1-2-20	2.73
172	Lehigh	6726	Richmond, Va.	1-2-20	2.83
172	Atlas	P-11292	Richmond, Va.	2-17-20	2.83
172	Lehigh	6783	Richmond, Va.	2-14-20	2.88
174	Atlas	P-11103	Clarksburg, W. Va.	12-28-19	2.78
174	Atlas	P-11108	Clarksburg, W. Va.	12-22-19	2.92
179	Atlas	S-10260	Burlington, N.C.	12-22-19	3.10
179	Giant	P-1044	Burlington, N.C.	12-31-19	3.08
180	Atlas	P-11251	Greensboro,N.C.	1-21-20	3.17
180	Giant	P-1013	Greensboro, N.C.	12-18-19	3.07
180	Giant	P-976	Greensboro, N.C.	12-4-19	3.05
180	Giant	P-1002	Greensboro, N.C.	12-18-19	3.07
180	Giant	P-1026	Greenville, N.C	12026-19	3.08
180	Giant	P-1017	Greenville, N.C.	12-22-19	3.20
180	Giant	P-1001	Kinston, N.C.	12-18-19	3.08
180	Atlas	P-11225	Kinston, N.C.	1-16-20	3.20
181	Lehigh	6986	Raleigh, N.C.	11-8-19	3.10
181	Giant	P-956	Raleigh, N.C.	11-1-19	3.08
181	Lehigh	6098	Rocky Mt., N.C.	12-6-19	2.75-P
181	Lehigh	6329	Rocky Mt.,N. C.	12-23-19	2.85-P
181	Giant	P-1030	Rocky Mt., N.C.	12-27-19	3.10

42 CONTRACT REPORT AS OF MARCH 1st 1920 (SHEET 62)

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
181	Atlas	P-11273	Wilson, N. C.	2-2-20	3.26
181	Atlas	P-11298	Wilson, N.C.	2-16-20	2.98
181	Atlas	S-10265	Winston-Salem	12-16-19	3.07
181	Giant	P-1045	Winston-Salem	12-31-19	3.05
181	Lehigh	6710	Winston-Salem	1-8-20	3.17
182	Lehigh	5220	Miami, Fla.	5-8-19	3.35
182	Atlas	S-10172	Miami, Fla.	5-21-19	3.48
182	Atlas	S-10182	Miami, Fla.	6-10-19	3.32
182	Lehigh	5903	Miami, Fla.	10-11-19	3.32
182	Penn Allen	10057-561	Miami, Fla.	10-22-19	3.40
182	Atlas	S-10963	Miami, Fla.	12-30-19	3.38
182	Lehigh	6603	Miami, Fla.	1-12-20	3.62

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CONTRACT REPORT AS OF JUNE 1st, 1920 (SHEET # 64

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
3	Lehigh	6136	Black Rock, N.Y.	12-15-19	2.78
3	Alpha	D-377	Black Rock, N.Y.	12-18-19	2.98
3	Lehigh	5185	Buffalo, N. Y.	4-17-19	2.78
3	Edison	A-10-1382	Buffalo, N.Y.	4-7-19	2.81
5	Penn Allen	10425-667	Buffalo, N.Y.	1-2-20	2.78
5	Lehigh	6448	Buffalo, N.Y.	1-2-20	2.70
6	Lehigh	6819	Buffalo, N.Y.	2-4-20	2.00
6	Lehigh	6820	Buffalo, N.Y.	2-21-20	2.78
6	Lehigh	7021	Buffalo, N.Y.	4-14-20	2.84
6	Edison	A-389-1947	Buffalo, N.Y.	4-19-20	3.04
8	Lawrence	1991	Corning, N. Y.	12-16-19	2.80
8	Atlas	E10696	Corning, N.Y.	12-19-19	2.30
10	Atlas	NY-10750	Endicott, N.Y.	2-8-20	2.78
10	Phoenix	1526-767	Endicott, N.Y.	2-9-20	2.43
16	Edison	A-336-1927	Jamestown, N.Y.	3-23-20	2.78
16	Lehigh	6910	Jamestown, N.Y.	3-18-20	2.88
17	Penn Allen	10167-587	Long Island City	11-11-19	2.94
18	Giant	N-882	Long Island City	11-14-19	2.65
18	Lehigh	6586	Mamaroneck, N.Y.	12-31-19	2.59
19	Alpha	N-386	Mamaroneck, N.Y.	12-24-19	2.94
21	Atlas	NY-10791	Niagara Falls, N.Y.	3-8-20	2.78
21	Lehigh	6902	Niagara Falls, N.Y.	3-[illegible]-20	2.84
21	Lehigh	6858	Niagara Falls, N.Y.	3-1-20	2.78
21	Lehigh	6953	Niagara Falls, N.Y.	3-29-20	2.84
21	Lehigh	6080	No.Tonawanda,N.Y.	12-8-19	2.75
21	Lawrence	1960	No.Tonawanda, N.Y.	12-11-19	2.78
22	Lehigh	6858	Nyack, N.Y.	12-31-19	2.80
22	Lehigh	6495	Nyack, N.Y.	12-30-19	2.65
22	Lawrence	2293	Olean, N.Y.	4-10-20	2.78
22	Lehigh	7010	Olean, N.Y.	4-3-20	3.04

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
22	Knickerbocker	607	Oneonta, N.Y.	12-15-19	2.62
22	Knickerbocker	617	Oneonta, N.Y.	12-18-19	2.60
24	Vulcanite	5244	Pt. Jervis, N.Y.	3-24-20	2.60
24	Atlas	NY-10786	Pt. Jervis, N.Y.	3-24-20	2.45
27	Alpha	D-454	Solvay, N.Y.	3-2-20	2.47
27	Alpha	D-453	Solvay, N.Y.	3-2-20	2.62
29	Lehigh	1374-1466	Syracuse, N.Y.	2-20-20	2.62
29	Knickerbocker	6808	Syracuse, N.Y.	2-18-20	2.78
29	Nazareth	5998	Syracuse, N.Y.	2-5-20	2 [illegible]
30	Atlas	NKT-11174	Tuckahoe, N.Y.	12-15-19	[illegible]
30	Atlas	SD-10093	Tuckahoe, N.Y.	12-15-19	2.[illegible]
30	Knicker.	642	Utica, N.Y.	12-29-19	2.60
30	Hercules	935	Utica, N.Y.	12-31-19	3.00
33	Nazareth	1446	Brooklyn, N.Y.	9-19-19	2.65
34	Penna.	851	Brooklyn, N.Y.	9-22-19	2.68
37	Lawrence	1341	Brooklyn, N.Y.	1-16-16	2.23
36	Atlas	M-10631A	Brooklyn, N.Y.	1-11-16	2.12
37	Atlas	M-10697	Brooklyn, N.Y.	1-15-16	2.62
33	Lehigh	7029	Brooklyn, N.Y.	4-6-20	2.65
36	Dexter	1436-1553	Brooklyn, N.Y.	4-8-20	2.75
39	Edison	82-1486	Brooklyn, N.Y.	7-12-19	2.68
33	Lehigh	5546	Brooklyn, N.Y.	7-11-19	2.65
42	Alpha	N-361	Brooklyn, N.Y.	1-5-20	2.90
41	Alpha	N-422	Brooklyn, N.Y.	1-5-20	2.65
41	Knicker.	729	Brooklyn, N.Y.	1-6-20	2.65
42	Lawrence	1628	New York City	4-23-19	2.65
42	Lawrence	1629	New York City	4-23-19	2.68
53	Penna.	700	New York City	4-18-19	2.65
45	Penna.	429	New York City	1-2-16	2.27
54	Knicker.	409	New York City	1-4-16	2.24
46	Atlas	M-10684	New York City	1-7-16	2.12

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
43	Phoenix	731-609	New York City	7-30-19	2.65
45	Lehigh	5861	New York City	7-30-19	2.68
44	Penna.	836	New York City	8-25-19	2.68
43	Dexter	1172-1230	New York City	8-25-19	2.65
42	Lawrence	2037	New York City	12-29-19	2.65
43	Alpha	N-393	New York City	12-29-19	2.90
42	Lawrence	2093	New York City	1-16-20	2.68
43	Nazareth	1712	New York City	1-16-20	2.65
54	Knicker.	830	New York City	3-31-20	2.68
53	Penna.	1145	New York City	3-30-20	2.65
53	Alpha	N-448	New York City	5-12-20	3.35
44	Vulcanite	5306	New York City	5-11-20	2.95
53	Alpha	N-447	New York City	5-12-20	2.95
44	Vulcanite	5307	New York City	5-13-20	3.35
46	Atlas	MT-11262	New York City	4-20-20	2.65
45	Atlas	MT-11261	New York City	4-20-20	2.68
46	Edison	A-356-1940	New York City	4-20-20	2.87
55	Alpha	N-442	New York City	4-21-20	2.95
46	Penna.	1173	New York City	4-21-20	2.65
50	Vulcanite	5288	New York City	4-22-20	2.75
54	Lehigh	7048	New York City	4-22-20	2.95
57	Lawrence	2011	Allentown, Pa.	12-23-19	2.55
57	Allentown	8074-1193	Allentown, Pa.	12-24-19	2.35
57	Allentown	8075-1194	Allentown, Pa.	12-24-19	2.35
58	Coplay	2304	Ambler, Pa.	4-8-20	3.12
58	Lehigh	6996	Ambler, Pa.	4-12-20	2.72
59	Atlas	P-11350	Bentleyville, Pa.	3-23-20	2.80
59	Edison	A-357-1916	Bentleyville, Pa.	3-20-20	2.98
61	Alpha	CD-737	Burnham, Pa.	4-23-20	3.12
61	Lehigh	7020	Burnham, Pa.	4-16-20	2.82
63	Bath	562	Conshohocken, Pa.	10-2-19	2.82
63	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
63	Lehigh	5967	Conshohocken, Pa.	10-24-19	2.72

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
64	Coplay	2300	Easton, Pa.	4-2-20	2.97
64	Alpha	CD-730	Easton, Pa.	4-6-20	2.57
65	Alpha	D-425	Erie, Pa.	1-19-20	2.87
65	Nazareth	1721	Erie, Pa.	1-20-20	2.82
65	Alpha	D-420	Erie, Pa.	12-29-19	2.87
65	Atlas	P-11130	Erie, Pa.	12-26-19	2.72
65	Atlas	P-11296	Erie, Pa.	2-17-20	2.73
65	Vulcanite	5216	Erie, Pa.	2-9-20	2.72
66	Atlas	P-10940	Frackville, Pa.	9-10-19	2.76
66	Lawrence	1842	Frackville, Pa.	9-9-19	2.74
67	Vulcanite	796	Harrisburg, Pa.	10-29-19	2.76
67	Vulcanite	795	Harrisburg, Pa.	10-29-19	2.72
68	Lehigh	7035	Huntingdon, Pa.	4-21-20	3.04
68	Lehigh	7017	Huntingdon, Pa.	4-15-20	2.84
70	Alpha	CD-742	Lancaster, Pa.	4-23-20	3.34
70	Dexter	1449-1561	Lancaster, Pa.	4-21-20	2.74
73	Lawrence	2172	Marcus Hook, Pa.	1-30-20	2.68
73	Alpha	P-168	Marcus Hook, Pa.	1-29-20	2.76
76	Penna.	900	Overbrook, Pa.	12-8-19	2.80
76	Hercules	795	Overbrook, Pa.	12-16-19	2.76
77	Atlas	P-11356	Pittsburgh, Pa.	3-22-20	2.65
77	Bath	655	Pittsburgh, Pa.	3-31-20	2.88
78	Nazareth	1397	Pottsville, Pa.	8-15-19	2.72
78	Dexter	1158-1220	Pottsville, Pa.	8-11-19	2.73
80	Nazareth	1792	Scranton, Pa.	4-10-20	2.72
80	Lehigh	6999	Scranton, Pa.	4-12-20	2.98
84	Nazareth	1529	Wilkes Barre, Pa.	12-15-19	2.78
84	Coplay	2115	Wilkes Barre, Pa.	12-17-19	2.72
84	Edison	A-301-1822	Wilkinsburg, Pa.	12-24-19	2.55
84	Edison	A-283-1788	Wilkinsburg, Pa.	12-23-19	2.76

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
85	Allent.	7540-1063	Wyomissing, Pa.	10-1-19	2.72
85	Lawrence	1869	Wyomissing, Pa.	10-9-19	2.73
85	Coplay	2305	York, Pa.	4-15-20	3.20
85	Dexter	1464-1569	York, Pa.	4-24-20	2.80
86	Hercules	20	Philadelphia, Pa.	8-22-17	2.76
87	Bath	P-253	Philadelphia, Pa.	8-16-17	3.12
92	Giant	P-988	Philadelphia, Pa.	12-15-19	2.86
92	Allent.	7965-1121	Philadelphia, Pa.	12-15-19	2.82
88	Hercules	636	Philadelphia, Pa.	12-13-19	3.12
88	Edison	C-85-1823	Philadelphia, Pa.	12-12-19	2.82
90	Vulcanite	5299	Philadelphia, Pa.	5-7-20	2.92
87	Penn Allen	2290-745	Philadelphia, Pa.	5-14-20	3.32
96	Nazareth	1784	Philadelphia, Pa.	4-9-20	2.75
96	Nazareth	1788	Philadelphia, Pa.	4-9-20	2.72
88	Alpha	P-179	Philadelphia, Pa.	4-23-20	2.92
92	Coplay	2310	Philadelphia, Pa.	4-23-20	3.42
98	Penna.	1175	Philadelphia, Pa.	4-23-20	2.72
86	Nazareth	1659	Philadelphia, Pa.	1-9-20	2.82
86	Hercules	995	Philadelphia, Pa.	1-8-20	2.78
98	Vulcanite	5292	Philadelphia, Pa.	4-29-20	2.72
90	Coplay	2312	Philadelphia, Pa.	4-29-20	3.42
103	Lehigh	6876	Camden, N.J.	3-6-20	2.74
103	Atlas	P-11327	Camden, N.J.	3-12-20	2.35
103	Dexter	1433-1550	Camden, N.J.	4-13-20	2.74
103	Coplay	2303	Camden, N.J.	4-16-20	3.14
103	Nazareth	1805	Camden, N.J.	4-22-20	3.04
106	Lawrence	2279	Elizabeth, N.J.	4-10-20	2.70
106	Lawrence	2300	Elizabeth, N.J.	4-12-20	3.30

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
108	Atlas	L-10728	Hoboken, N.J.	10-10-19	2.72
108	Lawrence	1770	Hoboken, N.J.	10-2-19	2.62
110	Vulcanite	5107	Jersey City, N.J.	12-24-19	2.62
110	Atlas	L-10855	Jersey City, N.J.	12-24-19	2.35
110	Lehigh	6524	Jersey City, N.J.	12-29-19	2.79
110	Giant	N-1005	Jersey City, N.J.	12-26-19	2.62
112	Nazareth	1445	Newark, N.J.	9-20-19	2.81
113	Lawrence	1852	Newark, N.J.	9-26-19	2.66

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
114	Knicker.	777	Newark, N.J.	1-22-20	2.82
113	Atlas	NNJ-10905	Newark, N.J.	1-22-20	2.66
114	Dexter	378-1542	Newark, N.J.	4-14-20	3.01
114	Vulcanite	5262	Newark, N.J.	4-12-20	2.66
114	Vulcanite	5284	Newark, N.J.	4-21-20	2.86
115	Nazareth	1289	Passaic, N.J.	5-24-19	2.75
115	Atlas	L-10635	Passaic, N.J.	5-31-19	2.72
117	Vulcanite	5270	Paterson, N.J.	4-15-20	2.72
117	Vulcanite	5291	Paterson, N.J.	4-26-20	2.92
117	Edison	A-299-1831	Perth Amboy, N.J.	12-27-19	2.70
117	Edison	A-311-1847	Perth Amboy, N.J.	12-30-19	2.35
118	Atlas	NNJ-10928	Perth Amboy, N.J.	4-9-20	2.70
118	Penn Allen	2307-736	Perth Amboy, N.J.	4-18-20	2.90
118	Coplay	2299	Phillipsburg, N.J.	4-2-20	2.97
118	Alpha	CD-731	Phillipsburg, N.J.	4-5-20	2.50
118	Vulcanite	5067	Phillipsburg, N.J.	12-16-19	2.50
118	Alpha	CD-660	Phillipsburg, N.J.	12-26-19	2.57
120	Vulcanite	831	Salem, N.J.	1-5-20	2.74
120	Hercules	892	Salem, N.J.	1-13-20	2.86
120	Edison	A-288-1791	South River, N.J.	12-22-19	2.72
120	Edison	A-289-1792	South River, N.J.	12-22-19	2.74
120	Vulcanite	5198	Spring Lake, N.J.	1-23-20	2.82
120	Penna.	1052	Spring Lake, N.J.	1-23-20	2.47
122	Vulcanite	5247	Trenton, N.J.	3-24-20	2.72
122	Coplay	2296	Trenton, N.J.	3-27-20	3.12
123	Atlas	NNJ-10866	Weehawken, N.J.	1-8-20	2.72
123	Atlas	NNJ-10862	Weehawken, N.J.	1-2-20	2.62
124	Penn Allen	10-330-601	Woodbridge, N.J.	12-16-19	2.70
124	Atlas	L-10762	Woodbridge, N.J.	12-11-19	2.76

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
136	Lehigh	5599	Brockton, Mass.	9-10-19	2.92
136	Lehigh	5825	Brockton, Mass.	9-10-19	2.94
136	Atlas	B-10957	Brookline, Mass.	12-17-19	2.94
136	Atlas	B-10959	Brookline, Mass.	12-17-19	2.92
136	Bath	524	Somerville, Mass.	8-5-19	3.02
136	Bath	527	Somerville, Mass.	8-11-19	3.04
137	Lehigh	7082	Springfield, Mass.	5-3-20	3.48
137	Vulcanite	5304	Springfield, Mass.	5-8-20	3.08
136	Atlas	B-10741	Springfield, Mass.	5-14-20	2.86
137	Knicker.	760	Taunton, Mass.	1-13-20	2.65
137	Knicker.	697	Taunton, Mass.	1-6-20	2.94
140	Coplay	2302	Worcester, Mass.	4-14-20	3.38
140	PennAllen	2198-735	Worcester, Mass.	4-14-20	2.92
142	Edison	B-117-1931	Boston, Mass.	4-8-20	2.92
140	Lawrence	2256	Boston, Mass.	4-5-20	2.45
142	Lawrence	2295	Boston, Mass.	4-38-20	3.52
141	Knicker.	789	Boston, Mass.	4-29-20	2.92
141	Coplay	2311	Boston, Mass.	4-23-20	3.42
140	Lawrence	2251	Boston, Mass.	3-17-20	2.92
141	Allentown	8657-1315	Boston, Mass.	3-18-20	3.32
141	Knicker.	633	Boston, Mass.	12-22-19	3.02
140	Alpha	B-601	Boston, Mass.	12-23-19	2.92
148	Atlas	H-10663	Rutland, Vt.	11-21-19	2.45
148	Nazareth	1617	Rutland, Vt.	12-27-19	2.80
148	Atlas	H-10697-A	Rutland, Vt.	12-19-19	2.92
149	Lehigh	6265	Newport, R.I.	12-17-19	2.59
149	Atlas	B-10946	Newport, R.I.	12-15-19	2.94
149	Dexter	7557-1333	Newport, R.I.	1-8-20	2.94
149	Hercules	963	Newport, R.I.	1-21-20	2.97

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
153	PennAllen	9607-555	Bristol,Conn.	8-8-19	2.94
153	Edison	B-45-1533	Bristol,Conn.	8-2-19	2.97
161	Dexter	7581-1340	Waterbury,Conn.	1-2-20	2.93
161	Bath	639	Waterbury,Conn.	1-19-20	3.09
161	Alpha	B-507	Windsor Locks,Conn.	8-9-19	2.92
161	Alpha	B-505	Windsor Locks,Conn.	8-7-19	2.94
163	Vulcanite	5065	Wilmington,Del.	12-13-19	2.76
163	Vulcanite	803	Wilmington,Del.	12-22-19	2.90
164	Hercules	762	Washington,D.C.	12-27-19	2.84
165	PennAllen	10401-651	Washington,D.C.	12-27-19	2.81
164	Atlas	P-11231	Washington,D.C.	1-16-20	2.82
164	Alpha	DC-17	Washington,D.C.	1-12-20	2.81
165	Allentown	8540-1303	Washington,D.C.	4-7-20	2.81
165	Vulcanite	835	Washington, D.C.	4-26-20	2.82
166	Atlas	P-11384	Aberdeen, Md.	5-11-20	3.40
166	Atlas	P-11382	Aberdeen, Md.	5-4-20	3.00
168	Alpha	K-239	Baltimore, Md.	4-30-20	3.40
168	Atlas	P-11379	Baltimore, Md.	4-26-20	3.00
170	Edison	A-339-1887	Akron, Ohio	3-11-20	3.37
170	Nazareth	1775	Akron, Ohio	3-29-20	3.12
170	Edison	A-338-1925	Akron, Ohio	3-30-20	3.37
172	Penna.	1112	Cleveland, Ohio	3-2-20	3.72
172	Edison	A-349-1908	Cleveland, Ohio	3-19-20	3.33
172	Penna.	1141	Cleveland, Ohio	3-30-20	3.72
172	Edison	A-371-1948	Cleveland, Ohio	3-30-20	3.38
171	Edison	A-160-1628	Cleveland, Ohio	9-19-19	2.46
171	Edison	A-157-1626	Cleveland, Ohio	9-18-19	2.72
174	Allent.	8395-1284	Youngstown,Ohio	3-8-20	3.18
174	Allent.	8396-1285	Youngstown,Ohio	3-25-20	3.34

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
177	Atlas	P-11116	Emporia, Va.	12-24-19	2.95
177	Atlas	P-11029	Emporia, Va.	12-15-19	2.80
178	Atlas	1-22-20	Newport News, Va.	1-22-20	2.83
178	Atlas	P-10798A	Newport News, Va.	1-21-20	2.73
178	Atlas	P-10824	Norfolk, Va.	7-3-19	2.75
178	Alpha	80-72	Norfolk, Va.	7-23-19	2.73
178	Lawrence	2187	Norfolk, Va.	2-2-20	2.73
178	Atlas	P-11283	Norfolk, Va.	2-6-20	2.83
178	Atlas	P-11285	Norfolk, Va.	2-7-20	2.83
178	Atlas	P-11284	Norfolk, Va.	2-7-20	2.83
178	Edison	C-30-1720	Norfolk, Va.	12-2-19	2.91
178	Alpha	80-81	Norfolk, Va.	12-2-19	2.73
179	Lehigh	6672	Richmond, Va.	1-14-20	2.83
179	Lehigh	6680	Richmond, Va.	1-19-20	2.83
179	Dexter	1377-1430	Richmond, Va.	1-23-20	2.73
180	Lehigh	6783	Richmond, Va.	2-14-20	2.88
180	Atlas	P-11292	Richmond, Va.	2-17-20	2.83
180	Dexter	1418-1522	Richmond, Va.	3-23-20	2.83
180	Lehigh	6933	Richmond, Va.	3-20-20	2.88
180	Lehigh	7059	Richmond, Va.	4-28-20	3.08
180	Nazareth	1810	Richmond, Va.	5-4-20	3.48
180	Vulcanite	5296	Richmond, Va.	5-3-20	2.88
180	Atlas	P-11079	Richmond, Va.	12-19-19	4.88
180	Atlas	P-11080	Richmond, Va.	12-19-19	2.73
186	Atlas	S-10260	Burlington, N.C.	12-22-19	3.10
186	Giant	P-1044	Burlington, N.C.	12-31-19	3.08
186	Lehigh	6907	Charlotte, N.C.	3-8-20	3.27
186	Lehigh	6941	Charlotte, N.C.	3-18-20	3.34

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
187	Giant	P-976	Greensboro,N.C.	12-4-19	3.05
187	Giant	P-1002	Greensboro,N.C.	12-18-19	3.07
187	Giant	P-1020	Greensboro,N.C.	12-26-19	3.07
187	Atlas	P-11251	Greensboro,N.C.	1-21-20	3.17
187	Lehigh	8727	Greensboro, N.C.	1-22-20	3.17
187	Giant	P-1043	Kings Mt., N.C.	12-31-19	3.05
187	Giant	P-1033	Kings Mt., N.C.	12-27-19	3.17
188	Giant	P-1014	Wilson, N.C.	12-18-19	3.10
188	Atlas	P-11273	Wilson, N.C.	2-2-20	3.20
188	Atlas	P-11298	Wilson, N.C.	2-16-20	2.98
188	Giant	P-985	Winston-Salem,NC	12-11-19	3.17
188	Atlas	P-11198	Winston-Salem,NC	12-16-19	3.07
188	Giant	P-1045	Winston-Salem	12-31-19	3.05
189	Atlas	S-10227	Miami, Fla.	10-1-19	3.32
189	PennAllen	10057-581	Miami, Fla.	10-22-19	3.40
188	Lehigh	6888	Winston-Salem	2-27-20	3.27
188	Atlas	P--11329	Winston-Salem	3-1-20	3.17
188	Lehigh	7045	Winston-Salem	4-8-20	3.41

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
4	Atlas	H-10643	Rutland,Vt.(2)	9-22-19	2.48
4	Nazareth	1617	Rutland,Vt.(3)	12-27-19	2.80
4	Atlas	H-10697- A	Rutland,Vt.(10	12-19-19	2.92
13	Knicker	750	Taunton,Mass.	1-12-20	2.65
13	Giant	P-1053	Taunton,Mass.	1- 2-20	2.94
15	Lawrence	2258	Boston,Mass.	4-8- 20	2.95
16	Edison	B-116-1930	Boston,Mass.	4-8- 20	2.92
15	Dexter	990-1596	Boston,Mass.	6-15-20	3.52
16	Penna.	1185	Boston,Mass.	6-17-20	3.54
15	Coplay	2086	Boston,Mass.	4-17-20	3.32
16	Penna.	1171	Boston,Mass.	4-17-20	2.92
16	Lawrence	2253	Boston,Mass.	3-17-20	2.92
15	Allentown	8657-1315	Boston,Mass.	3-18-20	3.32
17	Lehigh	6265	Newport,R.I.	12-17-19	2.59
17	Vulcanite	5149	Newport,R.I.	12-31-19	2.94
23	Bath	639	Waterbury,Conn.	11-19-20	3.09
23	Nazareth	1744	Waterbury,Conn.	1-30-20	3.02
26	Lehigh	6136	Black Rock,N.Y.	12-15-19	2.78
26	Alpha	D-377	Black Rock,N.Y.	12-18-19	2.98
28	Hercules	777	Buffalo,N.Y.	1- 2-20	2.78
28	Lehigh	6448	Buffalo,N.Y.	1- 2-20	2.70
28	Coplay	2294	Buffalo,N.Y.	3-22-20	2.98
28	Penna.	1124	Buffalo,N.Y.	3-16-20	2.78
28	Lehigh	8925	Buffalo,N.Y.	3-22-20	2.84
29	Lawrence	1991	Corning,N.Y.	12-16-19	2.80
29	Atlas	H-10690	Corning,N.Y.	12-19-19	2.30
37	Atlas	SB- 10126	Mamaroneck,N.Y.	12-13-19	2.94
37	Lehigh	6586	Mamaroneck,N.Y.	12-31-19	2.59
39	Atlas	NY- 10791	Niagara Falls,N.Y.	3-8- 20	2.78
39	Lehigh	6902	Niagara Falls,N.Y.	3-18-20	2.84
39	Lehigh	6858	Niagara Falls,N.Y.	3- 1-20	2.78
39	Lehigh	6953	Niagara Falls,N.Y.	3-29-20	2.84

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
39	Lehigh	6080	No.Tonawanda,N.Y.	12-8-19	2.75
39	Hercules	967	No.Tonawanda,N.Y.	12-17-19	2.78
39	Lehigh	6495	Nyack,N.Y.	12-30-19	2.65
39	Lehigh	6555	Nyack,N.Y.	12-31-19	2.30
39	Lawrence	2294	Olean,N.Y.	4-20-20	2.98
39	Lawrence	2295	Olean,N.Y.	4-10-20	2.78
39	Lehigh	7010	Olean,N.Y.	4-3-20	3.04
40	Vulcanite	5244	Port Jervis,N.Y.	3-24-20	2.80
40	Atlas	NY-10786	Port Jervis,N.Y.	3-24-20	2.45
42	Alpha	D-454	Solvay,N.Y.	3- 2-20	2.47
42	Alpha	D-453	Solvay,N.Y.	3- 2-20	2.82
44	Vulcanite	5202	Syracuse,N.Y.	1-24-20	2.82
44	Alpha	D-474	Syracuse,N.Y.	1-26-20	2.92
48	Penna.	851	Brooklyn,N.Y.	9-22-19	2.68
51	Lehigh	5890	Brooklyn,N.Y.	9-17-19	2.65
50	Penna.	1159	Brooklyn,N.Y.	4-13-20	2.65
50	Dexter	1456-1553	Brooklyn,N.Y.	4-9-20	2.75
54	Nazareth	1679	Brooklyn, N.Y.	1-7-20	2.63
54	Alpha	M- 361	Brooklyn,N.Y.	1-5-20	2.90
54	Lawrence	1629	New York City	4-23-19	2.68
63	Penna.	700	New York City	4-18-19	2.65
54	Lawrence	2093	New York City	1-16-20	2.68
54	Nazareth	1712	New York City	1-18-20	2.81
54	Lawrence	2037	New York City	12-29-19	2.68
54	Alpha	M- 393	New York City	12-29-19	2.90
55	Alpha	M- 445	New York City	5- 3-20	2.93
60	Dexter	1478 -1583	New York City	5- 4-20	3.36
63	Penna	1152	New York City	5- 6-20	2.65
55	Vulcanite	5306	New York City	5-11-20	2.96
63	Alpha	M- 447	New York City	5-12-20	2.95
63	Alpha	M- 448	New York City	5-12-20	3.36

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
56	Atlas	MT-11262	New York City	3-20-20	2.65
56	Atlas	MT-11261	New York City	4-20-20	2.68
56	Penna	1173	New York City	4-21-20	2.65
64	Alpha	M-442	New York City	4-21-20	2.95
60	Vulcanite	5288	New York City	4-22-20	2.75
63	Lehigh	7048	New York City	4-22-20	2.95
65	Dexter	1472-1539	New York City	4-27-20	2.75
60	Atlas	MT-11285	New York City	7-19-20	3.35
64	Lehigh	7123	New York City	7-24-20	3.90
56	Edison	A-414-1973	New York City	7-24-20	3.75
56	Atlas	MT -11286	New York City	7-27-20	3.90
60	Lehigh	7126	New York City	7-29-20	3.90
57	Atlas	MT-11292 A	New York City	7-30-20	3.65
56	Lehigh	5861	New York City	7-30-20	2.68
56	Penna.	429	New York City	1-2- 18	2.27
56	Atlas	M-10684	New York City	1-7- 18	2.12
60	Atlas	MT-11295	New York City	8-6-20	3.90
61	Atlas	MT-11294	New York City	8-6-20	3.65
61	Atlas	MT-11296	New York City	8-9-20	3.65
62	Atlas	MT-11297	New York City	8-11-20	3.90
68	Atlas	P-11327	Camden, N.J.	3-12-20	2.35
68	Lehigh	6876	Camden, N. J.	3-6-20	2.74
68	Dexter	1433-1550	Camden, N.J.	4-13-20	2.74
62	Coplay	2303	Camden, N. J.	4-16-20	3.14
68	Nazareth	1805	Camden, N. J.	4-22-20	3.04
68	Atlas	NNJ-10934	Carteret, N.J.	6-9-20	3.30
68	Lehigh	7117	Carteret, N.J.	6-28-20	3.60
72	Lehigh	6524	Jersey City, N.J.	12-29-19	2.79
72	Giant	N-1005	Jersey City, N.J.	12-26-19	2.62
72	Edison	A-364-1938	Jersey City, N.J.	4-10-20	2.95
72	Atlas	NNJ-10927	Jersey City, N.J.	4-12-20	2.82
73	Nazareth	1366	Madison, N.J.	8-1-19	2.97
73	Atlas	L-10701	Madison, N.J.	8-14-19	2.72

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
75	Dexter	378-1542	Newark, N.J.	4-14-20	3.01
75	Lawrence	2290	Newark, N.J.	4-12-20	2.66
75	Vulcanite	5284	Newark, N.J.	4-21-20	2.86
76	Nazareth	5310	Passaic, N.J.	12-18-19	2.72
76	Lehigh	7101	Passaic, N.J.	12-31-19	3.12
77	Edison	A-263-1810	Perth Amboy, N.J.	12-26-19	2.70
77	Edison	A-311-1847	Perth Amboy, N.J.	12-30-19	2.35
79	Vulcanite	5247	Trenton, N.J.	3-24-20	2.72
79	Coplay	2296) 2297) 2298)	Trenton, N.J.	3-27-20	3.12
82	Lehigh	6906	Ambler, Pa.	4-12-20	2.72
82	Coplay	2304	Ambler, Pa.	4-8-20	3.12
83	Penn Allen	2659-760	Blairsville, Pa.	8-4-20	4.23
83	Penna.	1194	Blairsville, Pa.	8-17-20	3.88
84	Alpha	CD-737	Burnham, Pa.	4-23-20	3.12
84	Lehigh	7020	Burnham, Pa.	4-16-20	2.82
85	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
85	Lehigh	5967	Conshohocken, Pa.	10-24-19	2.72
86	Coplay	2300	Easton, Pa.	4-2-20	2.97
86	Alpha	CD-730	Easton, Pa.	4-6-20	2.57
87	Alpha	D-425	Erie, Pa.	1-19-20	2.87
87	Nazareth	1721	Erie, Pa.	1-20-20	2.82
87	Dexter	1423-1598	Erie, Pa.	6-10-20	2.82
87	Dexter	1426-1599	Erie, Pa.	6-14-20	2.72
87	Atlas	P-10940	Frackville, Pa.	9-10-19	2.76
87	Lawrence	1642	Frackville, Pa.	9-9-19	2.74
88	Vulcanite	795	Harrisburg, Pa.	10-29-19	2.72
88	Phoenix	1156-669	Harrisburg, Pa.	10-16-19	2.76

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
90	Dexter	1448-1560	Lancaster, Pa.	4-20-20	2.74
90	Alpha	CD-742	Lancaster, Pa.	4-29-20	3.34
90	Dexter	1468-1584	Lancaster, Pa.	4-30-20	3.14
92	Lawrence	2172	Marcus Hook, Pa.	1-30-20	2.68
92	Alpha	P-168	Marcus Hook, Pa.	1-29-20	2.76
95	Penna.	900	Overbrook, Pa.	12-8-19	2.80
95	Hercules	813	Overbrook, Pa.	12-18-19	2.76
101	Nazareth	1529	Wilkes Barre, Pa.	12-15-19	2.78
101	Coplay	2114	Wilkes Barre, Pa.	12-17-19	2.72
102	Hercules	995	Philadelphia, Pa.	1-6-20	2.76
108	Lehigh	6589	Philadelphia, Pa.	1-7-20	2.72
104	Alpha	P-161	Philadelphia, Pa.	4-23-20	2.92
106	Coplay	2310	Philadelphia, Pa.	4-23-20	3.42
109	Penna.	1175	Philadelphia, Pa.	4-23-20	2.72
103	Lehigh	7037	Philadelphia, Pa.	4-17-20	2.92
109	Vulcanite	5266	Philadelphia, Pa.	4-13-20	2.72
104	Alpha	P-177	Philadelphia, Pa.	4-19-20	2.92
104	Penna.	1172	Philadelphia, Pa.	4-20-20	2.72
104	Alpha	P-182	Philadelphia, Pa.	4-30-20	3.32
109	Vulcanite	5292	Philadelphia, Pa.	4-29-20	2.72
104	Alpha	P-183	Philadelphia, Pa.	5-10-20	3.32
105	Vulcanite	5299	Philadelphia, Pa.	5-7-20	2.92
104	Penn Allen	2307-746	Philadelphia, Pa.	5-17-20	3.32
107	Allentown	8792-1330	Philadelphia, Pa.	5-20-20	3.52
104	Lehigh	5346	Philadelphia, Pa.	6-20-19	2.72
104	Penn Allen	9272-509	Philadelphia, Pa.	6-25-19	2.75
102	Nazareth	1814	Philadelphia, Pa.	6-16-20	3.52
103	Penn Allen	2485-754	Philadelphia, Pa.	6-26-20	3.62
110	Vulcanite	5320	Philadelphia, Pa.	6-16-20	3.32
102	Phoenix	646-588	Philadelphia, Pa.	7-17-19	2.72
107	Giant	P-843	Philadelphia, Pa.	7-15-19	2.45

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
106	Atlas	P-10823	Philadelphia,Pa.	7-3-19	2.72
108	Atlas	P-10886	Philadelphia,Pa.	7-5-19	2.35
108	Lawrence	1703	Philadelphia,Pa.	7-7-19	2.72
103	Penn Allen	2539-758	Philadelphia,Pa.	7-7-20	3.63
103	Lawrence	2326	Philadelphia,Pa.	7-2-20	3.62
103	Nazareth	1815	Philadelphia,Pa.	7-1-20	3.82
104	Penna.	1199	Philadelphia,Pa.	8-25-20	3.62
110	Atlas	P-12015	Philadelphia,Pa.	8-4-20	3.87
110	Atlas	P-12011	Philadelphia,Pa.	8-6-20	3.62
110	Atlas	P-12018	Philadelphia,Pa.	8-20-20	3.87
102	Lawrence	1837	Philadelphia,Pa.	8-22-19	2.82
104	Penna.	837	Philadelphia,Pa.	8-25-19	2.72
104	Coplay	2002	Philadelphia,Pa.	11-4-19	2.82
106	Hercules	611	Philadelphia,Pa.	11-4-19	2.72
104	Coplay	2033	Philadelphia,Pa.	12-4-19	2.82
105	Lehigh	6074	Philadelphia,Pa.	12-4-19	2.72
105	Coplay	2047	Philadelphia,Pa.	12-12-19	2.72
104	Hercules	636	Philadelphia,Pa.	12-13-19	3.12
106	Giant	P-988	Philadelphia,Pa.	12-15-19	2.86
105	Hercules	644	Philadelphia,Pa.	12-15-19	2.72
103	Hercules	675	Philadelphia,Pa.	12-18-19	2.72
104	Hercules	691	Philadelphia,Pa.	12-18-19	2.82
104	Atlas	P-11119	Philadelphia,Pa.	12-24-19	2.72
105	Penn Allen	10393-645	Philadelphia,Pa.	12-26-19	2.82
113	Atlas	P-11379	Baltimore,Md.	4-26-20	3.00
113	Alpha	K-238	Baltimore,Md.	4-28-20	3.50
113	Alpha	K-239	Baltimore,Md.	4-30-20	3.40
112	Atlas	P-10998	Baltimore,Md.	11-17-19	2.80
113	Nazareth	1533	Baltimore,Md.	11-17-19	3.02
115	Atlas	P-11231	Washington,D.C.	1-16-20	2.82
115	Vulcanite	833	Washington,D.C.	1-5-20	2.81

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
115	Hercules	762	Washington,D.C.	12-27-19	2.84
115	Vulcanite	812	Washington,D.C.	12-29-19	2.81
116	Atlas	P-11224	Newport News,Va.	1-22-20	2.83
116	Atlas	P-10798-A	Newport News,Va.	1-21-20	2.73
117	Alpha	80-83	Norfolk, Va.	2-3-20	2.73
117	Atlas	P-11284	Norfolk,Va.	2-7-20	2.83
118	Lehigh	6681	Richmond, Va.	1-19-20	2.83
118	Dexter	1354-1408	Richmond,Va.	1-12-20	2.73
118	Atlas	P-11079	Richmond,Va.	12-19-19	4.88
118	Atlas	P-11080	Richmond,Va.	12-19-19	2.73
118	Lehigh	7009	Richmond,Va.	4-10-20	2.88
118	Lehigh	7059	Richmond,Va.	4-26-20	3.08
124	Edison	A-160-1628	Cleveland,O.	9-19-19	2.46
124	Alpha	C-466	Cleveland,O.	9-26-19	2.72
124	Edison	A-349-1908	Cleveland,O.	3-19-20	3.22
124	Penna.	1142	Cleveland,O.	3-30-20	2.72
124	Edison	A-371-1948	Cleveland,O.	3-30-20	3.38
125	Allen.	8352-1276	Youngstown,O.	3-8-20	3.18
125	Allen.	8396-1285	Youngstown,O.	3-25-20	3.34
126	Atlas	S-10260	Burlington,N.C.	12-22-19	3.10
126	Giant	P-1044	Burlington,N.C.	12-31-19	3.08
126	Atlas	P-11243	Gastonia,N.C.	7-28-20	3.67
126	Atlas	P-12003	Gastonia, N.C.	7-14-20	4.42
126	Giant	P-976	Greensboro,N.C.	12-4-19	3.05
126	Giant	P-1002	Greensboro,N.C.	12-18-19	3.07

CONTRACT REPORT AS OF DECEMBER 1st, 1920 SHEET # 82

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
2	Atlas	M-10621	Rutland, Vt.	8-17-19	2.80
2	Atlas	M-10697A	Rutland, Vt.	12-19-19	2.92
18	Coplay	2197	Lockport, N.Y.	12-29-19	2.78
18	Lehigh	6947	Lockport, N.Y.	3-20-20	2.84
20	Atlas	M-10661	Niagara Falls, N.Y.	11-13-19	2.78
20	Lehigh	6953	Niagara Falls, N.Y.	3-29-20	2.84
20	Vulcanite	5244	Pt. Jervis, N.Y.	3-24-20	2.80
20	Atlas	NY-10786	Pt. Jervis, N.Y.	3-24-20	2.65
22	Vulcanite	5202	Syracuse, N.Y.	1-24-20	2.82
22	Alpha	D-474	Syracuse, N.Y.	1-26-20	2.92
22	Alpha	D-475	Syracuse, N.Y.	1-26-20	2.96
24	Alpha	N-312	Brooklyn, N.Y.	8-2-19	2.65
24	Penna.	851	Brooklyn, N.Y.	9-22-19	2.68
28	Lawrence	1629	New York City	4-23-19	2.68
30	Lawrence	1649	New York City	4-30-19	2.65
28	Lawrence	2093	New York City	1-16-20	2.68
29	Nazareth	1712	New York City	8-16-20	2.65
29	Atlas	NY-11261	New York City	4-20-20	2.68
29	Penna.	1157	New York City	4-13-20	2.65
36	Lawrence	1846	Bayway, N. J.	9-19-19	2.72
26	Lawrence	1918	Bayway, N. J.	11-26-19	2.70
39	Vulcanite	5346	Jersey City, N.J.	9-13-20	3.88
39	Vulcanite	5356	Jersey City, N.J.	10-1-20	3.89
42	Penna.	1055	Ridgefield Pk., N.J.	1-23-20	2.72
42	Atlas	L-10797	Ridgefield, Pk., N.J.	12-15-19	2.76
43	Penna.	1110	Woodridge, N.J.	2-19-20	2.76
43	Penna.	1020	Woodridge, N.J.	1-13-20	2.70
47	Bath	562	Conshohocken, Pa.	10-2-19	2.82
47	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
47	Lehigh	5967	Conshohocken, Pa.	10-24-19	2.72
48	Atlas	P-10940	Frackville, Pa.	9-10-19	2.76
48	Lawrence	1842	Frackville, Pa.	9-9-19	2.74

83 CONTRACT REPORT AS OF DECEMBER 1st, 1920 SHEET # 83

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
50	Nazareth	1724	Kingston, Pa.	1-21-20	2.72
50	Atlas	P-11335	Kingston, Pa.	3-8-20	2.70
55	Penna.	1174	Scranton, Pa.	4-23-20	2.72
55	Lehigh	6999	Scranton, Pa.	4-12-20	2.76
59	Penn Allen	2539-758	Philadelphia, Pa.	7-7-20	3.63
59	Lawrence	2326	Philadelphia, Pa.	7-2-20	3.62
67	Vulcanite	533	Washington, D.C.	1-5-20	2.81
67	Atlas	P-11231	Washington, D.C.	1-16-20	2.82
67	Coplay	2221	Washington, D.C.	12-19-19	2.81
67	Hercules	762	Washington, D.C.	12-27-19	2.84
67	Alpha	D.C.18	Washington, D.C.	1-26-20	2.81
67	Lehigh	6771	Washington, D.C.	2-16-20	2.82
67	Atlas	P-11295	Washington, D.C.	2-16-20	2.82
67	Atlas	P-11345	Washington, D.C.	3-13-20	2.82
67	Allentown	8540-1303	Washington, D.C.	4-7-20	2.81
70	Dexter	1463-1562	Richmond, Va.	5-1-20	3.28
70	Nazareth	1810	Richmond, Va.	5-4-20	3.48
70	Vulcanite	5296	Richmond, Va.	5-3-20	2.88
70	Atlas	P-11391	Richmond, Va.	6-10-20	3.48
74	Penna.	1115	Cleveland, O.	3-2-20	2.72
74	Edison	A-349-1908	Cleveland, O.	3-19-20	3.22
74	Edison	A-371-1948	Cleveland, O.	3-30-20	3.38
74	Penna.	1140	Cleveland, O.	3-30-20	2.72
75	Atlas	S-10260	Burlington, N.C.	12-22-19	3.10
75	Giant	P-1044	Burlington, N.C.	12-31-19	3.08
63	Atlas	P-12015	Philadelphia, Pa.	8-4-20	3.87
63	Atlas	P-12010	Philadelphia, Pa.	8-6-20	3.62
63	Atlas	P-12018	Philadelphia, Pa.	8-20-20	3.87
63	Penna.	1188	Philadelphia, Pa.	9-14-20	3.78
63	Vulcanite	5352	Philadelphia, Pa.	9-22-20	4.03

P4 CONTRACT REPORT AS OF MARCH 31st, 1921 SHEET # 84

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
3	Knicker.	871	Springfield, Mass.	3-14-21	3.71
3	Alpha	B-703	Springfield, Mass.	3-19-21	3.70
4	Alpha	US4	Newport, R. I.	3-21-21	3.39
4	Vulcanite	5400	Newport, R. I.	3-23-21	3.82
16	Lehigh	7174	New York City	1-8-21	3.70
16	Atlas	MT-11335	New York City	1-15-21	3.40
15	Penna.	1237	New York City	1-20-21	3.70
15	Penna.	1246	New York City	1-26-21	3.40
13	Edison	AS-511-5	Brooklyn, N. Y.	3-9-21	3.40
14	Atlas	MT-11344	New York City	3-9-21	3.43½ 3
15	Vulcanite	5288	New York City	4-22-20	2.75
16	Lehigh	7048	New York City	4-22-20	2.95
15	Knicker.	853	New York City	4-29-20	2.65
15	Atlas	MT-11285	New York City	7-19-20	3.35
14	Atlas	MT-11291	New York City	7-30-20	3.90
15	Atlas	MT-11292A	New York City	7-30-20	3.65
16	Atlas	MT-11297	New York City	8-11-20	3.90
15	Vulcanite	5100	New York City	12-20-19	2.65
15	Giant	N-1006	New York City	12-26-19	3.15
15	Alpha	N-393	New York City	12-29-19	2.90
15	Vulcanite	5355	New York City	10-1-20	4.05
15	Atlas	MT-11319	New York City	10-11-20	3.90
16	Penna.	1229	New York City	11-5-20	3.90
15	Atlas	MT-11328	New York City	11-9-20	3.93
15	Atlas	MT-11325	New York City	11-9-20	3.90
15	Atlas	MT-11318	New York City	11-12-20	3.90
17	Coplay	2327	New York City	11-17-20	4.05
15	Lehigh	7165	New York City	11-29-20	3.90
19	Bath	659	Freneau, N. J.	4-5-20	3.52
19	Lawrence	2273	Freneau, N. J.	4-12-20	2.82
19	Edison	C-106-1945	Mullica Hill, N.J.	4-13-20	3.43
20	Vulcanite	5275	Mullica Hill, N.J.	4-16-20	2.84

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PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
23	Bath	562	Conshohocken, Pa.	10-2-19	2.82
23	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
23	Lehigh	5967	Conshohocken, Pa.	10-24-19	2.72
25	Lehigh	7271	Kingston, Pa.	3-17-21	3.53
25	Nazareth	1840	Kingston, Pa.	3-25-21	3.59
28	PennAllen	2539-758	Philadelphia, Pa.	7-7-20	3.63
30	Atlas	P-12000	Philadelphia, Pa.	7-14-20	3.62
28	Atlas	P-11393	Philadelphia, Pa.	6-15-20	3.32
28	Nazareth	1814	Philadelphia, Pa.	6-16-20	3.52
28	Vulcanite	5377	Philadelphia, Pa.	1-3-21	3.51
28	Bath	686	Philadelphia, Pa.	1-3-21	3.79
28	Coplay	2326	Philadelphia, Pa.	11-15-20	4.23
28	Penn Allen	3105-769	Philadelphia, Pa.	11-23-20	4.03
29	Coplay	2349	Philadelphia, Pa.	3-15-21	3.53
29	Lawrence	2359	Philadelphia; Pa.	3-16-21	3.63
29	Coplay	2348	Philadelphia, Pa.	3-10-21	3.63
30	Lehigh	7258	Philadelphia, Pa.	3-11-21	3.53
32	Atlas	P-11379	Baltimore, Md.	4-26-20	3.00
32	Alpha	K-238	Baltimore, Md.	4-28-20	3.50
32	Lehigh	7189	Baltimore, Md.	2-3-21	3.63
32	Alpha	K-244	Baltimore, Md.	2-3-21	3.48
32	Lehigh	7189	Baltimore, Md.	2-3-21	3.63
32	Alpha	K-244	Baltimore, Md.	2-3-21	3.48
33	Coplay	2221	Washington, D.C.	12-19-19	2.81
33	Hercules	762	Washington, D.C.	12-27-19	2.84
33	Atlas	P-11231	Washington, D.C.	1-16-20	2.82
33	Atlas	P-12055	Washington, D.C.	1-28-21	3.67
33	Lehigh	7204	Washington, D.C.	1-29-21	3.48
33	Atlas	P-11345A	Washington, D.C.	11-20-20	3.57
33	Lehigh	7158	Washington, D.C.	11-27-20	4.17

r. CONTRACT REPORT AS OF MARCH 31st, 1921 SHEET # 86

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
34	Dexter	1463-1582	Richmond, Va.	5-1-20	3.28
34	Nazareth	1610	Richmond, Va.	5-4-20	3.48
36	Atlas	P-12064	Durham, N. C.	3-12-21	4.11
36	Alpha	80-90	Durham, N. C.	3-18-21	3.36
36	Atlas	P-12067	Durham, N. C.	3-21-21	4.11

" CONTRACT REPORT AS OF JUNE 30th, 1921 SHEET # 87

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
3	Knickerbocker	871	Springfield, Mass.	3-14-21	3.71
4	Alpha	B-702	Springfield, Mass.	3-19-21	3.70
5	Coplay	2341	Boston, Mass.	1-14-21	4.06
5	Atlas	B-11155	Boston, Mass.	1-14-21	4.07
7	Alpha	B-549	Hartford, Conn.	12-8-19	2.97
7	Coplay	2063	Hartford, Conn.	12-17-19	2.94
10	Alpha	D-518	Buffalo, N. Y.	3-28-21	3.41
10	Alpha	D-517	Buffalo, N. Y.	3-28-21	2.81
16	Atlas	HV-10010	Poughkeepsie, N.Y.	4-14-21	2.80
16	Atlas	HV-10011	Poughkeepsie, N.Y.	4-15-21	2.83
16	Vulcanite	5371	Rochester, N.Y.	12-15-20	3.72
16	Giant	P-1116	Rochester, N.Y.	1-15-21	3.67
17	Vulcanite	5406	Syracuse, N.Y.	4-4-21	2.94
17	Alpha	D-532	Syracuse, N.Y.	5-18-21	2.67
17	Alpha	D-533	Syracuse, N.Y.	5-23-21	2.94
23	Coplay	2350	New York City	3-8-21	3.40
20	Atlas	MT-11344	New York City	3-9-21	3.4343
22	Atlas	MT-11335	New York City	1-15-21	3.40
22	Nazareth	1831	New York City	1-17-21	3.70
24	Atlas	MT-11312	Long Island City	9-21-20	3.99
20	Atlas	MT-11308	New York City	9-22-20	3.90
19	Atlas	MT-11322	New York City	11-9-20	3.90
21	Atlas	MT-11328	New York City	11-9-20	3.93
20	Atlas	MT-11291	New York City	7-30-20	3.90
21	Atlas	MT-11292A*	New York City	7-30-20	3.65
23	Atlas	MET-11193	New York City	12-22-19	2.65
21	Alpha	N-393	New York City	12-29-19	2.90
25	Dexter	354-1418	Bayonne, N.J.	1-23-20	2.62
25	Nazareth	1727	Bayonne, N.J.	1-24-20	2.65
27	Edison	C-106-1945	Mullica Hill, N.J.	4-13-20	3.43
27	Vulcanite	5275	Mullica Hill, N.J.	4-16-20	2.84

CONTRACT REPORT AS OF JUNE 30th, 1921

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
28	Vulcanite	5426	Passaic, N.J.	5-19-21	2.93
28	Edison	AS-550-40	Passaic, N.J.	5-31-21	1.99-
28	Atlas	NNJ-10968	Roselle, N.J.	3-22-21	2.78
28	Giant	P-1151	Roselle, N.J.	4-6-21	2.93
29	Lehigh	7230	Tenafly, N.J.	2-23-21	3.61
29	Edison	AS-508-7	Tenafly, N.J.	3-1-21	2.86
30	Alpha	CD-762	Altoona, Pa.	3-30-21	2.75
30	Alpha	CD-768	Altoona, Pa.	4-26-21	2.77
31	Bath	562	Conshohocken, Pa.	10-2-19	2.82
31	Dexter	1210-1279	Conshohocken, Pa.	10-11-19	2.75
31	Lehigh	5967	Conshohocken, Pa.	10-24-19	2.72
31	Bath	711	Easton, Pa.	3-29-21	2.78
32	Vulcanite	5414	Easton, Pa.	4-11-21	2.69
32	Atlas	CTR-12024	Harrisburg, Pa.	1-25-21	3.73
32	Atlas	CTR-12025	Harrisburg, Pa.	1-25-21	3.37
33	Atlas	CTR-12026	Harrisburg, Pa.	1-25-21	3.37
33	Atlas	CTR-12027	Harrisburg, Pa.	1-25-21	3.73
33	Lehigh	7271	Kingston, Pa.	3-17-21	3.53
33	Nazareth	1840	Kingston, Pa.	3-25-21	3.59
35	Dexter	1518-1637	Reading, Pa.	6-10-21	2.93
35	Lawrence	2401	Reading, Pa.	6-24-21	2.94
36	Nazareth	1846	Scranton, Pa.	4-9-21	2.93
36	Nazareth	1847	Scranton, Pa.	4-9-21	2.99
39	Coplay	2348	Philadelphia, Pa.	3-10-21	3.63
40	Lehigh	7258	Philadelphia, Pa.	3-11-21	3.53
39	Coplay	2349	Philadelphia, Pa.	3-15-21	3.53
39	Lawrence	2359	Philadelphia, Pa.	3-18-21	3.63
39	Phoenix	2832-792	Philadelphia, Pa.	5-20-21	2.93
39	Coplay	2372	Philadelphia, Pa.	5-24-21	3.03
40	Vulcanite	5431	Philadelphia, Pa.	5-24-21	2.93
39	Coplay	2376	Philadelphia, Pa.	5-25-21	3.03
40	Coplay	2374	Philadelphia, Pa.	5-25-21	2.93

CONTRACT REPORT AS OF JUNE 30th, 1921 — SHEET # 89

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
38	Nazareth	1853	Philadelphia, Pa.	6-6-21	2.93
38	Coplay	2378	Philadelphia, Pa.	6-7-21	3.03
38	Dexter	1517-1636	Philadelphia, Pa.	6-10-21	2.93
40	Lehigh	7518	Philadelphia, Pa.	6-16-21	3.03
40	Nazareth	1854	Philadelphia, Pa.	6-20-21	2.93
38	Lehigh	7417	Philadelphia, Pa.	5-11-21	2.93
39	Edison	C8-49-38	Philadelphia, Pa.	5-16-21	1.99
39	Edison	C8-48-37	Philadelphia, Pa.	5-16-21	1.99
39	PennAllen	3712-803	Philadelphia, Pa.	5-16-21	2.93
40	Vulcanite	5321	Philadelphia, Pa.	6-16-20	3.32
38	Nazareth	1814	Philadelphia, Pa.	6-18-20	3.52
38	PennAllen	2485-754	Philadelphia, Pa.	6-28-20	3.62
38	PennAllen	2939-758	Philadelphia, Pa.	7-7-20	3.63
40	Atlas	P-12001	Philadelphia, Pa.	7-14-20	3.62
40	Atlas	P-12015	Philadelphia, Pa.	8-4-20	3.87
40	Atlas	P-12010	Philadelphia, Pa.	8-6-20	3.62
40	Penna.	1214	Philadelphia, Pa.	9-14-20	3.78
40	Vulcanite	5352	Philadelphia, Pa.	9-22-20	4.03
38	Phoenix	2304-774	Philadelphia, Pa.	10-25-20	4.03
39	Phoenix	2313-776	Philadelphia, Pa.	10-29-20	3.53
39	Phoenix	2314-777	Philadelphia, Pa.	11-1-20	3.53
39	Coplay	2325	Philadelphia, Pa.	11-10-20	4.23
39	Coplay	2326	Philadelphia, Pa.	11-15-20	4.23
38	Penn Allen	3105-769	Philadelphia, Pa.	11-23-20	4.03
38	Dexter	2-1623	Philadelphia, Pa.	11-30-20	
40	Atlas	P-12045	Philadelphia, Pa.	12-17-20	3.79
39	Coplay	2336	Philadelphia, Pa.	12-29-20	3.99
38	Vulcanite	5377	Philadelphia, Pa.	1-3-21	3.51
38	Bath	686	Philadelphia, Pa.	1-3-21	3.79
40	Atlas	P-12053	Philadelphia, Pa.	1-25-21	3.79
39	Giant	P-1125	Philadelphia, Pa.	1-29-21	3.73
38	Penn Allen	3188-774	Philadelphia, Pa.	2-1-21	3.53
43	Hercules	1014	Baltimore, Md.	2-2-21	3.46
42	Lehigh	7189	Baltimore, Md.	2-3-21	3.63
43	Alpha	K-244	Baltimore, Md.	2-3-21	3.48

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CONTRACT REPORT AS OF JUNE 30th, 1921 SHEET # 90

PAGE IN BOOK	COMPANY	CONTRACT	DELIVERY POINT	DATE OF CONTRACT	PRICE
42	Atlas	P-11379	Baltimore, Md.	4-26-20	3.00
43	Alpha	K-238	Baltimore, Md.	4-28-20	3.50
45	Atlas	P-12087	Norfolk, Va.	5-16-21	3.07
45	Lehigh	7451	Norfolk, Va.	5-25-21	3.04
46	Dexter	1463-1582	Richmond, Va.	5-1-20	3.28
45	Nazareth	1810	Richmond, Va.	5-4-20	3.48
48	Atlas	CTR-12046	Wheeling, W.Va.	3-23-21	3.39
48	Alpha	VA-170	Wheeling, W.Va.	3-24-21	3.27
49	Giant	P-1163	Whiteville, N.C.	5-11-21	3.56
49	Atlas	P-12086	Whiteville, N.C.	5-12-21	3.53

[fol. 2835] DEF'TS' EX. No. D-642

Western Union Telegram

October 19, 1916.

Lehigh Portland Cement Co., 30 E. 42nd St., New York, N. Y.:

Effective immediately dollars fifteen Lehigh Valley dollar twenty-five Hudson. Advise salesmen.

Lehigh Portland Cement Co.

[fol. 2835½] DEF'TS' EX. No. D-643

Giant Portland Cement Company

Philadelphia, Pennsylvania

October 20th, 1916.

Mr. S. N. Peters:

Effective at once, in quoting prices, please make same on the following mill bases:

Lehigh Valley	$1.15	net	dealer.
Hudson River	1.25	"	"
Universal	1.20	"	"
Fordwick	1.25	"	"
Union Bridge	1.25	"	"

In figuring Baltimore, Md. use a minimum freight rate from Union Bridge of 15c, or minimum price to dealer in Baltimore, $1.80 cloth f. o. b. cars.

Yours truly, R. E. Griffith, Vice President.

[fol. 2836] DEF'TS' EX. No. D-644

The Atlas Portland Cement Co.

Philadelphia

For the attention of Mr. D. H. MacFarland.

Philadelphia, 10/20/16.

With reference to phone conversation of even date The Maryland Lime & Cement Co. of this city rec'd a quotation today from The Lehigh Port Cement Co. quoting price of $1.80 per Bbl. in Cloth Bags, F. O. B. cars Balto. Md. Above information from a very reliable source.

Yours very truly, L. V. Costello.

[fol. 2836½] DEF'TS' EX. NO. D-645

The Atlas Portland Cement Co.

New York

For the attention of Mr. C. A. Kimball.
(Copy to Mr. MacFarland.)

New York, October 20, 1916.

Messrs. Rafael del Castillo & Co., advised me at 2:30 P. M. today that the Lehigh Portland Cement Company had quoted them price of $1.57 per barrel f. o. b. cars Jersey City, and $1.70 per barrel delivered alongside steamer New York Harbor.

Yours very truly, A. L. Stark.

[fol. 2837] DEF'TS' EX. NO. D-646

October 20, 1916.

Superseding general price memorandum of April 5th, the prices for your territory, effective today, are as follows:

Westchester & Putnam Counties, N. Y.; Long Island, N. Y. (from Northampton); Connecticut (West of the Connecticut River), $1.15 in bulk Noh. or $1.25 in bulk Hudson.

Prices for Staten Island points where delivery by water can be made, are to be $1.77 per barrel delivered f. o. b. cars same as price for water delivery with a minimum of $1.10 Northampton.

Prices for delivery by water, New York Harbor, within lighterage limits to be $1.77 per bbl. alongside, subject to water delivery schedule dated August 19, 1915—in 1,000 barrel lots.

Prices for delivery alongside Staten Island to be $1.77 per barrel delivered in 1,000 barrel lots.

Prices for delivery alongside or f. o. b. cars Hudson River points from Spuyten Duyvil north to be $1.77 per barrel delivered—shipment from Hudson.

[fol. 2837½] Before quoting for delivery by truck, bring up for consideration.

For extended delivery other than New York City, $1.15 in bulk Northampton, or $1.25 in bulk Hudson.

For extended delivery in New York City, bring up all inquiries for special consideration.

For all points where there are two or more railroad deliveries taking different freight rates, prices based on the lowest freight rate shall be quoted for all deliveries, provided a bulk of not less than $1.05 Northampton or $1.15 Hudson, can be protected in making the delivery taking the highest rate.

Freight shall be figured at 380 lbs. on cement in bags and 400 lbs. in cooperage; fractions less than one-half cent (½c) to be dropped and one cent (1c) added for fractions of one-half cent (½c) or more.

Freight rates used in making rail prices are to be those shown in printed Association books.

For packages add to bulk price 40c per bbl. if packed in cloth, 10c per bbl. in cooperage, 12c per bbl. in paper.

Cloth bags are redeemable at 10c each.

Quotations to others than dealers and U. S. Government to be 5c per bbl. higher than dealer's price.

Kindly issue quotations today to all concerns at these prices, for prompt acceptance, and shipment within fifteen (15) days after date of order.

Yours very truly, C. A. K.

[fol. 2838] DEF'TS' EX. No. D-647

October 20, 1916.

The Atlas Portland Cement Co., Boston, Mass.:

Confirming telephone instructions today, prices to dealers in your territory, effective immediately, are to be figured on basis of $1.15 bulk Northampton or $1.25 bulk Hudson. Prices to all others to be 5c per barrel higher except that dealers' prices may be quoted to the U. S. Government.

Quotations are to be issued today to concerns on your mailing list, for prompt acceptance and shipment within 15 days after date of order.

These prices effective until further notice.

Yours very truly, —— ——. SAP-MW.

DEF'TS' EX. No. D-648

The Atlas Portland Cement Co.

New York

Memorandum

Nov. 13, 1916.

Philadelphia office told me over phone today that Robert Patterson Sons, dealers in Philadelphia, had received Lehigh quotation dated Nov. 11th, advancing their price 10c.

L. G. M.

[fol. 2839] DEF'TS' EX. NO. D-649

Telegram

Boston, Mass., 10:29 A. M., Nov. 13, 1916.

Atlas Portland Cement Co., 30 Broad Street, New York:

Kimball Lehigh quotations dated November eleventh issued from Penna office fifteen days shipment immediate acceptance are based on claw Boston confirmed by us at three different points as being centaury per bbl advance paper bags cephalopod per bbl less.

The Atlas Portland Cement Co.

NOTE.—Centaury=10c; Cephalopod=25c.

[fol. 2839½] DEF'TS' EX. NO. D-650

Boston Office, Nov. 13, 1916.

Confirming advice given you over phone today—your prices effective today are advanced 10c per barrel, making your basing prices to dealers $1.35 Hudson—$1.25 Northampton—the usual differential being observed when quotations are issued to contractors or consumers. Any prices made for delivery by water are also advanced 10c per barrel. A full issue of dealers' quotations are to be sent out to all territory affected by this change in price.

As verbally instructed, we do not want to extend any quotations at the old price, or actively solicit any business on outstanding quotations, which are to be revised to the new basis as soon as they have expired. In issuing quotations for extended delivery on the new basis, the time for acceptance is to be kept down to the minimum—not to exceed 5 days where contract is awarded—and 7 days for figuring purposes, unless there are some special cases where a trade position warrants giving a quotation for figuring beyond 7 days, when the quotation may be issued for a period not exceeding 15 days. Please do not issue any quotations for large quantities without first taking the matter up.

[fol. 2840] This increase of 10¢ per barrel also automatically increases your Stockton Springs base. However, we do not want any quotations made on basis of Stockton Springs, on quantities of any size, where the actual shipments would net us less than $1.15 Northampton—$1.25 Hudson, unless there are some very exceptional reasons for doing this, and in these cases we would like to have each one taken up before we are committed. In any event, we do not want to make these absorptions on basis of Stockton Springs, on any sizeable quantities, unless there is some real trade position involved.

Effective at once, your paper price is also advanced 13¢ per barrel—now making the price for shipment in paper 25¢ per barrel less than the price in cloth; in other words, you are to figure the

value of the paper package at 15¢ per barrel in building up prices, instead of 12¢ as heretofore.

Yours very truly, —— ——. FBM-MH.

[fol. 2840½] DEF'TS' EX. No. D-651

Re Frymier & Hanna, 25 West 42nd St., N. Y. C.

Nov. 21st, 1916.

Coplay Cement Mfg. Company, Philadelphia, Pa.

Attention of Mr. Dutton

DEAR SIRS: Mr. W. W. Bale met Mr. Hanna of the above concern today and he offered contract for 5,000 bbls. for use in Reformatory at New Hampton, N. Y., at the $1.20 mill base or $1.92 per bbl. f. o. b. cars New Hampton, N. Y. He also stated that he had several quotations for this job, one of which was from the Pennsylvania Cement Company which expires November 25th. As this job is in territory handled by your office, it is possible that you have already covered same with quotation.

Kindly 'phone this office on the 22nd instant advising us if you desire to enter into this arrangement.

Yours very truly, Coplay Cement Mfg. Co., per —— ——.

Mr. Dutton advised by phone, 11-22-16 A. M., that it was O. K. to accept on $1.20 mill base.

[fol. 2841] DEF'TS' EX. No. D-652

Telegram

Jan. 12, 1917.

To Mr. L. E. Browning, 436 Potomac Ave., Buffalo, N. Y.:

Effective immediately dollar thirty five Lehigh Valley, dollar forty five Hudson, Universal unchanged.

Lehigh Portland Cement Co.

[fol. 2841½] DEF'TS' EX. NO. D-653

January 15, 1917.

Superseding price memoranda of Nov. 13th and 23rd—prices for your territory, effective today, are as follows:

Vermont	$1.35	bulk Noh. or $1.45 bulk Hudson.
New York (except Putnam and Westchester Counties, New York City and Long Island).	$1.35	bulk Noh/ or $1.45 bulk Hud.
	$1.35	bulk Universal, Pa., subject to min. of $1.00 Noh/ or $1.10 Hud.
	$1.45	bulk Catskill (the largest difference we will have to absorb is 18¢ per barrel).
	$1.55	bulk Hud. for points on the Albany Southern R. R. in small lots. Points on the Hudson River to be quoted f. o. b. cars same price as established price for delivery by water except where the rail price figures lower.
[fol. 2842] New Jersey	$1.35	bulk Northampton.
Pennsylvania (west of and including McKean, Cameron, Clearfield, Blair and Bedford Counties).	$1.35	bulk Northampton.
	$1.35	bulk Universal, Pa., min. of 1.00 Noh.
	$1.45	bulk Union Bridge, Md., Min. 1.00 Noh.
West Virginia	$1.45	bulk Fordwick, Va., min. 1.00 Noh.
		Minimum freight rate from Universal to Pittsburgh and Allegheny, or other points takin- rate of 60¢ per ton or less will be 11¢ per bbl.
		See paragraph at end of memorandum regarding prices to consumers, etc.
Texas	$2.00	in cloth f. o. b. dock Houston Texas and Galveston, Tex. for local consumption.
	$2.15	in cloth f. o. b. dock Beaumont, Port Arthur, Orange. Prices to others than dealers, 10¢ higher than to dealers.

North Carolina, Virginia.....	$1.70	bulk Washington, Newbern, Elizabeth City, Edenton, Belhaven, Hartford, Morehead City, Beaufort and
[fol. 2842½]		points similarly situated, subject to min. of 95¢ bulk Noh.—for local use.
	$1.35	bulk Noh.
	$1.70	bulk Wilmington, N. C.
	$1.40	bulk Kingsport—min .95 Noh.
	$1.40	bulk Richard City, min .95 Noh.
	$1.35	bulk Univ. min. $1.00 Noh.
	$1.45	bulk Fordwick or Union Bridge min. 1.00 Noh.
South Carolina, Georgia.....	$1.70	bulk Charleston, S. C., Brunswick, Ga., Savannah, Ga.
	$1.40	bulk Richard City or Kingsport, subject to min. .95¢ Noh.
	$1.45	bulk Fordwick or Union Bridge, subject to min. 1.00.
Florida	$1.70	bulk Jacksonville, Fla.
	$2.35	in cloth Key West for local use.
	$1.40	bulk Richard City or Kingsport, Min/ 95 Noh.
[fol. 2843]		To points where freight rate of $1.00 per ton from Jacksonville to Tampa plus rate from Tampa to destination is less than through rate from Jacksonville to destination, the combination rate is used in figuring prices.

Water prices to be quoted in accordance with freight schedule dated August 19th, 1915.

Freight rates used in making prices are to be those printed in Association books for such territory that these books cover.

Freight shall be figured at 380 pounds per barrel on cement in bags and 400 pounds per barrel in cooperage; fractions of less than one-half cent to be dropped and one cent added from fractions of one-half cent or more.

For packages add to bulk 40¢ per barrel if packed in cloth, 45¢ per barrel in cooperage, and 15¢ per barrel in paper.

Cloth bags redeemable at 10¢ each.

For points where there are two or more railroad deliveries taking different freight rates, prices figured on lower rate shall be quoted

for all deliveries provided we do not reduce our established mill base more than 10¢ per barrel in so doing.

Quotations to dealers in Erie, Crawford, Mercer, Venango, Lawrence, Butler, Clarion, Armstrong, Beaver, Allegheny, Westmoreland, Washington, Fayette and Greene Counties in Pennsylvania, and Hancock, Brooks, Ohio, Marshall, Wetzel, Tyler, Pleasants, Wood, [fol. 2843½] Jackson, Mason, Cable and Wayne Counties in West Virginia, for delivery outside their recognized home town, are to be 10¢ per barrel over the local dealer's price.

Quotations to contractors and owners to be 10¢ per barrel higher than dealer's prices.

Take up for special authority inquiries for railroad work.

Kindly issue quotations today to all concerns, except the South at these prices, for prompt acceptance, and shipment within fifteen (15) days after date of order.

Yours very truly —— ——. SAP-GED.

[fol. 2844] DEF'TS' EX. NO. D-654

The Atlas Portland Cement Co.

Philadelphia

For the attention of Mr. L. G. McConnell, New York City.

Philadelphia, January 16, 1917.

We issued quotations last night to all dealers in territory covered by this office, increasing our old price 10¢ per barrel. The present bases on which we are quoting, are as follows:

$1.35.....Lehigh Valley.
$1.45.....Union Bridge.
$1.45.....Fordwick.

We did not say anything in our quotations about the increase in the cost of wooden package, as we have very few cases where prices are wanted in wood, and they are all on direct inquiries.

[fol. 2844½] As I told you when you were in the office here yesterday, we have a number of jobs on which we have quoted on the old base, and where our quotations are about to expire or have expired.

In accordance with the general talk we had with you about these quotations, we will follow them up on the old basis, for a period not exceeding fifteen days in any case, and, where it is possible. we will handle these by direct solicitation of salesmen, but there may be some cases where we will have to make our extension in writing, and we will do this when it is considered advisable, although there should not be very many of these cases.

Yours very truly, F. B. McKenna. FBM-FCC.

[fol. 2845] DEF'TS' EX. NO. D-656

Telegram

Philadelphia, Penna., Jan. 15, 1917.

Giant Portland Cement Co.:

Bank of Commerce Building Norfolk Virginia effective immediately our price has advanced ten cents per barrel advise Peters and Gibson.

R. E. Griffith.

[fol. 2845½] DEF'TS' EX. NO. D-657

Nazareth Cement Company

Inter-Departmental Correspondence, Nazareth Sales Office

Date: January 16th, 1917.
Subject: ——.

To John W. Ramsay, Sales Mgr. Boston Office:

Confirming our telegram of this day and replying to your night letter regarding cement to City of Worcester, Mr. Horner says the price to dealers on this work is $1.35 Lehigh Valley base and which is the new price effective yesterday the 15th inst.

Yours truly, —— ——.

[fol. 2846] DEF'TS' EX. NO. D-658

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, Feb. 24, 1917. Salesman: H. A. Swett. Office· Allentown.

1. What information regarding competitors or quotations did you get during the week?
All Companies quoting 1.35 Mill.

2. What special inducement of any nature are competitors offering in your territory?
Abrew & Cooper, Elizabeth, N. J., closed with Bath 1,000 bbls. at 1.25 Mill price on Standard Elec. Co. job with Solomon & Son, Arlington, N. J., Contrs.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Harry Whyte of Edison. Business poor.

[fol. 2846½] 5. Give the complete history of any complaints that you may have on competitors' brands of cement.
None.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Heard no complaints.

7. What suggestions have you for improving our methods of handling business in your territory?

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
Reported on pink sheet.
Building Elizabeth. McManus Bros. (Owner).

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Fair.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?
Good.

Remarks.

Yours very truly, H. A. Swett, Salesman.

[fol. 2847] DEF'TS' EX. No. D-659

The Atlas Portland Cement Co.

Philadelphia

For the attention of the Atlas Portland Cement Co., New York City.

Philadelphia, March 17th, 1917.

I understand that the Giant Cement Company are out of the Baltimore market, which probably means that they are probably pretty well sold up.
We received this information from the Hudson Cement & Supply Company who handle Giant.

Yours very truly, F. B. M.

[fol. 2847½] DEF'TS' EX. No. D-660

Telegram

March 26th, 1917.

Mr. Herbert Grey, 121 Laburnum Crescent, Rochester, N. Y.:

Effective immediately dollar fifty Lehigh Valley, dollar sixty Hudson, dollar fifty-five Universal.

Lehigh Portland Cement Co.

[fol. 2848] DEF'TS' EX. No. D-661

Telegram

Philadelphia, Penna., 2.40 p. m. Mch. 27, 1917.

Giant Portland Cement Co., Bank of Commerce Bldg., Norfolk, Va.:

Immediately effective net cement mill dealer one fifty Lehigh Valley one sixty-eight Union bridge one sixty Fordwick one fifty Richard City and Kingsport one fifty-five Universal Mitchell Bellvue one eighty South Atlantic ports advise Gibson.

R. E. Griffith.

[fol. 2848½] DEF'TS' EX. No. D-662

Telegram

New York, N. Y., Mar. 28, 1917.

D. H. MacFarland, Atlantic Beach Hotel, Flo.:

Your telegram recd. we have information that one or two of our smalles competitors in the export field are quoting on somewhat higher basis than they were last week but up to date have not been able to develop any information which indicates a higher level of export prices on part of large factories in the field are watching this closely.

L. G. McConnell.

[fol. 2849] DEF'TS' EX. No. D-663

Telegraph Blank

Atlantic Beach, Flo., 12.51 p. March 28, 1917.

L. G. McConnell, Atlas P. C. Co., 30 Broad St., N. YK.:

Satisfactory to send quotations Meeting prices of representative competitors both Hudson and valley fifteen up under new conditions export is out of line develop this.

D. H. MacFarland.

[fol. 2849½] DEF'TS' EX. No. D-664

McKenna, Philadelphia, May 4, 1917.

We want to modify our present instructions regarding the handling of quotations for specific work.

Some time ago we tightened up a little bit on our method of handling, and we intended to continue along this line, but we don't want you to get the idea that we do not want business. We want to close up within the next few days all the business that we can get at "top" prices; that is, at prices which net us $1.50 Northampton and $1.60 Hudson for extended delivery business.

We want you to guide your quotations, however, so that there will be none issued for longer than 5 days without taking the matter up with us; that you will not issue a quotation for more than 10,000 bbls. on any one job without taking the matter up with us; and that you will not have outstanding at any one time more than 100,000 bbls. in quotations in total.

In order to guide us here in the office in our judgment of conditions, will you please arrange to send in each night a tissue copy of all quotations issued; each copy will have on it in pencil or pen figures, the price net to us at either Hudson or Northampton on the [fol. 2850] job in question. Please send us also copies of any extensions with the information on the price.

On trade business it will be satisfactory to use a minimum of $1.25 at Northampton, making this only when necessary to meet competitive prices which, as we understand it, are based on $1.55 Pittsburgh, $1.70 Mitchell, $1.70 Bellevue, $1.60 Fordwick, $1.60 Kingsport and $1.60 Richard City.

Yours very truly, —— ——. LGM-MH.

P. S.—Please send me each night a slip of paper with the total amount of your outstanding quotations on it.

[fol. 2850½] DEF'TS' EX. No. D-665

Telegram

Allentown, Pa., March 20th, 1918.

To Mr. E. G. Brick, Norman Hotel, Ogdensburg, New York:

Effective immediately forty cents per barrel advance. Acknowledge receipt.

W. E. Erdell.

(Prepaid. Chge. Penn-Allen Cement Co.)

[fol. 2851] DEF'TS' EX. NO. D-636

March 20th, 1918.

W. B. Abbey, Inc., 514 Essex Bldg., Newark, N. J.

GENTLEMEN: As phoned you today we have advanced our price forty cents per barrel effective immediately and have asked you to forward quotation sheets today to all customers in your territory.

Yours truly, Penn-Allen Cement Company.

[fol. 2851½] DEF'TS' EX. NO. D-667

Telegram

Phila., Pa., Mar. 20, '18.

S. N. Peters, care Giant Portland Cement Co., Norfolk, Va.:

Effective immediately in figuring prices use one ninety Lehigh Valley one seventy Universal two dollars Richard City Kingsport Fordwick dealers bases plus bags plus freight.

R. E. Griffith.

[fol. 2852] DEF'TS' EX. NO. D-668

Alpha Portland Cement Co.

Easton, Pa.

Confirmation of Telegram Sent This Day

Easton, Pa., March 21, 1918.

To Alpha Portland Cement Company, Oliver Building, Pittsburgh, Penna.:

Effective immediately advance price forty cents per barrel except Ohio extend no old quotations.

Alpha Portland Cement Co.

[fol. 2852½] DEF'TS' EX. NO. D-669

March 21, 1918.

MR. KENT: This will confirm my telephone conversation with you advising you, effective at once, all prices are advanced 40c per barrel. Please do not renew any outstanding quotations except at the new price. In other words, when these quotations expire, do not renew them unless you use the new price.

The conditions in our business are very serious and we do not want to be obligated for any orders which we will not be able to fill. Kindly cooperate with us in this matter, and oblige,

Yours very truly, —— ——, 2nd Vice President. FMC-H.

[fol. 2853] DEF'TS' EX. No. D-670

(Boston)

March 21, 1918.

MR. SANTEE: This will confirm my telephone conversation advising you, effective immediately, all prices are advanced 40c per barrel. Any orders for spot shipment which are placed with you before the quotations which we are mailing today reach your customers, would have to be accepted at the old price. You must not, however, make any new quotations at the old price and as the old quotations expire please do not renew them except at the new price.

The conditions in the manufacturing and shipping end of our business are so acute that we have been compelled to make this advance in our price. It has been impossible for us to secure a sufficient supply of coal to operate only a very small percentage of our capacity and on account of this small output our costs have been very materially increased. We are also having considerable trouble in getting bags returned to our mill, and while we know a great many shipments are held up by embargoes, in case your field men come across any bags which can be returned to us, please have them use every possible effort to have the bags shipped in.

Yours very truly, —— ——, 2nd Vice President. FMC-H.

[fol. 2853½] DEF'TS' EX. No. D-671

March 21, 1918.

Representatives' Notice

#80

Price

Effective today, and as per advices given to all our representatives, price of Dexter Portland Cement is advanced 40 cents per barrel above prices heretofore, in effect at all points regardless of competitive conditions.

Coal Shortage

The necessity for this action has been brought about by a coal scarcity which is becoming more serious each day with no prospects of relief. It is possible that this condition may be relieved at an

earlier date than we anticipate. On this account, and because we have not much cement on hand and have numerous contracts which we are obligated to fill, it would seem inadvisable to make any quotations at the advanced price, excepting on very small contracts or on single carloads for shipment within fifteen days. Please be guided accordingly and report conditions as you find them in your territory.

Industrials

The practice of quoting for requirements of manufacturing plants and concrete product plants has not met with our approval in recent [fol. 2854] years, altho we have made a few exceptions. Unless otherwise advised we will not make any exceptions along these lines but will quote for delivery over a period of more than fifteen days to cover definite specific contracts only. This eliminates quoting for requirements of boroughs, towns, cities, etc.

Freight Rates

Effective April 15th, in the territory lying east of the Central Freight Association territory, which is practically the Buffalo-Pittsburgh Line, all freight rates will be advanced 20 cents per ton. In the territory west of the above mentioned line, the same advance will become effective April 1st.

—— ——, Manager of Sales. RWH:C.

[fol. 2854½] DEF'TS' EX. No. D-672

Telegram

From Allentown, Pa., March 22, 1918.

To Mr. W. W. Harder, 1215 Herbert St., Frankford, Philadelphia, Pa.

Effective immediately price is dollar ninety Lehigh Valley, Universal, Fordwick and Kingsport. Union Bridge two naught eight.

Lehigh Portland Cement Company.

[fol. 2855] DEF'TS' EX. No. D-673

The Lawrence Cement Company

No. 1 Broadway, New York

March 23, 1918.

Effective at once, please quote on new business for Dragon Portland Cement at an advance of forty (40) cents per barrel over previous price.

Yours very truly, F. H. Smith, Sales Manager.

[fol. 2855½] DEF'TS' EX. NO. D-674

April 4, 1918.

Sales Department

Effective at once. Use the following basing point prices in quoting Hercules Cement to dealers:

$1.90—Lehigh Valley.
$2.00—Hudson.
$2.00—Alsen.
$1.85—Universal.
$1.90—Fordwick.
$1.85—Mitchell.
$1.85—Bellevue.
$2.08—Union Bridge.
$2.38—New Orleans.
$2.38—Wilmington.

The above prices are net prices at the basing points and do not include bags. The usual cloth and paper sack charge and allowance remains unchanged.

In quoting consumers the usual differential as before advised applies, except in New York State where the policy of this Company will be to first try to quote through a dealer in the town in which the job is located and in the event of being unable to make satisfactory [fol. 2856] arrangements with a dealer in the town where the job is located, the differential that is used by the dealers in that town will be used. In no towns will a differential less than 10¢ be used.

In figuring prices from Universal use a minimum freight rate of 11¢ per barrel to all points.

In figuring prices from Union Bridge use a minimum freight rate of 15¢ per barrel to all points.

Effective at once. Use the following prices for export:

$3.00 per barrel in wood alongside steamer New York.
$2.85 " " " cotton " " " "
$2.87 per barrel in wood f. o. b. cars Jersey City.
$2.72 " " " cotton f. o. b. " " "

All export shipments subject to a discount of 2¢ per barrel for cash in ten (10) days from date of invoice.

Very truly, Hercules Cement Corporation. E. B. Goode, Jr.

[fol. 2856½] DEF'TS' EX. NO. D-675

The H. Wales Lines Co.

Strictly Confidential

April 24, 1918.

The Allentown Portland Cement Co., Allentown, Pa.

Attn. Mr. R. L. Cope

GENTLEMEN: We enclose herewith copy of a letter from the Engineers and Architects for the Gilbert & Barker Mfg. Co., which [fol. 2857] Company is a branch of the Standard Oil Company, as explained to Mr. Cope in New York recently.

As you know we have been doing some work for the Gilbert & Barker Mfg. Co., and there is quite a big job now under consideration. It is necessary for us to know at once what to say to these Architects, and what we say to them may be favorable or detrimental to our interests in connection with this contract, depending upon the price which the Standard Oil Co. may have for cement, and the price which we are able to name them. Please give us all the information you can regarding this matter at the earliest possible date.

You will understand that this is not a contract that we already have, but one that we hope to be able to get.

You will also note that they name Nazareth Portland Cement in their letter, which should be Allentown.

Respectfully, The H. Wales Lines Co. S. Tredennick.

April 22, 1918.

The H. Wales Lines Company, Meriden, Connecticut.

GENTLEMEN: We would greatly appreciate it if you will, at your earliest convenience, send us a letter stating the cost of Portland [fol. 2857½] cement, F. O. B. cars West Springfield, on which you will base your estimate for construction of additions to plant of Gilbert & Barker Manufacturing Co. We of course understand that you are agents for Dexter & Nazareth Portland Cement and we can assure you that the information will be treated as absolutely confidential by both the Owners and ourselves.

The reason for asking this information is due to the fact that the Gilbert & Barker Manufacturing Company is able to secure very low figures on Portland Cement through their associations with the Standard Oil Company. If they can furnish it cheaper themselves they would like to use their figures.

Thanking you in advance for your courtesy, we are.

Very truly yours, McClintock & Graig. Edward H. McClintock.

[fol. 2858] DEF'TS' EX. No. D-676

April 25, 1918.

The H. Wales Lines Co., Meriden, Connecticut.

Attention of Mr. Tredennick

DEAR SIR: Your letter of the 24th received in regard to new work to be done by the Gilbert & Barker Mfg. Co., West Springfield, Mass.

We have also read the letter from the architects themselves, dated April 22nd, and do not doubt that if they have connections with the Standard Oil Co. that they will be able to purchase cement at Standard Oil price. Standard Oil has yearly requirements for delivery to various points, but there is always a question whether a cement company that has a contract with the Standard Oil Co. will permit deliveries to any point not mentioned in the contract.

The cement situation today is very unusual and I very much fear that a great deal of new work will be held up on account of inability to get cement. Most of the mills of the Lehigh Valley have been compelled to close down practically the first three months of this year 50%, on account of inability to get coal. On the other hand, we are advised by good authority, that the Government will use more [fol. 2858½] cement than they originally anticipated, in fact, it is very probable that 75% or even more of the cement that the manufacturers can make for the remainder of the present year will be taken by the Government.

You can readily see that the shortage of cement on the one side, and the Government requisitioning practically all of the cement, that there are no inducements for us, or for anybody else to offer their cement at any price lower than the present market price.

Yours very truly, The Allentown Portland Cement Co. ——
——, Manager of Sales. R. L. Cope:G. E. R.

[fol. 2859] DEF'TS' EX. No. D-677

Telegram

Fairmont, W. Va., June 13, 1918.

Pennsylvania Cement Co., New York, N. Y.:

Fuel Administration has embargoed all coal to cement companies for this week including coal from Pennseco mine do you think it advisable for me to remain here and watch situation answer.

A. T. Reynolds.

[fol. 2859½] DEF'TS' EX. No. D-678

Boston, Mass., April 3rd, 1918.

Windsor Cement Company, 161 Devonshire St., Boston, Mass.

GENTLEMEN: Please refer to our quotations of March 27th and 30th covering the requirements of the Contagious Hospital Buildings at Middletown, Mass. and the Tuberculosis Hospital at Waltham, Mass. for which bids are to be opened on April 11th and 16th respectively. We ask that you kindly consider these quotations cancelled, because we are compelled to shut down our works owing to inability of securing coal for continuance of operation. You know that the Government is controlling the consumption of coal and has compelled us to withdraw from the market until such times as conditions adjust themselves.

We thank you for the opportunity of quoting on this business and we will be very glad to notify you when we are again in a position to make quotations or shipments.

Yours very truly, Giant Portland Cement Co. —— ——,
New England Manager.

[fol. 2860] DEF'TS' EX. No. D-679

War Service Committee on Portland Cement

30 Broad Street, New York City, January 9, 1919.

To Cement Companies:

Attached herewith please find copy of letter written to me as Chairman of the War Service Committee on Portland Cement, by Mr. Bernard M. Baruch, Chairman of the War Industries Board, dated December 18th; copy of letter from Mr. Humphrey, dated December 19th, and copy of my acknowledgment to Mr. Humphrey, dated January 6th.

Yours very truly, John R. Morron, Chairman.

[fol. 2860½] DEF'TS' EX. No. D-680

United States War Industries Board

Bernard M. Baruch, Chairman

Washington

December 19, 1918.

Mr. John R. Morron, Chairman War Service Committee on Portland Cement, 30 Broad Street, New York City.

MY DEAR MR. MORRON: In transmitting the enclosed letter from Mr. Bernard M. Baruch, Chairman of the War Industries Board,

officially notifying you of the termination of the activities of your Committee January 1, 1919, may I add a few words of my own in appreciation of the splendid cooperation of yourself and your associates.

In spite of the adverse effect of the war upon the building industry which so restricted its activities that the disastrous conditions increased as the war continued, your industry loyally and patriotically met the necessities imposed by the war, even when it ultimately meant the closing of the business.

The task with which the undersigned, as Chief of the Building [fol. 2861] Materials Division, was confronted was so great that what would otherwise have been a most difficult situation was met through the invaluable assistance of the War Service Committee and whatever success may have resulted from the work of the Division is due largely to such assistance and co-operation.

While our official relations close with the present year, I shall always be deeply interested in the success of your industry; I sincerely trust that the very pleasant friendships that have been established may continue and that the intimate associations between the members of your industry, brought about through the work of your Committee, may also continue to its great benefit.

In heartily thanking you and your associates for your very generous and highly efficient support, I wish to extend to you and through you to them my very best wishes for Christmas, and to express the hope that the New Year may be one of the greatest prosperity for your industry.

Very truly yours, Richard L. Humphrey. Richard L. Humphrey, Director of Building Materials, Building Materials Division, War Industries Board.

[fol. 2861½] DEF'TS' EX. NO. D-681

United States War Industries Board

Bernard M. Baruch, Chairman

Washington

December 18, 1918.

Mr. John R. Morron, Chairman War Service Committee on Portland Cement, 30 Broad Street, New York City.

MY DEAR MR. MORRON: At the close of the activities of the War Industries Board, it is but simple justice to express our appreciation and gratitude for the loyal support given us by the industries of the nation.

As Chairman of the Board, I offer on behalf of my associates and myself a tribute of thanks to the patriotism and devotion shown by the entire commercial body of America. Its members have made service, and not profit, their rule. They have shown a desire to

subordinate itself and exalt public interest, and to this readiness to [fol. 2862] make sacrifices in the common cause has largely been due whatever success we may have been able to attain. I would be doing the industries in America an injustice if I did not make this acknowledgment.

May I express the hope that this same spirit may continue in times of peace, so that problems affecting all may be approached in the same spirit of helpful co-operation that has prevailed during the period of the war.

May I, through you, send this message of gratitude to you and to your loyal co-workers in the great industry which you have so ably represented.

Sincerely yours, Bernard M. Baruch, Chairman.

[fol. 2862½] DEF'TS' EX. NO. D-682

The Atlas Portland Cement Co.

New York

For the attention of Mr. MacFarland, Birmingham, Ala.

New York, Jan. 30, 1920.

I believe we are going to be quite short of cement, and I think it is entirely unwise to take any business now, except for exceptional reasons, which nets us less than our mill base prices at the various plants.

I think Mr. Burch wrote you a little while ago that you might take some business in the South that would net us about 1.57, but I think we are throwing our — away to do it now under these conditions. If — supply it they may be able to get it from such — the Alpha, Vulcanite and Giant up here, but — get it from the southern mill [fol. 2683] because the — [mutilated] it to them, and if they do get it from the concerns above mentioned upon here, it means that they later on will not be able to fill their contracts where it will do them a lot of harm not to fill them.

I therefore would like to put a very decided soft pedal on any business anywhere that is not natural territory to us, and at least where we do not secure our full mill base price. Of course there are cases where you have got to do a little warehouse business with the dealers, but you do not have to accept contracts which they may offer you, even for small amounts.

I think that taking the entire business into consideration, other people are being oversold. I believe that only about 50 or 60% of the contract business will be taken, but in spite of that I believe your dealer business is going to be so large that it will stampede things later on, and you won't be able to fill your orders, not only because you haven't the cement, but possibly because you could not ship it anyhow, and therefore I want to devote from now on, all of

our ability to taking care of natural Atlas customers, and not spread out into territory that is meant to take care of surpluses.

Yours truly, J. R. M.

[fol. 2863½] DEF'TS' EX. No. D-683

Feb. 16, 1920.

MacFarland, Birmingham, Ala.:

I answered yours of the 13th by wire today, of which I enclose copy.

I have not a doubt but what we could secure $1.75 Northampton in many cases in Ohio, Indiana and Michigan, but I believe that it would impress the dealers with the fact that we were trying to make all the money we could out of a situation, and I would much rather quote him as much as you can from Hannibal, and have it explained to him as to why we cannot ship him more, and then if in certain cases, such as you experienced last year with the Standard Oil and the Central Manufacturing Co., and others, if they should consider it a favor of the Atlas Company to ship from Northampton at $1.75, we would make every effort to do so in special instances, but, as explained to you in mine of the 9th, I think it would be very unwise to make quotations now on Northampton base for the reason that I do not believe we will be able to ship it, as well as for the fact that I think the impression would be decidedly detrimental in the long run, as above outlined.

[fol. 2864] The fact of the matter is we are getting into such shape, owing to climatic conditions and the jumble that the railroads will find themselves in on March 1st owing to past federal operation, that we are going to have our hands absolutely full taking care of the business into natural territory from the east, and when we add to this the business already accepted in the middle west to go from Northampton, it would, in my judgment, be entirely wrong to take on more business, which would tend to make all dissatisfied.

Let us go along and watch this thing develop when the pinch comes, and perhaps we can handle it as well this year as you did last, in running a few extra shipments from Northampton.

Yours truly, —— ——.

[fol. 2865] DEF'TS' EX. No. D-685

"The Atlas Portland Cement Company

"New York, April 11, 1919.

"To Atlas Customers:

"Representatives of the Cement Industry conferred with the Industrial Board of the Department of Commerce at Washington during the last week in March, at the request of the Board that everything possible be done by the Industry to encourage prompt build-

ing. The Industry, through the Committee, expressed its desire to co-operate to the fullest extent possible.

"Unfortunately, at the time of the conference there was a change in the policy of the Industrial Board, and therefore no definite, joint conclusion was determined; but the Industry thought it only fair to the trade that the reduction contemplated should be made, irrespective of these conditions.

"The charge for cloth sacks, of which there are four to the barrel, was reduced from 25c. each to 15c. each, making a reduction of 40c. per barrel gross to the purchaser, and the charge for paper sacks was reduced from 30c. per barrel to 25c. These reductions were made possible by recent reductions in the cost of such sacks to the manufacturer.

"Although the present cost of manufacture does not justify a reduction in the selling price of cement, the possibility of more favorable manufacturing conditions in the future which might result in a reduction in the cost of production was anticipated and prices were named accordingly. These prices are in accordance with quotations recently sent you.

"The action of the Industry was entirely voluntary, with the sole object of assisting in stabilizing building conditions, hoping that it would be appreciated by the purchaser and that increased volume will decrease cost and compensate for the reduction.

"The Atlas Portland Cement Company."

[fol. 2866] DEF'TS' EX. No. D-686

"Lehigh Portland Cement Co.

"Allentown, Pa.

"To Lehigh Customers:

"On April 1st we sent you a quotation naming a reduced price on Lehigh Portland Cement. A word as to the reasons for this revision of price may, at this time, be of interest.

"At the request of the Industrial Board of the Department of Commerce, representatives of the cement industry conferred with the Board at Washington during the last week in March. Through its representative, the Industry assured the Board of its cooperation with the Government's efforts to encourage prompt building.

"Due to a change in the policy of the industrial Board, which occurred at the time of the conference, no definite, joint conclusion was reached; but the Industry thought it only fair to the trade that the reduction contemplated should, nevertheless, be made.

"The charge for cloth sacks was reduced from 25c. to 15c. each, making a reduction of 40c. per barrel gross to the purchaser, and the charge for paper sacks was reduced from 30c. to 25c. per barrel. These reductions were made possible by recent reductions in the cost of such sacks to the manufacturer.

"A reduction was also made in the net mill price of Cement, this action being taken by the Industry entirely voluntarily, and with the hope that the reduced price will assist in stabilizing building conditions.

"Present manufacturing costs do not justify the reduction, but it is hoped that manufacturing conditions will in the future become more favorable and also that the increased volume resulting from more stable building conditions will decrease production costs to compensate for the price reduction.

"With world conditions as they exist today, it is impossible to expect prices on any commodity to recede to pre-war levels. Building construction of every kind should go ahead now, because the world's new price level is a permanent one, and because it is good business to build now for early returns. Prof. Irving Fisher of Yale University has stated the situation very concisely:

" 'Business men should face the facts. To talk reverently of 1913-1914 prices is to speak a dead language today. The buyers of this country, since the armistice, have made an unexampled attack upon prices through their waiting attitude, and yet price recessions have been insignificant. The reason is that we are on a new high price level which will be found a stubborn reality. Business men will find that the clever man is not the man who waits, but the one who finds out the new price facts and acts accordingly.'

"Lehigh Portland Cement Company."

April 14th, 1919.

[fol. 2867] DEF'TS' EX. NO. D-687

"The Atlas Portland Cement Co.

New York

For the attention of Mr. D. H. MacFarland, Chicago.

"New York, June 14, 1919.

"I note your letter of the 11th to Mr. Burch, in which you report hearing through the trade that before long the price of their cement would advance. As I stated to you when I was in Chicago—and I am still of the same opinion—I think our price is high enough, taking everything into consideration. Of course it would not be high enough unless we were going to be able to sell our entire output, because of the very large overhead on anything less; but from what you have written me from time to time I believe that we are going to be able, before the fall is over, to sell all we can make, in advantageous-price territory—that is to say, so as to keep a good base.

Of course, it is the same old story—if our competitors should go up we will have to be very sharply on the lookout that they do not flood us with orders which will prevent our giving prompt service to our dealers and to all our trade. In other words, it is the old game,

perhaps, of trying to load us up, in the detriment of ultimate results. But we will not worry about this until it occurs, and will try to handle it satisfactorily after that. We have a pretty good stock of cement at Northampton.

Yours very truly, J. R. M.".

[fol. 2868] DEF'TS' EX. NO. D-688

"N. Y., Dec. 26, 1919.

"Mr. Whitton, Mr. Eschenbrenner, Mr. Swett, Mr. Kahn, Mr. Kearney, Mr. Mathesius, Mr. Wight, Mr. Furbush, Mr. Smith, Mr. Bigbie, Mr. Edwards:

"In my letter to you of last week advising of our advance in price to the basis of:

$2.00 per barrel Bulk Lehigh Valley.
$2.00 " " " Universal.
$2.10 " " " Hudson.

I stated that we would accept a limited amount of business on the old price basis where it would do us good, having in mind the future and the fact that our competitors are underquoting us. Business has come to hand so freely, however, on our quotation commitments, that we must absolutely hold you to the new price basis, and I must ask you not to accept any further business on the old basis nor to commit yourself in any way on our acceptance of business on the old price basis without first taking the matter up with this office.

"As I have written you, we will very likely not have more than 1,800,000 barrels to ship in 1920, and as our commitments are in the neighborhood of 1,500,000, we must absolutely shut off further business except at new prices.

"Please acknowledge receipt and advise your understanding.

R. A. W."

[fol. 2869] DEF'TS' EX. NO. D-689

Western Union Telegram

"Boston, Mass., Dec. 15, 1919.

"The Atlas Portland Cement Co., 30 Broad Street, New York:

"McConnell have written quotation Manumit (Edison) Company dated December Fifteenth C. N. Chadwick Newton Upper Falls, Mass. Complement (3.19) per barrel in cloth centime (.15) bags this represents cephalopod (.25) increase.

"The Atlas Portland Cement Co."

DEF'TS' EX. NO. D-690

Western Union Telegram

"Boston, Mass., December 18, 1919.

"The Atlas Portland Cement Co., 30 Broad Street, New York:

"Conkling Gilmore Wrentham reports Manometer (Dexter) advances cephalopod (.25) effective December twentieth.

"The Atlas Portland Cement Co."

[fol. 2870] DEF'TS' EX. NO. D-691

"The Atlas Portland Cement Co.

Boston

"For the attention of Mr. L. G. McConnell.

"Boston, December 15, 1919.

"This will confirm telegram of today advising you that we have written quotation from the Edison Portland Cement Co., dated December 15th, for account of C. N. Chadwick, dealer at Newton Upper Falls, Mass., quoting $3.19 per barrel in cloth in 15 cent bags, representing a 25 cents per barrel increase.

"Frank G. Conkling."

DEF'TS' EX. NO. D-692

"The Atlas Portland Cement Co.

Boston

"For the attention of Mr. L. G. McConnell.

"Boston, Dec. 16, 1919.

"James C. Goff Co. of Providence just telephoned that they had received a quotation dated Dec. 15th from the Bath Portand Cement Co., naming price of $3.19 per barrel f. o. b. cars Providence, 15 cents bags.

"This represents an advance of 25 cents per barrel.

"Frank G. Conkling."

[fol. 2871] DEF'TS' EX. NO. D-693

"Giant Portland Cement Company

"Philadelphia Office

"December 20th, 1919.

"DEAR SIR: Until further advised kindly discontinue traveling and do not make any quotations verbal or written without first communicating with this office.

"Yours very truly, —— ——, Vice-President. R. E. G./F."

[fol. 2872] DEF'TS' EX. NO. D-694

Price Changes

Philadelphia Office, January 9, 1920.

Mr. Wetzler, Mr. Bruff, Mr. Kessel:

On account of the fact that the bags, which we are at the present time purchasing, are costing us in the neighborhood of 28½ cents, and due to the fact that the price of Osnaburg bags *are* continually rising, so that the market quotations now are in the neighborhood of 31 cents each, with a great possibility the price of bags going no lower and possibly even higher during the year 1920, and after talking the matter over with Mr. Mambert, we have decided to insert in all of our quotations, and as a rider on all of our contracts, the following clause with reference to sacks:

"The price named is based on a cloth sack basis of 15 cents. Should the Edison Portland Cement Company change its cloth sack basis during the life of this quotation of contract, the right is reserved to adjust the delivered price of cement accordingly."

This clause I am well informed is being inserted in the quotations and contracts of some of the other companies, and I also understand that a few of the other companies have raised their price for cloth sacks to 25 cents.

We seem to be the only company, up to the present date, who have definitely raised our price to $2.00 base Lehigh Valley District, and it is possible, of course, that the movement of cement on our part will not be as heavy as we might wish at some time later, at which time we may feel the necessity of reducing our price to the $1.75 as the Lehigh Valley basis. Having this in mind, I believe that you will all agree that the only safe thing to do to protect ourselves from tremendous losses during the coming year, on account of the excessive cost of bags, is to insert this clause in all of our quotations and contracts made or sent out after the receipt of this letter.

I am sure that you will all give this the careful handling which the situation demands.

W. D. Cloos.

c/c Mr. Mambert.

[fol. 2873] DEF'TS' EX. NO. D-695

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday, Dec. 20th, 1919. Salesman: Browning. Office: Buffalo.

1. What information regarding competitors or quotations did you get during the week?
Have previously advised you that Edison increased their price 25 cents per barrel, and have since learned that Bath also went up.

2. What special inducement of any nature are competitors offering in your territory?
None.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
All of them.

5. Give the complete history of any complaints that you may have on competitors' brand of cement.
No complaints.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
Yes.

7. What suggestions have you for improving our methods of handling business in your territory?
None.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
I do not.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Slow for sixty days.

10. What seems to be the opinion of the trade on our advertising? How can we improve it?

No comment this week.

Remarks: ——.

Yours very truly, Browning, Salesman.

[fol. 2874] DEF'TS' Ex. No. D-697

The Atlas Portland Cement Co.

New York

For the attention of Mr. D. M. MacFarland, Chicago.

New York, January 24, 1920.

That was wise of you to send me the letters both on the Century and the Broadway, because the Century was four hours late and the Broadway letter was delivered to me about two o'clock.

I have a telegram from Mr. Cabanis in answer to one I sent you, saying you are ill and will not be able to leave before early in the week for Birmingham, and I have sent you a message of which I enclose a copy. I am writing this letter in case you are not able to get me at my house tomorrow, Sunday.

I am not surprised to see the prices advanced by some of the others, and the situation is just this: We want to take care of our trade position and we want to sell the maximum amount of cement we are going to be able to make at Hannibal, which amount you are familiar with, as we expect, unless the unforeseen occurs, to continue manufacturing on about the same basis as today. Therefore, if without injuring your trade position or losing the kind of business that is essential to the Atlas future welfare as well as this year's welfare, I would be in favor of not recognizing the Universal base. I think it will be a good lesson to them to ignore it, just as the Kansas mills are obviously ignoring our Hannibal base; but I would not want to do this if it allowed the Universal to become established to any extent in the territory that is natural to us at Hannibal. It would seem to me, however, that after the experience the people have had with them during the last year, they would be very glad to pay the Hannibal base price.

I think you will find other advances coming; I do not see how these people can help the advance, because they have sold themselves to pieces, and if the price does advance of course it will make good a lot of contracts on their books that may not be if the price remains the same.

One thing that we are going to commence to do here at once is, to get a very intelligent idea as to what percentage of our contracts are going to be shipped this year. Of course we have the usual idea now, but if we look over our contracts closely and find that the time has really gone by when certain work represented by contract was ex-

pected to start, and then if we get in personal contact and find out how long before they are going to start, it will release without too much guesswork a certain amount of cement that we can sell again.

As you may know, it is the policy of a good many of the larger companies here in the east now to sell 100 per cent of their output in contract—or practically that—figuring that only about 50 per cent will be used. We have not taken that station yet because we have not been sure enough that there would be a shrinkage of 50 per cent in our booked contracts. We are now going to begin to look into the matter as much in detail as possible, to get the real facts. You may have started something of this kind or be doing it, but if not I suggest you do it.

In a nut-shell, the net of the Hannibal situation is this: We are going to make, as I told you, a certain number of barrels of cement; we want to establish relations and keep those which we have by good service; and we do not want to have any cement left at the end of the year. The indications are that there will be another advance of labor, and perhaps still another, which, linked with coal, will make the cost very high, but I am not ready yet because of cost necessity to advance the Hannibal base; but if you can eliminate, as your letter indicates, the Buffington $1.70 and take strictly Hannibal base, $1.75, Iola $2, and Mitchell $1.85 it will result probably in getting at least five or six cents a barrel more than the present average, which will help on the cost. And if it does not hurt your trade in the natural territory at Hannibal, that is my suggestion unless you know of some better reason to the contrary.

Yours very truly, J. R. M.

Enc.

[fol. 2875] DEF'TS' EX. No. D-698

The Atlas Portland Cement Co.

New York

For the attention of Mr. D. H. MacFarland, Birmingham.

New York, February 4, 1920.

I wired you today that I was thoroughly in accord with adding Indiana to my suggestion on Ohio—not taking less than the Northampton base and that only for Atlas customers or on trade business. Michigan should be included, and I presume it is getting round to a point now where we will not shrink any base prices to any extent.

It may interest you to know that we have on hand close to 400,000 bbls. available orders for cement; by "available" I mean those that will be ready to ship as soon as we can get them out and that are already in the hands of the mills. And I know you will also be disappointed to know that yesterday and days previous we were able to ship only about 3,000 bbls. out of Northampton. It is absolutely impossible to get cars, and if it is that way now I believe it will be worse from now on.

There is a possible chance, if the roads go back to private ownership on March 1st, that we will fare better. Whenever you are explaining to the customers the cause of delay in your territory you can say that it is caused by a scarcity of railway cars and service as a result of Government ownership. Be dead sure to get that into the minds of the people, because as long as they are advocating Government operation they are going to get this kind of service.

Yours very truly, J. R. M.

[fol. 2876] DEF'TS' EX. No. D-699

J. F. Forsyth & Company

Front Royal, Va., March 10, 1920.

Atlas Portland Cement Co., Philadelphia, Pa.

GENTLEMEN: How can we sell Atlas to contractors in carload lots on basis of $3.03 cost against Universal and Security at $2.96? We understand the $2.96 price is based on Universal rate.

Ship us 175 barrels Atlas in cloth. Apply against the Flynt Building & Construction Co. contract. We are putting this in our warehouse to replace deliveries we made to Flynt Co. during the past month.

Very truly yours, J. F. Forsyth & Company.

[fol. 2877] DEF'TS' EX. No. D-700

"The Atlas Portland Cement Co.

Philadelphia

For the attention of Mr. F. B. McKenna, N. Y. C.

"Philadelphia, March 13, 1920.

"Here is copy of letter from the J. F. Forsyth & Co., Front Royal, Va., about price on Atlas as compared with price on Universal and Security. The $2.96 price mentioned is based on $1.75 Universal and our price of $3.03 is based on $1.75 Lehigh Valley, which is equivalent to $2.00 Fordwick.

"The other dealer in Front Royal, W. E. Rudacille, handles Security.

H. F. D."

[fol. 2878] DEF'TS' EX. No. D-701

"May 26, 1920.

"Mr. A. E. La Roche, c/o Quinlan & Robertson, Inc., Hamburg, Pa.

"DEAR SIR: In accordance with the conversation which the writer had with you this day, it is our understanding that you desire us to start shipping immediately at the rate of two cars per day, the cement in question for use on Pennsylvania State Highway, Route #141. In this connection would call your attention to the fact that unless there should be a great improvement in the railroad situation, we will be unable to live up to the above schedule. We are today over five hundred cars back in our shipments, and have been averaging so far this month about eight empty cars per day for loading. Taking into consideration the accumulation of orders now on file with the small car supply you will understand it is impossible for us to give you shipments as required unless the railroad situation improves materially. Our shipments so far during the month of May are much below normal, which is all due to the shortage of cars. At present we have a stock of cement on hand at our mill of approximately 170,000 barrels, most of which should have been moved by this time provided we had secured the cars we needed, and unless we have some relief within the next two or three weeks we will be forced to shut down on account of not having any more storage space for our product.

"We are giving you this information so that you will thoroughly understand that our inability to ship is entirely due to the railroad situation.

"We were wondering whether it would not be advisable for you to communicate with the Phila. & Reading Railway Co. and explain to them your situation as regards the work in question, advising them it is for use on one of the Pennsylvania State Highway jobs, and see if some arrangement could not be made whereby the Phila. & Reading Railway Co. will turn over to the Lehigh & New England, on which road we are located, a certain number of empty cars per day especially assigned to us for you. Or, it might be that they would agree to place a trainload of empty cars at our plant for your work; in case they will do this, we will drop everything and load the train, which should only take us a little over a day.

"You can depend upon it that we are particularly anxious to move our cement, and especially want to help out all the contractors who are doing construction work for the Pennsylvania State Highway Department. We, therefore, hope that you may be able to accomplish something along the lines of the above suggestion, and if we can be of any further assistance to you in working out this problem, do not hesitate to call upon us.

"Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice-President. WGD/H."

[fol. 2879] DEF'TS' EX. No. D-702

"Carolina Building Material Company

Florence, S. C., June 1, 1920.

"Giant Portland Cement Co., Philadelphia, Pa.

Attention Mr. S. N. Peters, Gen. Sales Mgr.

"DEAR MR. PETERS: We know that during these critical times that you have your hands more than full, and that you are being annoyed by letters of just this kind from all parts of the country, but we just can't help but lay our tale of woe before you.

"At the present time we haven't a single sack of cement in our warehouse, and this has been the case for some little time. And this is not the worst of it, we have quite a bit of cement sold that we are unable to deliver, and consequently several jobs have been held up which puts us in pretty bad shape.

"We know that you have been doing everything in your power to get all of the cement possible rolling, but would ask that if there is a possible chance that you get at least one car out for us at the earliest possible date, which would certainly be a great help to us.

"Thanking you for the many past favors you have shown us, and hoping that you will be able to help us out at this time, we are,

"Yours very truly, Carolina Building Material Co. J. H. Porter, Jr., Manager."

[fol. 2880] DEF'TS' EX. No. D-703

Copy to Mr. A. J. Barnes.

"June 4, 1920.

"Carolina Building Material Co., Florence, South Carolina.

"GENTLEMEN: I acknowledge Mr. Porter's letter of June 1st, and assure you that I realize thoroughly the position you are in and unfortunately all of our customers are in the same position, and this condition not only applies to the South but all over the country in general. There are surplus stocks of cement, in fact we have more cement than we can conveniently store, and are gradually curtailing production due to the fact that we cannot take care of same, and it is simply a question of inadequate transportation facilities. I assure you I will make every possible effort to ship you a car within the next few days, and again assure you we are doing our very best.

"Yours very truly, —— ——, General Sales Manager. SNP/F."

[fol. 2881] DEF'TS' EX. No. D-704

"June 3, 1920.

"Mr. J. P. Stewart, T. M. N. Y., O. & W. Railroad Co., Grand Central Terminal, New York City.

"DEAR SIR:

Empty Cement Bags

"We have been advised by a good many of our customers that they have been unable to forward us our empty cement bags for the reason that most of the railroads have placed embargoes against shipments of cement bags in less than carload lots. We also understand that in some districts the minimum weight which the railroads will accept is 10,000 lbs. or over, thus making it impossible in nearly all cases for our customers to collect sufficient empty cement bags to meet these requirements. It is most important at the present time that we receive our old bags back promptly, it being almost impossible to secure prompt delivery of new bags. Therefore, we hope the railroad companies will do all they possibly can to help us in getting our old bags back promptly.

"We are already suffering, as you are no doubt aware, from an acute car shortage, which in itself is bad enough, but if along with this condition there should develop a bag shortage due to our inability to secure the prompt return of old bags, we are afraid it will create in our industry a condition more acute than exists at present. We, therefore, will appreciate it if the railroads would put into effect the same ruling for the return of empty cement bags as they used during the past war; at that time the railroads set aside a certain day every week for the accepting of empty cement bags in less than carload lots. With the return to this method we feel that both the cement manufacturers as well as our customers will be greatly benefited.

"Any cooperation that you can render us in this matter will be most thoroughly appreciated.

"Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice-President. WGD/H."

[fol. 2882] DEF'TS' EX. No. D-705

"June 4, 1920.

"Quinlan & Robertson, Inc., Hamburg, Pa.

"GENTLEMEN: We have your letter of June 2nd enclosing copy of letter which you received from the Philadelphia and Reading Railway Company. It is unfortunate that nothing can be done to better the present railroad situation, and you can depend upon it that as far as we are concerned we will do the very best we can for you, but unless we secure empty cars we cannot load cement and our posi-

tion to handle your shipments will depend entirely upon our car supply.

"As far as taking care of our last year's consumers is concerned, showing them the preference, would say that we have taken on very little new business since the first of the year; practically all of our present orders on file being with customers whom we sold during 1919. You can, therefore, feel satisfied that we are not sacrificing our old trade in order to secure new. This would be no time for handling our business that way. We will do all we can to start your shipments within the next few days, but, as advised you while you were in the office last week, we cannot make any definite promises when the delay in shipments is caused by the railroads, over which we have no control.

"If you will recollect we also talked over the matter of shipping in open top cars. In this connection would say that we have taken the matter up with the State Highway Department and are in receipt of a letter from them today advising that it makes no difference to them whether we ship in open-top cars or not, provided the cement reaches destination in first-class condition. We understood you were going to consider shipping in open top cars, and would be pleased to hear from you as to whether you would like to have us make any shipments in that way. Any shipments which we make in open top cars to our trade, of course, are made at the customers' risk. If our customers will supply us with the tarpaulin covering we will ship the cement, the only extra charge being the extra cost of loading in open top cars, which will be something between ten and fifteen cents per barrel. If you should so desire, we will purchase the tarpaulins, charging them to you at their exact cost, which we understand is about $78.00. We are making our first shipment today in open top cars, and are keeping an exact count as to the extra cost of loading, so that after today we should know just what this amounts to. If you are interested in taking shipments this way, kindly advise us as soon as possible.

"Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice President. WGD/H."

[fol. 2883] DEF'TS' EX. NO. D-706

"Quinlan & Robertson, Inc.

"Hamburg, Pa., June 2, 1920.

"'The Bath Portland Cement Co., Finance Building, Philadelphia, Pa.

"GENTLEMEN: Enclosed please find copy of letter received from Mr. Falck, General Manager, Philadelphia & Reading Railroad, in reply to our letter of May 27th, in reference to trainload of cement.

"We wish you would endeavor to start at once to ship us at least

two (2) cars per day. We think your last year's consumers should have the preference over new construction business this year.

"Yours truly, Quinlan & Robertson, Inc., per A. E. La Roche."

(Copy)

"Philadelphia & Reading Railway Company

"Philadelephia, May 28, 1920.

"Messrs. Quinlan & Robertson, Inc., Contractors, Hamburg, Pa.

"GENTLEMEN: I have yours of the 27th instant, in the matter of furnishing box cars for cement.

"I beg to assure you that we are doing everything that we reasonably can in the matter of furnishing cars for cement and all other commodities. You, of course, appreciate the tremendous shortage of this class, as well as other classes of equipment, and also that the Interstate Commerce Commission have issued instructions for the forwarding of box cars in very considerable quantities to the west empty to protect the grain situation. It is impossible for us to fill the orders of our patrons for this class of equipment. The very best we can do is to give a proportionate distribution of the equipment that is available; at the same time we are doing better than about fifty per cent.

"It is, of course, entirely out of the question for us to assign cars specifically for any particular consignee. We can only give to the Cement Company their percentage of the total cars available and they will have to then consign them as best suits their requirements.

"I regret that I cannot give you any further encouragement in this matter, but will have our people do whatever they reasonably can.

"Yours very truly, F. M. Falck, General Manager."

[fol. 2884] DEF'TS' EX. No. D-707

"Knickerbocker Portland Cement Company, Inc.

"New York City

"June 10, 1920.

"DEAR MR. NAYLOR: Regarding my recent visit to Johnstown on Wednesday and my reason for not calling you was that we had arranged that if the Cosgrove Company were unable to have anything which would interest you, I was not to call you. They did, however, offer me 8 cars of slack and 10 cars of Runamine, which were on wheels and ready to be shipped, and this coal would meet our requirements very nicely as far as the analysis *are* concerned but the price asked was my reason for not doing anything. The price they wanted was $9.50 f. o. b. mines, and I assumed it would take the $2.70 rate.

"The coal situation as I learned from several men in Johnstown will become more critical and the prices will go higher. This information came from very reliable sources, such as Mr. Lloyd of the Oakridge Coal and Coke Co., and Mr. Cosgrove of the Cosgrove Co., Mr. Darlington of the Whitney Kemmer Co.

"I also met Mr. A. C. James who is connected with the State of Pennsylvania, the Mining Department, and whom I have known for some time. His position necessitates him visiting every coal mine in the State of Pennsylvania and therefore he would naturally know conditions. He states that if relief is not given the companies regarding coal supply, it was his idea that several large manufacturing concerns would be required to close their plants.

"I did, however, give Mr. James the analysis of the coal we required and told him to advise you in the event, if he heard of any coal which we might be able to secure.

"The Cosgrove Co. will undoubtedly quote you from time to time. I have also given them Mr. White's Hudson address.

"Hoping this information will be of considerable value to you, I remain,

"Yours very truly, B. F. Abbott."

[fol. 2885] DEF'TS' EX. NO. D-708

"June 15, 1920.

"DEAR MR. WHITE: When at Pittsburgh last week I placed an order with the Westmoreland Coal Company for 25 cars at $8.25 per ton F. O. B. mines.

"Most of the coal will be shipped at the short rate, but in order to secure the entire shipment it may be necessary to ship some of the cars under the long rate. They assured me that this would not be done unless absolutely necessary to fill the order.

"Yours very truly, —— ——, President. ADN:ENJ.

Copies to O. E. Wasson, A. S. Jewett.

[fol. 2886] DEF'TS' EX. NO. D-709

June 16, 1920.

DEAR MR. WASSON: Referring to your letter of June 15th with regard to the coal situation, the coal market has simply gone wild and prices are now ranging from $9.00 to $10.50 per ton. I don't know where this thing will stop, but I notice in the New York papers this morning that the Attorney General and the Interstate Commerce Commision were in conference to see what could be done to relieve the situation, and there may be an embargo declared, or placed, on coal exports, which should somewhat relieve the situation.

Of course, the coal operators and jobbers contend that an embargo on export shipments will not help very much, but I am of the opinion that it will have quite a good effect, and while it will not entirely relieve the conditions it will certainly make more coal available and the prices may go down.

We simply cannot pay the present high prices and make any money, but I feel that the placing of the order for 25 cars in addition to the 20 placed with Mr. McCann, was a very good move under the circumstances, and if the coal under order comes through we should be reasonably safe for the next four or six weeks.

I understand that the Interstate Commerce Commission are receiving all kinds of complaints from associations representing industries, governors of states, and individual manufacturers, and I firmly believe that something will surely be done within the next thirty days to furnish relief.

However, we must not relinquish our efforts to secure coal, for if our guess is not right and there is no relief furnished within the next thirty days we will be up against it and will probably have to shut down. Therefore, I want you to keep right after it, having Mr. White send out inquiries each day with a view to securing quotations for immediate shipment. I should like to have you get in touch with me on the telephone whenever you get any satisfactory quotations, so that we can decide what is best to be done.

Mr. Snider, Coal Traffic Manager of the N. Y. C. Railroad, advised me this morning that the N. Y. C. had practically stopped confiscating coal, only taking a few cars here and there.

I admit that at the present time the situation does not look very flattering, but it is always darkest before dawn and I hope that within the next ten days we will begin to see some relief.

While it might have been well to have placed orders for 50 cars of coal at $8.25 per ton, it was impossible to secure but 25 at that time. I have given the Westmoreland Coal Company an open order to try to get us an additional 20 cars of coal for immediate shipment, and they have promised to give us first call on any orders they have.

Yours very truly, —— ——, President. ADN:ENJ.

[fol. 2887] DEF'TS' EX. NO. D-710

"Knickerbocker Portland Cement Company, Inc.

"Hudson, N. Y., June 15, 1920.

"DEAR MR. NAYLOR: I am enclosing letter which I received from the Franklin Coal & Coke Co.

"In looking over the telegram which we received in answer to our inquiry, I find they run about as follows:

"Lawsonham Coal Co., cannot quote.

"Continental Fuel Corp., nothing to offer.

"Northern Coal Mining Co., 10 cars, $9.00-$2.50 freight rate.

"Frontier Mining Co., 25 cars, $9.00-$2.23 freight rate.
"Fairview Mining Co., $9.00 Clearfield freight rate.
"In view of the situation I think you were quite wise in placing an order for 25 cars at $8.50. The railroads are confiscating coal again and it is possible we should have purchased 50 cars instead of 25. However, the price is so exceedingly high that it makes me hesitate to want to purchase coal at this price. I realize though if we are going to keep our factory running we must have some coal coming in to us until such a time as we can see whether or not the market is going to break.
"Very truly yours, —— ——, Superintendent. OEW:MVT."

[fol. 2888] DEF'TS' EX. No. D-711

"July 1, 1920.

"Mr. John H. Wickersham, Lancaster, Penna.

"DEAR SIR: We understand from phone conversation of this afternoon that you can take shipments in bulk at Lebanon, and as this will probably expedite shipments we will change over your order and endeavor to get off a few cars in bulk promptly.
"In reference to quoting on 30,000 bbls., we regret to advise that there is no improvement in the shipping situation, and also owing to the uncertain coal supply and cost of same, we cannot form any basis for cost on cement for next year's delivery, and are therefore not in a position to make any quotations at the present time.
"Thanking you, however, for the inquiry and the many courtesies you have extended us, we remain,
"Yours very truly, —— ——, General Sales Manager.
SNP-W."

[fol. 2889] DEF'TS' EX. No. D-712

July 2, 1920.

"Mr. Louis Rafetto, President Bath Portland Cement Company, Finance Building, Philadelphia, Pa.

"DEAR SIR: In checking up our coal records, we find we have four cars of steam and twenty-five cars of gas coal on wheels, the last notice of steam coal covers June 19th while gas June 28th.
"On account of not receiving any steam coal since June 24th, we were compelled to close down the entire plant except the Packing Department yesterday when the shift changed at 5:15 p. m., on account of being desperately low on steam coal, in fact, something must be done so we can obtain coal not later than the middle of next week, otherwise we will not have sufficient coal to keep our Packing Department in operation. This will necessitate hauling what little coal we have at our Coal Grinding Department to our Boiler House.

"Will you please advise as to what we may expect in the way of shipments coming forward to keep our steam plant in operation. This we are compelled to do also on account of fire.

"Very truly yours, —— ——, First Vice-President. FBF-J."

[fol. 2890] DEF'TS' EX. No. D-713

"July 2, 1920.

"Mr. C. M. Schaeffer, Chief of Transportation, Pennsylvania Railroad Company, Broad Street Station, Phila., Pa.

"DEAR SIR: Below you will find list of cars with dates of shipments loaded with coal which have been shipped from Morgan Mine, West Virginia, by the Virginia & Pittsburgh Coal & Coke Company, shipment originating on the Monongahela Railroad and consigned to us at Bath, Pa., via L. & N. E. delivery:

6/28.	B. R. & P.	42143
"	B. & O.	321282
"	P. L.	860368
"	P. R. R.	351340
6/26.	M. St. P. S. S. M.	100212
"	B. & O.	182388
6/25.	N. Y. C.	408516
"	B. R. & P.	43252
"	G. E. T.	35255
"	Erie	22111
"	N. Y. C.	406492
6/24.	M. K. & T.	81411
6/22.	Big 4	73731
"	Big 4	79431
"	B. R. & P.	10875
"	C. & I.	2454
"	U. R. R.	1038
6/21.	P. R. R.	256526
"	P. R. R.	189891

"We are in urgent need of the above shipments as we are practically out of coal at the present time and for that reason have been forced to shut down our manufacturing department today. Our supply of coal on hand is only sufficient to keep our packing department operating until Tuesday next, July 6th, and unless we receive shipments of coal by that time we will be forced to discontinue packing. This will prevent us making further shipments of cement until the coal arrives. If we are forced to do this it will seriously inconvenience our customers, and will force us to discontinue for the time being all shipments to the Phila. Navy Yard, where we are supplying cement on a very important contract, namely: Dry Dock No. 3. We are calling your attention to this contract in particular for the reason that the Navy Department is in urgent need of shipments.

"Your prompt attention to this matter is absolutely necessary, and we will appreciate it if you will advise us upon receipt of this letter just what you are able to do as far as expediting the movement of this coal is concerned.

"Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice President. WDG/H."

[fol. 2801] DEF'TS' EX. No. D-714

"Knickerbocker Portland Cement Company, Inc.

"Hudson, N. Y., July 2, 1920.

"DEAR MR. NAYLOR: We enclose herewith, for your information, copies of telegrams received yesterday and today, in response to our request for quotations on coal.

"Very truly yours, B. J. White, Purchasing Department."

"Telegram

"From St. Marys, Pa.

July 1, 1920.

"Referring your wire offer 10 Cars High Volatile coal prompt shipment $10.50 Net Mines Freight Rate $2.70 Gross Hudson Upper subject prior sale. Wire if interested.

"Northern Coal Mining Company."

"Telegram

"From Pittsburgh, Pa.

July 2, 1920.

"Telegram received. Cannot offer 25, Offer 5 cars Mine Run $10.00 Net Mines. Freight $2.33 Net Ton.

"Fairview Mining Co."

"Telegram

"From Syracuse, N. Y.

July 2, 1920.

"Offer subject prior sale 25 cars High Volatile Mine Run Bituminous Coal $10.50 Mines prompt shipment. Rate $2.75 gross. Wire.

"Nanete Coal and Coke Co."

"Telegram

"From Philadelphia, Pa.

July 2, 1920.

"Offer subject prior sale 10 cars Shawmut Bituminous $10.50 Net Mines.

"W. L. Irish and Co."

1749

[fol. 2892] DEF'TS' EX. NO. D-715

"July 6, 1920.

"Mr. Ardean R. Miller, Jr., 500 West Avenue, Rochester, N. Y.

"MY DEAR MR. MILLER: Your telegram of July 3rd from Pittsburgh received. I appreciate your wiring me about the conditions. I am buying coal when I can get it, but at the present prices we may find it necessary to shut down the plant. I wish you would write me as to the conditions mentioned in your telegram.

"With kind regards, I remain,

"Yours very truly, —— ——, President. ADN:ENJ."

[fol. 2893] DEF'TS' EX. NO. D-716

"Telegram

Pittsburgh, Penn., 9.30 A. —., July 3, 1920.

"A. D. Naylor, % Knickerbocker Cement Co., 30 East 42 St., New York:

Coal situation very acute advise buying looks like general tieup.

A. R. Miller, Jr."

DEF'TS' EX. NO. D-717

"July 7, 1920.

"Baltimore & Ohio Railroad, Baltimore, Md.

Attention Car Record Office

"GENTLEMEN: Will you kindly advise whether or not the following cars of coal consigned to us at Bath, Pa., from the points shown originating on your lines and routed B. & O.—P. & R.—L. & N. E. are still on your lines. If they are, will you kindly see that they are delivered to your connecting lines as we are desperately in need of coal, in fact, our plant is shut down at the present time on account of not having any coal.

When shipped	Originating point	Car No. & initial
6/19/20	Bird, Pa.....P&R	73369
6/19/20	" .....PRR	701839
6/19/20	" .....B&LE	7732
6/30/20	" .....B&O	232578
6/ 8 /20	" .....PRR	209058
6/17/20	" .....B&O	231626

When shipped	Originating point	Car No. & initial	
7/ 3 /20	Peerless, W. Va.	NYC	413124
7/ 3 /20	"	NYC	403459
7/ 3 /20	"	PMcK&Y	28850
7/ 3 /20	"	T&OC	25609
6/14/20	Kingmont, W. Va.	Erie	27090
6/15/20	"	PRR	289659
6/18/20	Frances, W. Va.	Erie	51475
6/19/20	"	CNJ	60634
6/19/20	"	CNJ	60026
6/19/20	"	B&O	27637
6/21/20	Morgan, W. Va.	PRR	256526
6/21/20	"	PRR	189891
6/22/20	"	Big 4	73731
6/22/20	"	Big 4	79431
6/22/20	"	BR&P	10875
6/22/20	"	C&I	2454
6/22/20	"	VRR	1038
6/24/20	"	MK&T	81411
6/25/20	"	NYC	408516
6/25/20	"	BR&P	43252
6/25/20	"	GET	35255
6/25/20	"	Erie	22111
6/25/20	"	NYC	406492
6/26/20	"	MStPSSM	100212
6/26/20	"	B&O	182388
6/28/20	"	BR&P	42143
6/28/20	"	B&O	321282
6/28/20	"	PL	860368
6/28/20	"	PRR	351340
7/ 2 /20	"	PRR	345341
7/ 2 /20	"	PRR	191985
7/ 2 /20	"	PRR	356201
7/ 2 /20	"	PL	742801

"Very truly yours, —— ——, First Vice-President. FBF/J ANG."

[fol. 2894] DEF'TS' EX. NO. D-718

"July 7, 1920.

"Mr. O. W. Stager, Supt. Transp. Philadelphia & Reading Railroad, Reading Terminal, Philadelphia, Pa.

"DEAR SIR: Will you kindly advise whether or not the following cars of coal consigned to us at Bath, Pa., from the points shown routed B&O—P&R—L&NE are still on your lines. If they are, will you kindly see that they are delivered to your connecting lines

as we are desperately in need of coal, in fact, our plant is shut down at the present time on account of not having any coal.

When shipped	Originating point	Car No. & initial
6/19/20	Bird, Pa.....P&R	73369
6/19/20	" .....PRR	701839
6/19/20	" .....B&LE	7732
6/30/20	" .....B&O	232578
6/ 8 /20	" .....PRR	209058
6/17/20	" .....B&O	213626
6/14/20	Kingmont, W. Va.....Erie	27090
6/15/20	" .....PRR	289659
6/18/20	Frances, W. Va.....Erie	51475
6/19/20	" .....CNJ	60634
6/19/20	" .....CNJ	60026
6/19/20	" .....B&O	27637

"Very truly yours, —— ——, First Vice-President. ANG/J."

[fol. 2895] DEF'TS' EX. No. D-719

"July 7, 1920.

"Mr. R. C. Morse, Supt. of Freight Transportation Pennsylvania Railroad, Philadelphia, Pa.

"DEAR SIR: Will you kindly advise whether or not the following cars of coal consigned to us at Bath, Pa., from the points shown routed B&O, PRR, L&NE are still on your lines. If they are, will you kindly see that they are delivered to your connecting lines as we are desperately in need of coal, in fact, our plant is shut down at the present time on account of not having any coal.

When shipped	Originating point	Car No. & initial
7/ 3 /20	Peerless, W .Va.....NYC	413134
7/ 3/ 20	" .....NYC	403459
7/ 3/ 20	" .....PMcK&Y	28850
7/ 3/ 20	" .....T&OC	25609
6/21/20	Morgan, W. Va.....PRR	256526
6/21/20	" .....PRR	189891
6/22/20	" .....Big 4	73731
6/22/20	" .....Big 4	79431
6/22/20	" .....BR&P	10875
6/22/20	" .....C&I	2454
6/22/20	" .....VRR	1038
6/24/20	" .....MK&T	81411
6/25/20	" .....NYC	408516
6/25/20	" .....BR&P	43252
6/25/20	" .....GET	35255

When shipped	Originating point	Car No. & initial	
6/25/20	Morgan, W. Va.	Erie	22111
6/25/20	"	NYC	406492
6/26/20	"	MStPSSM	100212
6/26/20	"	B&O	182388
6/28/20	"	BR&P	42143
6/28/20	"	B&O	321282
6/28/20	"	PL	860368
6/28/20	"	PRR	351340
7/ 2 /20	"	PRR	345341
7/ 2 /20	"	PRR	191985
7/ 2 /20	"	PRR	356201
7/ 2 /20	"	PL	742801

"Very truly yours, —— ——, First Vice-President. ANG/J."

[fol. 2896] DEF'TS' EX. NO. D-720

"August 10, 1920.

"Mr. John J. McCann, Poughkeepsie, N. Y.

"DEAR MR. MCCANN: I wish to confirm my order for twenty cars of coal to be shipped at once, price $10.50 per ton f. o. b. mines. It is understood that the analysis of this coal will meet our requirements. Our mill is down on account of lack of coal, and I wish you would have the cars shipped immediately, if possible.

"Yours very truly, —— ——, President. ADN.—ENJ."

[fol. 2897] DEF'TS' EX. NO. D-721

"August 25, 1920.

"DEAR MR. WASSON: Referring to your letter of August 24th with regard to orders for coal that have been placed, Mr. White has been advised of each order but evidently he has either overlooked or misunderstood my letters.

"In order to make the matter clear, I am listing the orders that have been placed:

John J. McCann, 30 cars at $10.50
John J. McCann, 30 cars at $11.00.
John J. McCann, 10 cars at $11.75.
Westmoreland Fuel Company, 27 cars at $10.75.
Ardean R. Miller, Jr., 40 cars at $11.00.
Frontier Mining Company, 20 cars at $10.50.
Stewart & Hammer, Inc., 10 cars at $8.50.
Stewart & Hammer, Inc., 5 cars at $10.50.
Fairview Mining Company, 5 cars at $10.50.
Fairview Mining Company, 5 cars at $10.25.

"Of course some of this coal may not be shipped, but I am in hopes that a greater part of it has already been forwarded so as to get ahead of the freight increase.

"As I explained in my other letters, these are the orders that I have placed. In addition thereto, coal is now en route on old orders placed at the cheaper prices. Therefore, if we get the coal that I have ordered and in addition thereto the coal now en route placed on other orders, we should have a sufficient supply to run the plant full for the month of September. It seems to me that this coal ought to be showing up at the mill within a few days.

"Yours very truly, —— ——. ADN:ENJ."

[fol. 2898] DEF'TS' EX. No. D-722

"Knickerbocker Portland Cement Company, Inc.

"Hudson, N. Y., Aug. 24, 1920.

"DEAR MR. NAYLOR: Replying to your letter Aug. 23rd regarding the amount of coal purchased, I am indeed pleased to know that you have made quite a few purchases of coal. In checking over the daily report which Mr. White makes out, I find we do not show the amount of coal on this report that you have purchased, and I am wondering if it would not be advisable to have a list of purchases made in order to make our report complete.

"Very truly yours, O. E. Wasson, Superintendent."

[fol. 2899] DEF'TS' EX. No. D-723

"The Allentown Portland Cement Co.

"Allentown, Pennsylvania

"August 20, 1920.

"Col. J. W. Fuller, President Allentown Portland Cement Co., Catasauqua, Pennsylvania.

"DEAR SIR: The coal situation has again tightened up as the B. & O. Railroad have embargoed the P. & R. Railroad. The embargo is more rigid for the moment than it has been at any other time this year, as the P. & R. Railroad locomotive fuel has also been embargoed.

"We have had the question of our coal supply up with both the P. & R. and B. & O. officials, but we have secured nothing definite from them except that they hope to have the situation cleared sufficiently by Monday to permit our coal to come along uniformly. This has put us in a position where we have had again to cut down kiln operation.

"On Wednesday evening during a heavy rain storm, a bolt of lightning burnt off several of our cables and shut the plant down until repairs could be made. This, together with the abnormal amount of heavy rains, have held up the plant operation, and made things very difficult to keep going uniformly.

"About everything that can happen to retard the output, has happened, so if we are successful from now on in getting sufficient coal to keep going uniformly, we will show a better production for the next few months.

"Very truly yours, Allentown Portland Cement Company.
J. T. Phelan, Vice-Pres. & Genl. Manager."

[fol. 2900] DEF'TS' EX. No. D-724

"Interstate Commerce Commission

"Bureau of Service

"Washington

102,294. "October 9, 1920.

"Giant Portland Cement Co., 603 Pennsylvania Bldg., 15th & Chestnut Streets, Philadelphia, Pa.

"DEAR SIR: On account of the prevailing shortage of coal for domestic purposes, the Commission finds it necessary before freezing weather sets in, to insure an adequate supply of coal carrying equipment at all coal mines while this emergency continues.

"In order that this may be accomplished, it will be necessary to discontinue the use of this class of equipment in the transportation of material covered by your permit until after such requirements have been met.

"Under these circumstances, your permit will be discontinued, effective October 11, 1920.

"Yours truly, F. G. Robbins, Director."

[fol. 2901] DEF'TS' EX. No. D-725

"Philadelphia & Reading Railway Company

"Reading Terminal, Philadelphia

"October 23, 1920.

"Mr. Robert C. Lea, President Calcite Quarry Company, 426 Stephen Girard Building, Philadelphia, Pa.

"DEAR SIR: Your letter of October 22nd, making application for 12 open top cars weekly to be placed at your quarry, Myerstown, Pa.,

for shipment of limestone to the Giant Portland Cement Company, Egypt, Pa., has been received.

"In reply would say that on account of I. C. C. Service Order No. 20, all coal carrying cars have been withdrawn from all other trade except for coal unless the movement is in the direction of the coal mines, has made it impossible to supply sufficient cars for the shipments of limestone to which you refer, and as the movement to Egypt is not in the direction of the mines, it will be necessary to secure a permit from the Interstate Commerce Commission for us to supply cars with sides 38" and over in order that the shipments may move regularly.

"Yours very truly, O. W. Stager, Superintendent Transportation."

[fol. 2902] DEF'TS' EX. No. D-726

N. Y., March 1, 1920.

"Mr. C. M. Edwards, Mr. W. H. Bigbie:

"We will mail either today or tomorrow to all dealers in your territory quotations bearing date of March 1st, quoting price on one carload for immediate or 15 day shipment, based on $1.75 bulk Lehigh Valley, $1.85 Bulk Hudson, or $1.85 Universal, whichever makes the lowest delivered price (15 cents sacks) in an endeavor to pick up some dealer warehouse business.

"It is possible that we will accept a few contracts on this basis, but please do not so commit the company without first communicating with this office.

"Please acknowledge receipt and advise your understanding.

"R. A. W."

[fol. 2903] DEF'TS' EX. No. D-727

"Saranac Lake, March 4, 1920.

"Mr. A. D. Naylor, Prest. Knickerbocker P. C. Co., Inc., New York, N. Y.

"DEAR SIR: Enclosed please find an Edison quotation sent to W. D. Wilson, Tupper Lake, N. Y., quoting on $1.75 Lehigh base. I am sending you the same as the price quoted does not look as if they raised their price 25 cents a barrel:

"Yours very truly, J. A. Feeks."

"Edison Portland Cement Co., New York City

"Mr. W. D. Wilson, Tupper Lake, N. Y.:

"We quote you on Edison Portland Cement, delivered in carload lots f. o. b. cars station named above as follows:

"In cloth sacks $3.00 per standard barrel (376 lbs. net) including four (4) sacks.

"In paper bags 35 cents per barrel less than cloth price.

"Terms of Payment—On approved credit, net thirty days, or five cents (5c.) per barrel discount for payment in full, including sack deposit, within ten days from date of invoice.

* * * * * * *

"Yours very truly, Edison Portland Cement Co."

[fol. 2904] DEF'TS' EX. No. D-728

"New York, March 30, 1920.

Mr. Furbush, Mr. Whitton, Mr. Edwards, Mr. Swett, Mr. Bigbie, Mr. Kearney, Mr. Eschenbrenner, Mr. Wight, Mr. Kahn, Mr. Mathesius, Mr. Smith:

"Please discontinue traveling as of the night of March 31st and return to your homes until further notice.

"We are quite a bit behind in shipment in common with all of the manufacturers, and we don't want to take on any more commitments than we have to for immediate shipment until we clean up some of the accumulated orders.

"Please keep us in close touch with your whereabouts so that we can communicate with you at any time by telephone or letter.

"Please acknowledge receipt.

R. A. W."

[fol. 2905] DEF'TS' EX. No. D-729

"Dexter Portland Cement Company

Nazareth, Pa.

"Confirmation of Telegram Sent This Day

"4/7/20.

"The H. Wales Lines Co., Meriden, Conn.:

"Price Dexter advanced immediately twenty cents per barrel Mail your Form A quotations Dexter dealers only. See fourth paragraph Representatives' Notice one hundred nine.

"Dexter Portland Cement Co."

[fol. 2906] DEF'TS' EX. NO. D-730

Telegram

"Allentown, Pa., April 7, 1920.

"Lehigh Portland Cement Co., Finance Bldg., Philadelphia, Pa.:

"Effective immediately all prices advanced twenty cents per barrel. Advise salesmen.

"Lehigh Portland Cement Company."

DEF'TS' EX. NO. D-731

"Giant Portland Cement Company

Philadelphia Office

"April 7, 1920.

"DEAR SIR: Effective today we are making the following base prices: Lehigh Valley, $1.95; Hudson River, 2.05.

"Cloth bags are to be charged at the rate of fifteen (15c.) cents each.

"The differential in paper will be 35c. per barrel less than in cloth.

"These are prices to dealers.

"Yours very truly, —— ——, General Sales Manager. SNP-N."

[fol. 2907] DEF'TS' EX. NO. D-732

"Bath Portland Cement Co.

Phila., Pa., April 7, 1920.

"Mr. W. J. Kenlon.

"DEAR SIR: We are sending out quotations today to our trade advancing the price twenty (20c.) cents per barrel. When you figure prices, until further notice, use a mill base of $1.95 net Lehigh Valley or $2.05 net Hudson, as we understand the Hudson River mills are figuring their prices on this basis, to dealers. Consumers 10c. higher.

"We are still quoting cloth sacks on the basis of 15c. each and paper at the rate of 25c. per barrel, which makes the price of paper 35c. per barrel less than the price in cloth.

"Some of your customers may endeavor to place orders with you at our old price, but we positively will not accept any orders for shipment at our old price that were not received by us in this morn-

ing's mail. We are already about three hundred cars back in our shipments, and for this reason, for our own protection, must discourage dealers placing orders for stock just for the purpose of getting the advantage of the lower price.

"With this increase, however, it will not be our policy to go ahead and take on any new contracts, unless conditions in manufacturing and transportation should improve. We will accept business for current shipment only.

"There is a tendency on the part of some customers to place blanket orders for a large number of cars, shipment of which within the fifteen day period is an absolute impossibility. We are willing to take an order from a customer for one or two cars at current market prices, but when they show a tendency to place orders with us for a large number of cars we will ship same at our current market price provided shipment can be made within fifteen days from date of order, but we will not guarantee any prices for a period longer than fifteen days from date of order unless it would be for a car or two at the most. Of course this pertains only to current business, and has nothing whatever to do with orders you receive account of contracts already filed.

"Should there be anything in these instructions not absolutely clear, kindly take it up with us at once.

"Very truly yours, Bath Portland Cement Co. W. G. Dutton, Second Vice-President."

[fol. 2908] DEF'TS' EX. NO. D-733

Telegram

"30 East 42nd Street,
"New York City, April 7, 1920.

"W. H. Watson, 360 Bainbridge St., Brooklyn, N. Y.:

"Raised price today two dollars Lehigh Valley two dollars ten cents Hudson.

"Pennsylvania Cement Company."

[fol. 2909] DEF'TS' EX. NO. D-734

Edison Portland Cement Co.

"April 8, 1920.

"Price Memorandum

"Effective today, price on Edison Portland Cement for immediate or fifteen days shipment, will be based on $1.95 Lehigh Valley; $2.05 Hudson.

"Cloth sacks to be on a fifteen cent basis all over the territory, with the exception of the State of Ohio, where twenty-five cent cloth sacks will apply.

"Price for Greater New York delivery in boat-load lots of not less than 1,000 barrels, within the New York Harbor lighterage limits, $2.95 per barrel, alongside dock, including fifteen cent cloth sacks.

"Where all rail rates from Lehigh Valley, Hudson or Alsen, to points adjacent to the water make a less rail price, the rail rate will govern. This will apply to some points on Staten Island and the Hudson River.

"To rail delivery points on the Long Island Railroad, Boroughs of Brooklyn and Queens, the Lehigh Valley base, plus all rail rates, will govern.

"There will be no water delivery rate at Far Rockaway and points on that side of Queens as water deliveries are not practical. If water deliveries are made to Far Rockaway and nearby points, the actual cost of lighterage will be figured unless such costs make a price which is higher than the price based on Lehigh Valley plus all rail rates.

"Where rail delivery on the Long Island Railroad is required, adjacent to water delivery points, two prices will be made; one based on $2.05 Hudson, plus thirty cents water rate, plus bags; the other based on $1.95 Lehigh Valley, plus bags, plus all rail rate.

"All prices made for shipment in cloth bags for other than immediate shipments, are to be subject to change in sack value."

[fol. 2910] DEF'TS' EX. No. D-735

(Copy for Mr. S. G. McConnell.)

"April 7, 1920.

"F. B. McKenna, N. Y. C.:

"Mr. Widener telephoned this morning that he saw prices on Alpha 20¢ above the market, at the offices of E. W. Dershimer & Son, Pittston, Pa., and the Taylor-Duryea Lumber Co. of Duryea, Pa.

W. A. M."

DEF'TS' EX. No. D-736

"The Atlas Portland Cement Co.

"New York

"For the attention of John R. Morron, President.

"New York, April 8, 1920.

"During the past few days we have learned from the trade in various sections, including New England, New York City, New York State and the Philadelphia territory, that Alpha, Phœnix,

Penn-Allen and two or three other cement companies have increased their price 20 cents a barrel.

"A typical reflection of this occurred in Boston where one of the dealers called us up and asked us to take a ten thousand barrel order for immediate shipment.

"I have also seen three Atlas dealers, all of whom had been informed by some of our competition of a 20 cents increase in price.

L. R. B."

[fol. 2911] DEF'TS' EX. No. D-737

"Salesman's Special Daily Report

"Report of interview with: Name: Mr. Boeye.

"Business Concerning (Subject:) Pennsylvania Cement Co. quoting Buffalo dealers 3.09 f. o. b. Buffalo as of today.

"Mill Base: 2.10 Hudson.

" " 2.00 Universal.

"This information from Meech, also Billy Gardiner of Monarch Bldrs. Supply. Sam Pierce & Shirley of John W. Cawper Co. also got same. Harry Jennings recd. same today.

"Town: Buffalo, N. Y. Date: 4/8/20. Salesman: Wm. H. Jones."

DEF'TS' EX. No. D-738

"New York Office, April 8, 1920.

"We are issuing quotations today in the form of the attached letter, basing prices on 1.95 Lehigh, 2.05 Hudson, plus 60 cents for sacks and freight and war tax to destination.

"The attached copy of letter to the salesmen will indicate our understanding of the present price situation.

R. H. S."

[fol. 2912] DEF'TS' EX. No. D-739

"The Atlas Portland Cement Company

"Widener Building, Philadelphia

"April 8, 1920.

"GENTLEMEN: For your immediate acceptance, we quote you on Atlas Portland Cement per barrel, f. o. b. station named in address, subject to a cash discount of 5 cents per barrel for payment within 10 days from date of invoice.

"This price is limited to a single carload and includes the value of four (4) cloth bags, returnable at 15 cents each in accordance with our customary terms.

"Any orders placed at the above price are subject to our other usual terms and conditions and to the following restrictions:

"(1) Delay in shipment owing to past and present shipping conditions.

"(2) Charging for cloth sacks at our current price for cloth sacks at the time of shipment.

"(3) Subject to any change in existing freight rates.

"Our price for the present in paper sacks is 35 cents per barrel less than the above price in cloth sacks. We anticipate a shortage of cloth sacks and if you will permit shipment in paper, it will help us to avoid a shortage of cloth sacks and will probably enable us to ship you the cement sooner than we could promise to do in cloth sacks. If you can take shipment in paper, please advise us right away.

"This price does not apply on any specific jobs which require delivery over a period of time. Please do not quote your customers any prices based on this quotation but take up with us any jobs on which you wish to name a price.

"We have also advanced our price on Atlas White Portland Cement and will be glad to send you a quotation on this product if you so desire.

"We regret that we are obliged to couple our quotation with restrictions but we hope by them to protect both you and ourselves against any further change in conditions which might work a hardship.

"Yours very truly, The Atlas Portland Cement Company."

[fol. 2913] DEF'TS' EX. NO. D-740

"The Atlas Portland Cement Co.

Philadelphia, Pa.

"For the attention of L. G. McConnell, N. Y. C.

"Philadelphia, April 9, 1920.

"As per instructions given on the telephone, quotations have gone out to dealers on basis of $1.95 bulk Northampton for all territory in Philadelphia and Central Districts—the attached letter being used instead of quotation blanks. There were mailed and dated yesterday.

"In sending these out, we quoted only dealers sold in 1919 and 1920.

"We will not send out quotations to the other dealers on our Mailing List unless so instructed.

"You understand, of course, our last quotation to them, being for immediate acceptance, has expired and we have no obligations

to take orders from such dealers. If they send in orders, we will decide whether to quote on new basis or turn down altogether in each individual case.

F. B. M."

[fol. 2914] DEF'TS' EX. No. D-741

Telegram

"April 8, 1920.

"Mr. Frank H. Smith, c/o Berry & Ferguson, 158 Devonshire St., Boston, Mass.:

"Lehigh advance quotations issued Nazareth, Phoenix and Hercules out today.

"R. A. Pruden."

DEF'TS' EX. No. D-742

Telegram

"New York, April 9, 1920.

"Mr. W. G. Zipp, 340 Augustine Street, Rochester, N. Y.:

"Advanced prices ten cents effective today making present price one ninety five Hudson. One eighty five Valley plus twenty five cent bags.

"Coplay Cement Mfg. Co."

[fol. 2915] DEF'TS' EX. No. D-743

"April 9, 1920.

"Mr. L. R. Cutler, Freeport, N. Y.

"DEAR SIR: We have advanced prices today ten cents per barrel, making the dealer's base price f. o. b. Valley $1.85 in bulk plus twenty-five cent bags.

"Other mills have advanced twenty cents per barrel, but as they are still quoting in fifteen cent bags, we will allow the above basis to stand for the present. The difference of ten cents per barrel will more than offset the higher price of our bags.

"Very truly yours, Coplay Cement Mfg. Co. —— ——,
General Sales Manager. JFT:AG."

[fol. 2916] DEF'TS' EX. NO. D-744

"April 16, 1920.

"Sydney R. Kepner & Co., Pottstown, Pa.

"GENTLEMEN: In accordance with telephone conversation with your office this morning, we have entered your order for shipment of one car of Phoenix Portland Cement in paper bags to be shipped to F. H. Keiser & Co., E. P. S. I. Siding, Spring City, Pa., via PRR, the price to be $2.57 per barrel in paper f. o. b. Spring City, Pa.

"While we will make every effort to get this car out promptly, yet you know that the present railroad strike has completely tied up our plant and it is uncertain how soon we will be able to move freight. You may be sure, however, that we will do the best we can.

"Yours very truly, —— ——, General Sales Manager. C. H. Cox/FC."

DEF'TS' EX. NO. D-745

"Giant Portland Cement Company

"Philadelphia Office

"April 17, 1920.

"DEAR SIR: Effective at once and until further advised, please discontinue taking any new orders, either for spot or future shipment. This, of course, does not apply on shipments against contracts, as we expect to take care of contract obligations to the best of our ability.

"Kindly acknowledge receipt.

"Yours very truly, —— ——, General Sales Manager. SNP-N."

[fol. 2917] DEF'TS' EX. NO. D-746

"New York, May 3, 1920.

"From: Mr. E. B. Goode, Jr.

"To: Salesforce:

"Subject: Price changes on Hercules Cement and sacks.

"Effective at once and until further notice use following basing point prices when quoting Hercules Cement in cloth to dealers: Lehigh Valley, $2.95; Hudson, $3.05.

"We will only use the two basing points above for quoting and all points not covered by these two basing points, you will quote Lehigh Valley base plus actual freight from Hercules to destination. You will note that the above prices include sacks at 25c. each and same will be returnable at 25c. each subject to our usual conditions governing returned sacks.

"Shipments in paper will be charged at 70 per barrel less than the above prices.

"Please note: When quoting for delivery at water points in greater New York, the freight rate charged from Hudson is now 30c. per barrel instead of the old rate of 20c.

"—— ——, Sales Manager.

"P. S.—The above is for your information only and does not in any way affect previous instructions as to quoting or accepting new business either on contract or for stock.

"EBG/WFO.

"Mr. Kind, Bailey, Holcombe, Grebe, Van Every, Bedell, Fehling, Lockwood, MacCarey, White, French."

[fol. 2918] DEF'TS' EX. NO. D-747

"Nazareth Cement Company

"Inter-Department Correspondence

"Boston Office

5/29/20.

"To Mr. J. A. Horner, Nazareth, Penn.:

"The Edison Company has a notice in the hands of their customers this morning showing a consumers' price of $3.80 per bbl. for delivery at Boston, Mass., in 25 cent bags. The dealer's price at this point is the same with a 10% allowance after the deduction of bags, or 28 cents commission.

"Vulcanite has a notice in the hands of their trade, stating that prices will be those prevailing at time of shipment, but do not mention any figures.

"Presume we will hear from you.

"Very truly yours, John W. Ramsay."

[fol. 2919] DEF'TS' EX. NO. D-748

"The Allentown Portland Cement Company

"Allentown, Pennsylvania

"June 16, 1920.

"Salesmen:

"Salesmen not traveling. No written notice to them.

"Effective at once figure all prices at $2.25 per barrel, f. o. b. mill, plus bags and plus freight.

"Very truly yours, Allentown Portland Cement Company, Sales Department. F. A. Weibel-K."

DEF'TS' EX. No. D-749

Telegram

"Allentown, Pa., June 18, 1920.

"Lehigh Portland Cement Co., Finance Bldg., Philadelphia, Pa.:

"Effective immediately all prices advanced thirty cents per barrel. Advise salesmen.

"Lehigh Portland Cement Company."

[fol. 2920] DEF'TS' EX. No. D-750

"Edison Portland Cement Co.

"Change in Price of Edison

"June 21, 1920.

"Effective this date, price on Edison to dealers will be based as follows: $2.25 net Lehigh Valley; $2.35 net Hudson or Alsen.

"Add $1.00 per barrel for shipment in cloth sacks and 25 cents per barrel for shipment in paper sacks.

"All delivered prices will include a dealer's trade discount of 10% exclusive of the value of the package.

"The cash discount will remain at 5 cents per bbl. for payment within ten days after date of invoice.

"Any orders accepted will be subject to indefinite delay in shipment, price to be that in effect for Edison Company when shipment is made.

"No change in the water rate schedule of April 8th, 1920."

[fol. 2921] DEF'TS' EX. No. D-751

"The Atlas Portland Cement Co.

"New York

"For the attention of Mr. L. R. Burch.

"New York, June 19, 1920.

"Campbell Morell Company—Mr. Clinton—called up this morning and said they had a Bath quotation dated yesterday, quoting price of $3.62 per barrel cloth f. o. b. Passaic—70 cents per barrel less in paper—5 cents per barrel cash discount payment in 10 days. Nothing was said about differential or other terms and conditions.

"This is on basis of $2.25 Lehigh Valley—$1.00 bags."

[fol. 2922] DEF'TS' EX. NO. D-752

"Boston, Mass., June 18, 1920.

"The Atlas Portland Cement Company, 30 Broad Street, New York City:

"McConnell—Message (Penn-Allen) quotation out today. Price advance in Boston Cereal (30¢) per barrel effective at once.

F. A. Boeye."

[fol. 2923] DEF'TS' EX. NO. D-753

"Knickerbocker Portland Cement Company, Inc.

"New York City

"June 18, 1920.

"To our customers:

"Effective at once the present price of 'Knickerbocker' Portland Cement is increased forty (40¢) cents per barrel, with sacks redeemable at 25 cents each. Terms and other conditions to govern as noted on the reverse of this sheet. The price in paper sacks will be 70 cents per barrel less than in cloth sacks.

"All sacks shipped after June 21st will have the figures twenty-five (25) in a circle on the back of the sack to distinguish them from the sacks previously shipped which were charged at 15 cents each.

"Sacks at present outstanding will be redeemed on the basis of price at which they were charged.

"Very truly yours, Knickerbocker Portland Cement Company, Inc. W. M. Floring, Sales Department."

[fol. 2924] DEF'TS' EX. NO. D-754

"The Atlas Portland Cement Co.

"New York

"For the attention of Mr. Van Wagner.

"Buffalo, New York, 6/21/20.

"While in office of C. B. Whitmore Co. at Lockport, N. Y. I saw a Vulcanite quotation dated June 18, 1920, and the price was $3.74 with 25 cents bags, this being 30 cents over our price at that point.

"M. C. Wall."

DEF'TS' EX. No. D-755

"6/21/20.

"Mr. Burch:

"Effective today Lehigh, Alpha, Vulcanite & Edison & Coplay have increased export prices to:

"$3.53 Jersey City.

"$3.73 Fas.

"Prices made up as follows:

"Bulk	$2.25
"Pck.	1.00
"Freight to J. C.	.28
"Lighterage	.20
	$3.73 alongside.

"Increase is 30 cents bbl. of 400 gross, 376 net."

[fol. 2925] DEF'TS' EX. No. D-756

"The Atlas Portland Cement Co.

New York

For the attention of Mr. L. R. Burch.

"New York, June 22, 1920.

"We had a wire yesterday from Buffalo salesman, that Vulcanite, Hercules and Allentown companies had advanced their prices in Buffalo 30c. a barrel, to basis $2.25 Lehigh Valley.

"So far we have checked an increase of 30c. a barrel in prices of the following companies: Alpha, Coplay, Bath, Penn Allen, Pennsylvania, Dexter, Vulcanite, and a 40c. per barrel increase on Knickerbocker, all subject to 5c. cash discount.

"We have checked Lehigh prices in Newark, Boston and New York City—30c. per barrel higher than their last previous quotations, which prices seem to figure $2.25 Lehigh Valley, or $2.35 Hudson.

L. G. M."

[fol. 2926] DEF'TS' EX. No. D-757

"Salesman's Special Daily Report

Report of interview with Mr. Van Wagner concerning cement prices.

Saylor and Bath both up 30 cents at Bflo.

Town: Bflo, N. Y. Date: 6/23/20.

Salesman: W. H. Jones."

DEF'TS' EX. NO. D-758

"Eastern Dists.

"June 23, 1920.

'In confirmation of our conversation this morning you are arranging today to send a list to each one of the mills of all trade orders you have at the mills which were taken subject to current market price at time of shipment. This list is for the purpose of advancing the price on all of these orders 30c. a barrel—$2.25 Northampton; $2.35 Hudson plus $1.00 bags. Invoices on shipments made today will be rendered on basis of the price shown in this list. A copy of this list is also to come to me.

"As soon as you get this out of the way, you had better start putting through corrections on these orders so that they will be right up to date as soon as we can get them that way.

LGM:H."

[fol. 2927] DEF'TS' EX. NO. D-759

"Eastern Dists.

"June 24, 1920.

"Referring to my memorandum of yesterday regarding changing prices on trade orders at the mills.

"As fast as you receive notification of shipment of any of the orders on this list, you had better write a letter to the customer and tell him what his new price is, advising that this is in accordance with our acknowledgment of his order at the time it was placed.

"I do not believe it would be best to write a letter on orders which will not go out for some time, but be sure that a letter is written when each order is shipped.

"The first of the week we will probably send out a general notice to the trade which will advise them just what our present price is, and will also advise them that this price is effective on orders taken subject to an increase in price, but regardless of this, we will want to send out a special letter on each order at the time it is shipped.

LGM:MH."

[fol. 2928] DEF'TS' EX. NO. D-760

"Giant Portland Cement Company

"Philadelphia Office

"June 22, 1920.

"DEAR SIR: Effective today we are making the following base prices:

"To Dealers: Lehigh Valley, $2.25 per bbl.; Hudson River, $2.35 per bbl.

"Cloth sacks are to be charged at the rate of twenty-five (25c) cents each.

"The differential in paper sacks will be 70c per barrel less than the gross price in cloth.

"The differential in bulk will be $1.05 per barrel less than the gross price in cloth.

"However, do not make any quotations whatever based on these prices unless authorized by this office.

"Please acknowledge receipt.

"Yours very truly, —— ——, General Sales Manager.
SNP-N."

[fol. 2929] DEF'TS' EX. NO. D-761

"Phœnix Portland Cement Co.

"Philadelphia

"Newark, N. J., June 21, '20.

"Mr. Charles H. Cox, Sales Mgr., Philadelphia Office.

"Re Increase in Price of Cement

"DEAR SIR: Further following up this matter of the last increase in the price of cement, we understand that the following companies have made the 30c increase: Penn-Allen, Lehigh, Bath, and confirming our word of a few days ago we have been shown the Edison letter.

"In taking with Mr. C. Ernsberger today I learned from him that the Dexter Co. has not increased their price up to this morning.

"This for your information.

"Newark Office.

"D. Mackenzie. D. S. M."

[fol. 2930] DEF'TS' EX. NO. D-762

"June 22, 1920.

"Mr. Donald Mackenzie, District Sales Manager, 618 Essex Building, Newark, N. J.

"DEAR MAC: I thank you for your letter of the 21st instant advising me that Penn-Allen, Lehigh, Bath and Edison have advanced their price. I think Alpha has done so, also, and would ask that you make some inquiries among your customers to confirm this.

"Yours very truly, Charles H .Cox."

[fol. 2931] DEF'TS' EX. No. D-763

New York, June 23, 1920.

From: Mr. E. B. Goode, Jr.
To: Sales force.
Subject: Price changes on Hercules Cement.

"Effective at once and until further notice use following basing point prices when quoting Hercules Cement in cloth to dealers: Lehigh Valley, $3.25; Hudson, 3.35.

"We will only use the two basing points above for quoting and all points not covered by these two basing points, you will quote Lehigh Valley base plus actual freight from Hercules to destination. You will note that the above prices include sacks at 25c each and same will be returnable at 25c each subject to our usual conditions governing returned sacks.

"Shipments in paper will be charged at 70c per barrel less than the above prices.

"Please note: When quoting for delivery at water points in greater New York, the freight rate charge from Hudson is now 30c per barrel instead of the old rate of 20c.

"Sales Manager.

"P. S.—The above is for your information only and does not in any way affect previous instructions as to quoting or accepting new business either on contract or for stock. EBG/WFO.

"Mr. Kind, Mr. Holcombe (advise men), Mr. MacCarey, Mr. Grebe, Mr. Bailey, Mr. White, Mr. Bedell, Mr. Lockwood, French."

[fol. 2932] DEF'TS' EX. No. D-764

"Edison Portland Cement Co.

"New York, June 26, 1920.

"DEAR MR. WETZLER: For the past several weeks, I have been going over ways and means to handle the present situation arising out of the high cost of coal and the poor shipments of cement on contracts and orders on hand.

"I want to recite a few facts.

"(1) Last fall we contracted with two of the most reputable coal companies in the business—companies who have had contracts with us for upwards of sixteen years continuously on their books for our full supply of coal for maximum production during the year 1920.

"(2) Due to the shortage of cars for shipment of coal, we have been able to receive, since the first of the year, less than 20% of the coal contracted for, and by checking up these companies who have contracts with us, we know that they are giving us our full allotment of coal based on the car supply.

"(3) In order to produce cement to fulfill our contracts, we have ever since November 1st, been buying spot coal to fulfill our requirements in addition to the coal received on contracts.

"(4) We contracted for coal at the mines at less than $3.00 per ton for this year's supply and are now, and have been for some time past, paying from $8.50 to $10.50 at the mines. Just at present, we are paying an average of $10.00 per ton.

"(5) The present price of coal, including freight to our mill, makes the coal item included in the cost of cement alone about $1.25; whereas, in estimating on this year's costs, we had figured as a basis for our selling price only about $.50 per barrel as our coal cost alone.

"(6) Under present conditions, our cost of producing cement due alone to the increased cost of coal more than $.75 per barrel in excess of the cost at which we figured our selling price at the first of the year.

"(7) We cannot continue to operate the mill and manufacture cement at such a loss indefinitely.

"Now it seems to me that in justice to ourselves we should curtail our production to such a point as would utilize only the coal which we are receiving on our contracts which would mean about 20% shipments on contracts, dependent upon coal received. I am, however, in doubt as to whether or not we should take such a radical step, having in mind that our customers have work started on which the curtailment of deliveries of cement would cause an undue loss, without first presenting the matter fairly and openly to our customers, asking their advice as to what we should do.

"I have in mind that all our customers would prefer to authorize us to buy spot coal and continue manufacture, charging them for the additional cost to produce on account of the coal situation alone for such time as conditions remain as they are, and I would suggest that you personally interview, if possible, all of our customers with whom we have contracts, laying this matter before them, or, if you find it impracticable to take the matter up personally with all our customers, perhaps write them clearly and fully the details, endeavoring to make clear just what position we are in and just why we are in need of their help to continue delivering cement as fast as the car supply will permit on all of our contracts.

"(Signed) W. D. Cloos, General Manager."

[fol. 2933] DEF'TS' EX. NO. D-765

"Change in Price of Edison

July 1, 1920.

"Effective this date, price on Edison to dealers will be based as follows: $2.50 net Lehigh Valley; $2.60 net Hudson or Alsen.

"Add $1.00 per barrel for shipment in cloth sacks and 25 cents per barrel for shipment in paper sacks.

"All delivered prices will include a dealers' trade discount of 10% exclusive of the value of the package.

"The cash discount will remain at 5 cents per barrel for payment within ten (10) days after date of invoice.

"Any orders accepted will be subject to indefinite delay in shipment price to be that in effect for Edison Cement when shipment is made.

"No change in the water rate schedule of April 8th, 1920."

[fol. 2934] DEF'TS' EX. NO. D-766

"N. Y., July 1st, 1920.

"Mr. Bigbie, Mr. Wight, Mr. Khan, Mr. Furbush, Mr. Mathesius, Mr. Whitton, Mr. Kearney, Mr. Eschenbrenner:

"Please note the attached copy of letter written me under date of June 26th by Mr. Cloos, our General Manager, outlining how our manufacturing cost has recently advanced 75 cents per barrel through the coal item alone, and that it looks as though as a matter of self perservation, we will have to operate the mill about one-fifth time as contract coal is received unless the trade generally will give us an increase in contract price to enable full mill operation. We have decided before going to the extremity of operating the mill part time, which will make for indefinite delay in shipments, to put the matter squarely up to those with whom we have contracts and have them decide what we are to do—whether they are content to wait indefinitely for cement or if they will authorize an increase in contract price to in a measure offset the huge losses we are now bearing.

"We estimate that based on present costs, we should receive at least $2.50 bulk at the mill for each and every barrel that is now being shipped to enable us to come out whole. We however are not in a position to ask such price by reason of the fact that the other Lehigh Valley manufacturers are on the basis of $2.25 bulk at the mill, but we certainly should get an advance in price to the basis of $2.25 or we will be compelled to take the drastic action of running the mill only as contract coal is received.

"We have lost so much money in our endeavor to fill contracts as placed without asking for relief, that we have reached the point where we absolutely cannot further carry the burden, and as I say, it is up to the dealers and contractors with whom we have commitments to help us out in these high costs or they will have to be content to receive cement as we can make it upon receipt of contract coal.

"I attach a list of contracts in your territory with the request that you start out the beginning of the coming week and personally interview each and every one of the dealers and contractors involved; let them read Mr. Cloos' memorandum to me, and say that we will be very glad indeed to have them look over our records to satisfy

themselves on this matter of costs. I wish you would go with the dealer to interview the contractor, and if necessary, the owner, to explain the situation, pointing out that it is not one of our making and that the conditions are entirely beyond our control. If this is not clear, please call me on the telephone but get busy immediately as I want to have this situation cleaned up by the 10th of July so that we will know which contracts are to be filled as cement is made with contract coal, and which contracts are to be filled on basis of shipment as the car supply will permit based on cement manufactured with spot purchased coal.

" Raw. J. N.

"P. S.—I am attaching several extra copies of Mr. Cloos' memorandum to me in order that you may if requested leave a copy with the dealer or contractor with whom the matter is discussed."

[fol. 2935] DEF'TS' EX. NO. D-767

"N. Y., July 16th, 1920.

"Mr. Whitton, Mr. Furbush, Mr. Kearney, Mr. Bigbie, Mr. Mathesius, Mr. Eschenbrenner, Mr. Wight, Mr. Kahn:

"From information that I have been able to gather, it is evident that practically all of the cement manufacturers in the East have advanced their price to a dealer basis of $2.50 Bulk Lehigh Valley, $2.60 Bulk Hudson.

"With this advance in price, our competitors have instituted 10¢ per barrel cash discount allowance (mind you, not the 10% dealer trade discount which we established June 1st, but ten (10) cents per barrel cash discount allowance instead of five (5) cents as heretofore applied.)

"You know, that generally speaking, we have not been taking on business of any character, although we have booked an occasional trade order from some of our old friends, such orders being accepted at the Edison price in effect at time of shipment, also indefinite delay in shipment.

"About three weeks ago, careful analysis of costs indicated that we should get at least $2.50 bulk at the mill in order to come out whole, and we then wrote all the dealers who had trade orders on file with us that they were then being held at price of $2.50 bulk at the mill—so you see, the other people have only followed our lead, with this difference—that they have instituted a ten-cent per barrel cash discount allowance, whereas we are still on the five-cent per barrel cash discount basis, although I believe we will institute the ten-cent cash discount allowance August 1st, of which I will write you further a little later on.

"I just want to let all of you men know that while there is practically no business being booked by any of the manufacturers, the

present market to dealers is $2.50 bulk Lehigh Valley, $2.60 bulk Hudson.

"Please acknowledge receipt.

R. A. W."

[fol. 2936] DEF'TS' EX. No. D-768

Telegram

"Allentown, Pa., July 13, 1920.

"Lehigh Portland Cement Co., Ellicott Square Bldg., Buffalo, N. Y.:

"Effective immediately price two fifty Lehigh Valley, two sixty Hudson. Cash discount changed to ten cents.

"Lehigh Portland Cement Company."

DEF'TS' EX. No. D-769

"July 3, 1920.

"L. G. McConnell:

"Mr. Ernstberger of Tompkins Bros., Newark, called up and said he had a quotation from Edison naming price of $4.12 less 10%. Taking $1.00 off for bags and 10% off, this figures $2.81 to dealer, and freight rate of 31¢, which nets the Edison Company $2.50 at the Valley. This is an advance of 25¢ over our price.

FBM:MH."

Pencil note reads:

JAYNES: Let me know whether you get any dope on this.

F. B. M. 7/3.

[fol. 2937] DEF'TS' EX. No. D-770

New York Office

July 14, 1920.

L. G. McConnell:

Attached is Lehigh quotation received today by W. S. Simpson, Inc.

RHS.

"Lehigh Portland Cement Co.

Allentown, Pa.

July 13, 1920.

W. S. Simpson, Inc., 101 Milk St., Boston, Mass.:

"We take pleasure in quoting you on Lehigh Portland Cement delivered in carload lots, f. o. b. cars East Cambridge, Mass.

In cloth sacks $4.07 per standard barrel including four (4) sacks.
In paper bags seventy (70) cents per barrel less than cloth.
Prices for immediate acceptance.

* * * * * * *

Yours very truly, Lehigh Portland Cement Co. B. L. Swett, Eastern Sales Manager.

Cash discount increased to 10c. per barrel.

DEF'TS' EX. No. D-771

Eastern Districts

July 17, 1920.

Our new price is effective on shipments beginning Monday, July 19th.
Please see yesterday's letter.

LGM-ES."

[fol. 2938] DEF'TS' EX. No. D-772

"The Atlas Portland Cement Co.

"New York

"New York, July 17, 1920.

"Effective at once, we are advancing our price twenty-five cents (25c) per barrel and changing our cash discount to ten cents (10c) per barrel, in accordance with the attached copy of quotation.

"All orders taken subject to increase in price will be invoiced at this price until such time as we change it.

"We do not notify our customers, of course, in advance of any increase in our price, but we do notify them at the time we ship the cars that our price has changed.

"Our shipping situation continues to be better than it was some weeks ago, although we still have a large accumulation of orders with Hudson and Northampton, due to the car shortage which existed for such a long time.

"Do not do anything in the way of securing business or taking orders unless you have specific instructions from your District Manager.

LGM.-ES."

[fol. 2939] DEF'TS' EX. NO. D-773

"The Atlas Portland Cement Company

"New York

"Our present price to you on 'Atlas' Portland Cement is: $— per barrel, including 4 cloth bags at twenty-five cents (25c.) each, returnable at the same price, under our usual conditions, f. o. b. cars.

"In paper bags, seventy cents (70c.) per barrel less than in cloth bags.

"Based on this price, we believe that there should be a larger cash discount. Effective, therefore, with this quotation, on all new business the cash discount will be ten cents (10c.) per barrel instead of five cents (5c.) per barrel, as heretofore.

"All orders tendered are subject to our acceptance; to our usual terms, conditions and limitations, and to the following:

"1. Prices herein quoted are subject to any increase in freight rates from those now in effect.

"2. Shipment at our current market price on 'Atlas' Portland Cement on date of shipment.

"3. Delay in shipment owing to past and present conditions.

"4. Change in price of cloth bags to our market price for cloth bags at time of shipment.

"On account of the unusual conditions existing today, we suggest that you do not obligate yourself to deliver "Atlas" Cement without first taking the matter up with us, at which time we will use every effort within our power to further our common interests.

"Yours truly, The Atlas Portland Cement Company."

[fol. 2940] DEF'TS' EX. NO. D-775

"Nazareth Cement Company

"Boston Office

"15 July, 1920.

"To Mr. J. A. Horner, G. M.:

"We understand that the Lehigh people have quotations out this morning showing a 25c. per bbl. advance and have, also, made the cash discount 10c. instead of 5c. I suppose you will follow suit shortly and will advise.

"J. W. Ramsay."

[fol. 2940] DEF'TS. EX. NO. D-776

N. Y., July 16th, 1920.

Mr. Kahn, Mr. Wight, Mr. Eschenbrenner, Mr. Mathesius, Mr. Bigbie, Mr. Kearney, Mr. Furbush, Mr. Whitton:

"I just want to advise you that while the car supply is a little better than it was a month or two ago, we have not been able to make any impression on the list of pending orders at the mill. We are still, generally speaking, about two months behind in shipment, hence we are not in position to take on any new business of any character at *at* this time.

R. A. W."

[fol. 2941] DEF'TS' EX. NO. D-777

"Giant Portland Cement Company

"Philadelphia Office

"July 17, 1920.

"DEAR SIR: Effective at once we are making the following base prices:

To Dealers: Lehigh Valley, $2.50 per bbl.; Hudson River, $2.60 per bbl.

"Cloth sacks are to be charged at the rate of twenty-five (25c) cents each.

"The differential in paper sacks will be 70c. per barrel less than the gross price in cloth.

"The differential in bulk will be $1.05 per barrel less than the gross price in cloth.

"Do not make any quotations whatever based on these prices unless authorized by this office.

Please acknowledge receipt.

"Yours very truly, —— ——, General Sales Manager."

[fol. 2942] DEF'TS' EX. NO. D-778

"New York, July 18, 1920.

From: Mr. E. B. Goode, Jr.

To: Sales force.

Subject: Price changes on Hercules Cement.

"Effective at once and until further notice use following basing point prices when quoting Hercules Cement in cloth to dealers: Lehigh Valley, $3.50; Hudson, $3.60.

"10c. per barrel discount for payment in full within ten (10) days from date of invoice.

"We will only use the two basing points above for quoting and all points not covered by these two basing points, you will quote Lehigh Valley base plus actual freight from Hercules to destination. You will note that the above prices include sacks at 25c. each and same will be returnable at 25c. each subject to our usual conditions governing returned sacks.

"Shipments in paper will be charged at 70 per barrel less than the above prices.

"—— ——, Sales Manager.

"P. S.—The above is for your information only and does not in any way affect previous instructions as to quoting or accepting new business either on contract or for stock.

EBG/WFO."

Mr. Kind, Mr. Bailey, Mr. Holcombe, Mr. Grebe, Mr. White, Mr. Bedell, Mr. MacCarey, Samuel H. French & Co.

[fol. 2943] DEF'TS' EX. No. D-779

"Representatives' Notice

No. 112

Prices

"Confirming letter of July 15, 1920, all prices are withdrawn. In accordance with instructions issued on several occasions, we will accept shipping orders from Dexter dealers only.

"Effective this date, a price based upon $2.50 per barrel plus packages and freight shall be placed upon one carload at a time for each Dexter dealer. Orders for additional quantities shall be marked and billed at market price at time of shipment.

"The phrase 'market price at time of shipment' means the lowest price in effect within 15 days prior to date of shipment of order. No notice of advance or formal quotations may be issued except on request by a Dexter dealer.

"Discount

"The cash discount on all cement billed at the above mentioned base price or higher, shall be ten cents (10c.) per barrel if paid within ten days from date of invoice.

"Differential

"Confirming instructions issued at various times this year, there is no differential on sales of Dexter Portland Cement. Quotations and sales may only be made to Dexter dealers. If prices or quota-

tions are requested by consumers who are regular buyers of Dexter cement, the nearest dealer qualified to govern or control the anticipated business shall be consulted and such quotations made only with his consent. It is preferable that the dealer should quote prices rather than that we should do so on behalf of the dealer.

"Other Bases

"No other base price may be used excepting the $2.50 base price Lehigh Valley mentioned in the first paragraph of this notice. You will therefore disregard all other freight rates excepting those given under column L.V. in the Freight Rate Book.

—— ——, Manager of Sales. RWH/C."

[fol. 2944] DEF'TS' EX. No. D-780

"Nazareth Cement Company

"Boston Office

Date: 7/28/20.

"To Mr. J. A. Horner, Nazareth, Penna.

"For your information, the Edison Company is out today with a new quotation on which the Consumer's price at Boston is $5.52 in 25c. cloth sacks, with a cash discount of 10c. per bbl.

"The dealers' price is figured out as follows:

"Consumers' Price	$5.52	
Cloth bags	1.00	
		$4.52
Dealer's Commission		.45
		$4.07
Freight		.57
		$3.40

"Very truly yours, John W. Ramsay."

[fol. 2945] DEF'TS' EX. No. D-781

Telegram

"New York, Oct. 15, 1920.

"Mr. H. A. Meech, 210 Genesee St., Rochester, N. Y.:

"Effective today mill base two fifty plus LV rate and bags discount ten cents per bbl. cash ten days. Take no new business without authority from this office.

"Pennsylvania Cement Co."

[fol. 2946] DEF'TS' EX. No. D-782

"July 28, 1920.

"Mr. Whitten, Mr. Mathesius, Mr. Furbush, Mr. Kearney, Mr. Bigbie, Mr. Eschenbrenner, Mr. Wight, Mr. Kahn:

"After an Executive Meeting held on the 26th inst., when a thorough analysis was made of the present day costs, it was found necessary to establish a price of $3.50 per barrel bulk at the mill, cloth bags to be on basis of 25 cents each or at the rate of $1.00 per barrel; paper bags at the rate of six and one-quarter (6¼) cents each, or 25 cents per barrel.

"As we have been unable to make any appreciable impression on pending shipping instructions at the mill, we are not in a position to take on any new business. Therefore, our new price basis in reality has no effect except as applying on such dealer warehouse orders as may be tendered us, and which in the regular course of things, are scheduled for shipment in the near future.

"What the price will be next week or next month, I do not know; it may be higher or may be lower, depending entirely on conditions. As I said before, the $3.50 bulk price is based on present costs and will be increased or decreased as conditions warrant.

"We have a number of warehouse orders on file that were placed on basis of Edison price in effect at time of shipment. When their time for shipment is reached, we will then notify customer what our price is. Until you are advised to the contrary, it will be as stated above, viz., on basis of $3.50 bulk at our mill.

"Please acknowledge receipt and advise your understanding.

RAW./J. N."

[fol. 2947] DEF'TS' EX. No. D-784

"October 1st, 1920.

"Change in Price of Edison

"Effective this date, price on Edison will be based on $3.00 net Lehigh Valley plus 10% dealers' trade discount, which applies on destination price exclusive of package; cloth bags to be on basis of $1.00 per barrel; paper bags to be on basis of 30c. per barrel.

"Any orders accepted will be subject to indefinite delay in shipment, price to be that in effect for Edison Cement when shipment is made."

[fol. 2948] DEF'TS' EX. No. D-785

Memorandum to Messrs. Bruff, Wetzler, Kessel, Willbrand, La Rue

"October 14, 1920.

"Having communicated with all of you today with reference to our price on Edison Cement I have received the one conclusive opin-

ion from all of you that we should immediately reduce our mill base price to $2.50.

"From information which I obtained yesterday and further encouragement which I have received today from our coal people, with regard to our supply on contract, I believe that our coal costs are gradually going to reduce. These costs may not have any very beneficial effect as far as Cement costs go for the next thirty days. However, I believe that you will all be better able to meet market conditions with the price of $2.50 Lehigh Valley, effective immediately, and after having talked with Mr. Mambert, we all agreed that the price should be made effective Monday, October 18th.

"This price, of course, refers only to orders subject to Edison price at time of shipment and it is not for general quotation on future business, as we have not as yet set any price for future quotations.

"Can you suggest anything further which we can do to increase our average net price?

"Very truly yours, W. D. Cloos.

[fol. 2949] DEF'TS' EX. No. D-786

"Change in Price of Edison

"October 18th, 1920.

"Effective this date, price on Edison will be based on $2.50 net Lehigh Valley plus 10% dealers' trade discount, which applies on destination price exclusive of value of package; cloth bags to be on basis of $1.00 per barrel; paper bags to be on basis of 30c. per bbl.

"Any orders accepted will be subject to indefinite delay in shipment, price to be that in effect for Edison Cement when shipment is made."

[fol. 2950] DEF'TS' EX. No. D-787

Phœnix Portland Cement Co.

Philadelphia

Newark Office, October 20, 1920.

In re Cement Quotation

"Mr. Charles H. Cox, Phœnix Portland Cement Co., Philadelphia, Pa.

"DEAR MR. COX: The writer developed yesterday that the Edison Portland Cement Company has adjusted its price as of the 18th inst. to the $2.50 base. I understand that they are still in a bad way with regard to making shipments and are not offering any tonnage for contract.

"I knew you would be interested in this and am passing it along for your information.

"Yours very truly, D. Mackenzie, District Sales Manager."

[fol. 2951] DEFT'S' EX. NO. D-788

"October 14, 1920.

"Mr. Preston E. Bradlee, c/o Clinton Hall Hotel, Springfield, Mass.

"DEAR BRADLEE: We have decided to take on a considerable contract tonnage for next year, and you are authorized to take contracts which will run beyond July 1st, in fact which may run during the entire year. Be careful though that the contracts are not of a speculative character and are to cover work which has actually been let on a lump sum basis, and work which will go ahead. We wish to avoid taking contracts on which we will be obliged to reduce the price should there be any decline in price next year.

"It is not our idea of simply act- in a passive way in this matter, but to actually go after contracts, and as the season is growing very short, it will be necessary for you to work fast. I believe very few cement salesmen are now on the road but you may be sure that within the next couple of weeks they will all get started again. We must beat them to it, and so work fast for some real contracts to go in 1921, and be sure to submit to this office any inquiries of any character which you may have.

"Yours very truly, Charles H. Cox."

Copy to Brookline.

[fol. 2952] DEF'TS' EX. NO. D-789

"Bath Portland Cement Co.

"Phila., Pa., November 6, 1920.

"Re Price Instructions

"MR. FRANKS: Please note copy of letter sent to all salesmen.

W. G. D.

"DEAR SIR: On account of our company being one of the few that are quoting mill prices, we find that in order to avoid any misunderstanding with our customers it will be advisable for us to again quote delivered prices as was our custom prior to the last advance in freight rates. Therefore, in the future, quote only delivered prices basing your prices on the new freight rates now in effect as shown by the schedule mailed you sometime ago. You understand in order to secure the freight rate per barrel, including war tax, you will have to look up the old freight rate in your freight rate book and then refer to the schedule showing the advance.

"In quoting and selling at a delivered price, we will advise our customers the present freight rate, including war tax, per barrel, and make it clear to the customers, that this price is based on the freight rate mentioned. Any increase or decrease in the freight rate over or below that shown in our quotations or orders will either be charged against or credited to the customer, providing the correct rate is either above or below that which our records show.

"It is going to be sometime before the freight rates are finally adjusted, and in the meantime we must be very careful in protecting our own interests as regards this matter.

"Very truly yours, Bath Portland Cement Co. —— ——,
Second Vice-President. W. G. D./H."

[fol. 2953] DEF'TS' EX. No. D-791

"Lehigh Portland Cement Co.

"Sales Department, Official Communication

"NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field.

"B. L. Swett, Eastern Sales Manager.

"Week ending Saturday, Nov. 27, 1920. Salesman: H. H. Beans. Office: Allentown.

"1. What information regarding competitors or quotations did you get during the week?

"Our dealer at Shippensburg, Pa., claims they received a quotation from the Giant P. C. Co. of five cents lower per barrel, than our price.

"2. What special inducement of any nature are competitors offering in your territory?

"None, except prompt shipments.

"3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.

"None.

"4. Give names of competitors' salesmen that you have met during the week and information dropped by them.

"None.

"5. Give the complete history of any complaints that you may have on competitors' brands of cement.

"None.

"6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.

"Yes.

"7. What suggestions have you for improving our methods of handling business in your territory?
"None.

"8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
"No.

"9. What is your opinion as to the outlook for business in your territory during the next thirty days?
"Slowing up, if present weather continues.

"10. What seems to be the opinion of the trade on our advertising? How can we improve it?
"Good.

"Remarks: This part of the territory covered this week, looks good, and little or serious kicks, except at Phœnixville, Pa., where I fear the Benjamin Hdwe. Co. are lost, and are using Phœnix Cement extensively. However, a party by the name of Jesse Walker lives here, and is interested in that Company, which may have some bearing on the matter. However, time may tell better our future.
"Yours very truly, H. H. Beans, Salesman."

[fol. 2954] DEF'TS' EX. No. D-792

Telegram

"Allentown, Pa., Dec. 1, 1920.

"Lehigh Portland Cement Co., 6 Beacon St., Boston, Mass.:

"Effective immediately prices two thirty Lehigh Valley, two forty Hudson or two naught five Universal whichever lower. Advise salesmen.

"Lehigh Portland Cement Company."

DEF'TS' EX. No. D-793

Telegram

"New York, N. Y., December 2, 1920.

"John R. Morron, care Geo. F. Baker, Jr., Horseshoe Plantation, Talla., Flo.:

"Lehigh Company and three others have reduced their prices to dealers in New York City this morning twenty cents per barrel. Lehigh Company has also reduced its price for export twenty cents per barrel. Our Information on this definite from the trade. Have

advised Mr. Burch by telephone Stop We will arrange to protect our trade.

"L. G. McConnell."

[fol. 2955] DEF'TS' EX. NO. D-794

Telegram

"New York, Dec. 2, 1920.

"John R. Morron, care Geo. F. Baker, Jr., Horseshoe Plantation, Talla., Flo.:

"Lehigh quotations reported by dealers figuring back to two thirty Valley two forty Hudson two naught five Pittsburgh stop Pittsburgh rates make shrinkage necessary from valley as far east as Philadelphia Northern New York and few New England Points stop Are protecting trade without general issue of quotations stop Have talked with Mr. Burch and will write you fully in morning.

"L. G. McConnell."

DEF'TS' EX. NO. D-795

Telegram

"Tallahassee, Fla., Dec. 1st, 1920.

"To Mr. L. G. McConnell, Atlas Portland Cement Co., 30 Broad St., New York, N. Y.:

"Thank you for message. Please keep in close touch with Mr. Burch over the phone on the matter which you mention and advise me of any definite action.

"J. R. M."

[fol. 2956] DEF'TS' EX. NO. D-796

Telegram

"New York, N. Y., Dec. 1st, 1920.

"To John R. Morron, Tallahassee, Fla.:

"Mr. Burch advises over the telephone that we have heard rumors from the trade in the west that the Lehigh Company have reduced its prices at Mitchell Oglesey and Newcastle and that they are meeting Universal prices at points where such prices are lower than their own basis. We are still checking with the trade in the West to secure positive information stop So far we have not found any recent Lehigh Valley but are close in touch with dealers and will

undoubtedly have prompt information if any change occurs in the quotation which dealers receive.

"L. G. McConnell."

[fol. 2957] DEF'TS' EX. NO. D-797

"The Atlas Portland Cement Co.

New York

"For the attention of Mr. John R. Morron.

"New York, Dec. 3, 1920.

"I sent you a night letter last night reading as follows:

"'Lehigh quotations reported by dealers figuring back to $2.30 Valley, $2.40 Hudson, $2.05 Pittsburgh stop Pittsburgh rates make shrinkage necessary from Valley as far East as Philadelphia, Northern New York, and few New England points stop Are protecting trade without general issue quotations stop Have talked with Mr. Burch and will write you fully in morning.'

"We have not sent out quotations for two or three reasons.

"Up to the present time the dealers have not reported any change in Alpha prices or in those of several other competitors. They have reported changes by the Lehigh, Edison, Coplay, Bath, Nazareth and Vulcanite. We are not losing any business by not having written quotations in the hands of the trade, as we are meeting representative competitors' prices down to a satisfactory minimum.

"There is also the question of our strategical position. If we meet the prices of the Pittsburgh mills, which figure back to $2.05, and make our own price $2.30, the territory where our maximum will apply will be very small. We will have to shrink in order to meet competitive prices in such points as Philadelphia, Baltimore, Washington; Rochester and Syracuse, New York, and a few points in New England. If we set our maximum price at $2.05 Northampton, the Pittsburgh competition will have to shrink at all points east of Altoona and Johnstown, Pa., and Buffalo, New York.

"We are of the opinion that competitive conditions and the supply of cement, as compared with the demand for it during the winter months, may result in some of our Lehigh Valley competitors making prices lower than $2.30.

"Mr. Burch wanted me to write you along the above lines so that you would have a general outline of the present situation and could wire us your advice.

"Mr. Burch will be in the office on Monday and we figure that this letter should reach you on that date.

"Yours very truly, L. G. McConnell.

"P. S.—The prices which the Lehigh Company are quoting figured back to $2.05 Pittsburgh carry a 10¢ cash discount. The Universal

Company's prices, figured back to $2.00, Pittsburgh, carry only a 5¢ cash discount.

LGM:EL."

[fol. 2958] DEF'TS' EX. NO. D-798

"Eastern Districts

"Dec. 3, 1920.

"All new orders taken for immediate shipment are to be invoiced, until further notice, on the following basis: $2.40 Hudson, 2.30 Northampton, 2.05 Universal, plus $1.00 for four (4) cloth bags, subject to a cash discount of 10¢ per barrel. Price in paper 70¢ per barrel less.

"We are not ready to issue trade quotations generally, but there is no objection to naming prices when writing to the trade for immediate acceptance on this basis for trade orders and to issuing specific job quotations.

"Observe a minimum of $2.00 Northampton, or $2.10 at Hudson, bringing up any cases where business is offered which nets us less than this minimum.

"Please advise your salesmen immediately.

LGM:EL."

[fol. 2959] DEF'TS' EX. NO. D-799

Telegram

Tallahassee, Fla., Dec. 3rd, 1920.

Mr. L. G. McConnell, Atlas Portland Cement Co., 30 Broad St., New York, N. Y.:

Both your messages received and satisfactory. On my return conditions will justify giving definite decision on entire situation stop Tell Mr. Miner his message also received.

J. R. M."

DEF'TS' EX. NO. D-800

"The Atlas Portland Cement Co.

Boston

"For the attention of Mr. L. G. McConnell, New York Office.

"Boston, December 2, 1920.

"It is our understanding from a telephone conversation this morning that we are, beginning today, to figure our prices based on 2.30 Northampton and 2.40 Hudson.

"In further confirmation, we are sending corrections to the mill on the orders listed yesterday for trade shipments.

"As near as we can check up, Vulcanite, Nazareth and Edison have issued either telegraphic or telephonic quotations to the dealers in this district.

F. A. Boeye."

[fol. 2960] DEF'TS' EX. NO. D-801

"December 2nd, 1920.

"H. Wales Lines Co., Meriden, Conn.

"GENTLEMEN: Effective today we will accept orders for Dexter Portland Cement on the basis of $2.30 Lehigh Valley and $2.40 Hudson River.

"Please do not issue quotations on these bases until Monday, December the 6th.

"The cash discount remains at 10c per barrel and all other terms, conditions, etc., are the same as heretofore.

"The writer will be at the Trenton House, Trenton, N. J., at noon on Friday and in our New York office on Saturday morning.

"If any shipments were made in December to your customers at a higher price than the above basis, please formally apply for credit memorandum to Nazareth and oblige.

"Very truly yours, —— ——, Manager of Sales & Credits.
RWH:B."

[fol. 2961] DEF'TS' EX. NO. D-802

"Boston Office

"December 2, 1920.

"Messrs. Sullivan-Sikora:

Re Change in Price of Edison Cement, Effective Today

"Kindly be advised that effective today, the price of Edison Portland Cement has declined twenty cents per bbl., therefore, when figuring from this date, until advised to the contrary, you will figure on the $2.30 L. V. basis and a $2.40 Hudson River base, plus the usual $1.00 for bags, plus the base freight rate that we have been using since August 26th last.

"Kindly acknowledge receipt of this letter and your intention to follow these instructions, thereby obliging.

"Yours very truly, —— ——. ACB/K."

[fol. 2962] DEF'TS' EX. NO. D-804

"Dexter Portland Cement Company

Nazareth, Pa.

"Confirmation of Telegram Sent This Day

"12/6/20.

"H. Wales Lines Co., Meriden, Conn.:

"Issue quotations meeting competition on 2.05 Universal base.

"Dexter Portland Cement Co."

DEF'TS' EX. NO. D-805

"Dec. 7, 1920.

"H. C. Carpenter:

"This is to advise that we have this day reduced our price 20c per barrel. Present price as follows: 2.30, Lehigh Valley Base; 2.40, Hudson Base; 2.50, Fordwick Base; 2.05, Universal Base.

"We are in a position to accept business for immediate delivery.

"—— ——, Sales Manager Pennsylvania Cement Co. E. P. A."

[fol. 2963] DEF'TS' EX. NO. D-806

"Lehigh Portland Cement Co.

"Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep in close touch with conditions in the field. B. L. Swett, Eastern Sales Manager.

"Week ending Saturday Jan. 1st, 1921. Salesman: Browning. Office: Buffalo.

"1. What information regarding competitors or quotations did you get during the week?

"None.

"2. What special inducement of any nature are competitors offering in your territory?

"None.

"3. State what disadvtantages, if any, caused by the actions of this company you are laboring under in meeting competition.

"Naturally we are at a disadvantage in this territory in quoting on contracts with our minimum of $2.20 Lehigh Valley, where some of our competitors are quoting $2.05 Universal.

"4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
"Did not meet any.

"5. Give the complete history of any complaints that you may have on competitors' brands of cement.
"No complaints."

[fol. 2964] DEF'TS' EX. NO. D-807

"January 25, 1921.

"Richmond office.

"GENTLEMEN: Confirming telegram sent you this evening, please be advised that effective immediately our prices are revised to $2.00 Lehigh Valley and $2.25 Fordwick, all the other bases remaining unchanged.
"The new quotations have been mailed to the trade today.
"These new quotations also show a paper sack charge of 25 cents per barrel, instead of 30 cents per barrel as heretofore. The cloth sack price remains unchanged.
"Please instruct all salesmen accordingly.
"Yours truly, —— ——, Eastern Sales Manager."

[fol. 2965] DEF'TS' EX. NO. D-808

"Lehigh Portland Cement Co.

"Sales Department, Official Communication

"NOTE.—Answers to these questions must be mailed to me Saturday of each week: This is to keep in close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

"Week ending Saturday, 4/16/21. Salesman: F. W. Douglas. Office: New Jersey Dist.

"1. What information regarding competitors or quotations did you get during the week?
"Bath and Dragon still shipping into Newark on 1.75 base.

"2. What special inducements of any nature are competitors offering in your territory?
"None.

"3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
"None.

"4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
"None.

"5. Give the complete history of any complaints that you may have on competitors' brands of cement.
"None.

"6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
"Yes.

"7. What suggestions have you for improving our methods of handling business in your territory?
"None.

"8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
"No.

"9. What is your opinion as to the outlook for business in your territory during the next thirty days?
"Good.

"10. What seems to be the opinion of the trade on our advertising? How can we improve it?
"Are pleased.

"Remarks: ——.

"Yours very truly, F. W. Douglas, Salesman."

[fol. 2966] DEF'TS' EX. No. D-809

"January 26, 1921.

"L. R. Burch, N. Y. C.:

"Confirming telephone conversation of today, we are advised that Lehigh is quoting $3.57 f. o. b. Wilmington, Del. This price figures as follows: Northampton, $2.00. Bags $1.00. Freight .57 with 10 cents per barrel discount.

J. P. T."

DEF'TS' EX. No. D-810

"January 26, 1921.

"L. R. Burch, New York Office:

"Here are names of more dealers who have notified us about changes in prices made this morning by our competitors:
"The Watertown Coal Company, Watertown, Mass., say that they have been telephoned by the Edison and Lehigh Offices announcing a 30c. per barrel reduction.
"W. K. Gilmore & Son, Wrentham, Mass., tell us that they have a written quotation from the Lehigh Company announcing a 30 cents per barrel reduction.

"The Peck-McWilliams Company of Norwich, Conn., telephoned to us that they have received from Lehigh Company a quotation specifying $3.82 per barrel f. o. b. cars Norwich. Our present price at Norwich is $4.10 per barrel—a difference of 28 cents.

EWC/C."

[fol. 2967] DEF'TS' EX. NO. D-811

"The Atlas Portland Cement Co.

"New York

"For the attention of Mr. E. Jeynes.

"New York, January 11, 1921.

J. Z. Demarest of Bergenfield, N. J., called me on the phone this afternoon and said that he had called up the Alsen Company and asked them today's price f. o. b. cars Bergenfield and they told him that the price today f. o. b. cars Bergenfield is $3.66 in 25 cent bags. They have no formal quotation outstanding.

"Our price f. o. b. cars Bergenfield is $3.91.

"G. E. Smith."

Pencil notation: I gave Mr. Burch a note of this 1/11/21."

DEF'TS' EX. NO. D-812

"January 26, 1921.

"New York State Dist.:
"Suburban "
"Metropolitan "
"Nor. N. J. "

"In accordance with instructions from Mr. McConnell, please fill in the prices on the trade quotation forms, which you have basing same on $2.00 Northampton, $2.10 Hudson and $2.05 Universal, and hold them out. Do not fill in the date on these as it is not decided just yet whether these will go out today or tomorrow.

"It will not be necessary to fill in the pink or file copies that you have.

WCB/GR. JGC."

[fol. 2968] DEF'TS' EX. NO. D-813

Sent to all Salesmen N. Y. State Dist.

"January 27, 1921.

"Confirming telegram sent you today, prices effective immediately not only for prompt shipment, but for contract business are to be

figured at $2.05 Universal, Pa.; $2.10 Hudson or Alsen; $2.00 Northampton.

"-1.00 per barrel is to be added to cover the cloth bags or .25 per barrel to cover the paper bags.

"Freight from each basing point to destination is to be added and the lowest delivery price used.

"All sales are to be made subject to change in freight rate same as usual.

"Cash discount is 10c. per barrel same as before.

"There is no change in price for Atlas White.

SAP:AKW."

[fol. 2969] DEF'TS' EX. No. D-814

"January 27, 1921.

"J. P. Tully, W. J. Sawyer:

"Confirming instructions given Mr. Tully over the telephone, please get out quotations promptly based on $2.00 Northampton and meeting $2.05 Universal down to $1.75 Northampton.

"Charge 25c. for paper bags instead of 30c. The 10c. discount will be continued."

DEF'TS' EX. No. D-815

January 25th, 1921.

Price Instructions

W. M. Mumma,	'Phoned	and	confirmed.
New York Office,	"	"	"
F. W. Douglas,	"	"	"
Export Department,	"	"	"
Boston Office,	Wired	and	confirmed.
Buffalo Office,	"	"	"
Philadelphia Office,	"	"	"
Richmond Office,	"	"	"
J. E. Fraker,	"	"	"
A. M. Houser,	"	"	"
P. B. Evans,	"	"	"
H. H. Beans,	"	"	"
P. A. Jandernal,	"	"	"
H. A. Hall, c/o Jax Office,	Advised	by	letter.
W. W. Harder,	"	"	"
R. C. Brown,	"	"	"
Geo. Kemmerer,	"	"	"
Fordwick Office.	"	"	"

"Effective immediately price is revised to $2.00 Lehigh Valley, $2.10 Hudson River, $2.25 Fordwick—all other bases remain unchanged.

"The cloth sack price remains unchanged but the paper sack charge is changed from 30c. per barrel to 25c. per barrel.

"J. R. West."

[fol. 2970] DEF'TS' EX. NO. D-816

"Edison Portland Cement Company

From: Mr. A. C. Bruff—Boston, January 26, 1921.
To: Messrs. Sullivan—Sikora—Hagaman.
Subject: Re Price Decline Today.

"Kindly be advised that effective today, January 26th, 1921, the price on Edison Portland Cement has declined and you are, until advised to the contrary to base prices as follows: Universal, $2.05; Hudson, $2.10; L. V., $2.00, plus the $1.00 for the four (4) twenty-five (25¢) cent sacks and the base freight rate as shown by your corrected typewritten schedule.

"We are today sending quotations out to the New England Dealers on the above mentioned basis.

"Kindly be governed accordingly and acknowledge receipt of this letter.

"Yours very truly, Edison Portland Cement Co. —— ——,
Vice-President and New England Manager.

NOTE.—Price in Paper seventy-five (75¢) cents per bbl. less than in Cloth."

DEF'TS' EX. NO. D-817

"Nazareth Cement Company

"February 7, 1921.

"To the Offices:

"Please be advised that the Universal base is now $1.80 against our $2.00 L. V. base. Mr. Horner does not want you to send out quotations for he thinks it of no use as our people will ask the price when they are ready to buy and you will in that case meet the Universal price. Another reason for not sending out quotations is that we do not know what will happen in the next few days in regard to the discount and even another change in the base prices.

"Yours truly, —— ——."

[fol. 2971] DEF'TS' EX. NO. D-819

Lehigh Portland Cement Co.

Sales Department, Official Communication

NOTE.—Answers to these questions must be mailed to me Saturday of each week. This is to keep is close touch with conditions in the field.

B. L. Swett, Eastern Sales Manager.

Week ending Saturday Aug. 30, 1919. Salesman: W. W. Harder. Office: Richmond.

1. What information regarding competitors or quotations did you get during the week?
Saw and mailed a quotation made by Edison to Janney Marshal of Fredericksburg, Va., which was 15 cents lower than ours.

2. What special inducement of any nature are competitors offering in your territory?
None.

3. State what disadvantages, if any, caused by the actions of this company you are laboring under in meeting competition.
None.

[fol. 2971½] 4. Give names of competitors' salesmen that you have met during the week and information dropped by them.
Did not meet any to speak of. Saw Dew & Johnson of Atlas when I talked with Mr. Colbert on Alexandria County work.

5. Give the complete History of any complaints that you may have on competitors' brands of cement.
No complaints.

6. Are your customers satisfied with our deliveries, packages, handling of complaints sent to us, tracing of cars when requested by them, etc.? If not satisfied give names of dissatisfied customers and state reason of dissatisfaction.
No dissatisfaction expressed.

7. What suggestions have you for improving our methods of handling business in your territory?
Nothing to offer.

8. Do you know of any contemplated work in your territory that is not followed up by inquiry?
No.

9. What is your opinion as to the outlook for business in your territory during the next thirty days?
Good.

10. What seems to be the opinion of the trade on our advertising? How can we improve it ?

Very good. Nothing to suggest.

Remarks: ——.

Yours very truly, W. W. Harder, Salesman.

Glick. Sep. 3, 1919.

[fol. 2972] DEF'TS' EX. NO. D-820

The Atlas Portland Cement Company

October 20, 1920.

Mr. F. B. McKenna:

Please advise the districts that effective at once, they are to have a rubber stamp prepared with the following, to be used on all of our specific work quotations:

"Any shipments made during 1921 on a contract placed under this quotation will be at the current destination price on Atlas Portland Cement on the date of shipment, if such price is below the destination price herein mentioned."

They should also have the following clause written into all contracts which we enter into until further notice:

"Any shipments made during 1921 on this contract will be at the current destination price on Atlas Portland Cement on the date of shipment, if this price is below the contract destination price herein mentioned."

In case any customer with whom we now have a contract brings up the question of guaranteeing against a decline, the districts are to take the matter up with the general office, giving all details, and they will receive instructions as to just how to handle it.

LGM/ES.

[fol. 2973] [File endorsement omitted]

[fol. 2974] IN UNITED STATES DISTRICT COURT

OPINION—Filed Oct. 23, 1923

[Title omitted]

[fol. 2974½] William Hayward, United States Attorney, Solicitor for the Government.

James A. Fowler and Roger Shale, Special Assistants to Attorney General, of Counsel, for Government.

Archibald Cox, Solicitor for Defendants, John W. Davis, George T. Buckingham, Louis H. Porter, Thurlow M. Gordon and Leland B. Garretson, of counsel.

KNOX, D. J.:

The Cement Manufacturers Protective Association, the dissolution of which is here sought by the Government, came into existence in January, 1916. The outline of the contemplated activities of the Association was laid before the representatives of a number of the corporate defendants at a meeting in New York and was accompanied by this statement of the Chairman:

"the idea of this thing is cooperation. * * * We all agree that the necessity of cooperation is acknowledged by everybody in the industry. The only question now we have to determine is how we can best make use of cooperation * * *".

The adoption of a Constitution and by-laws followed. I quote Article III of the former:

"The objects of the Association are the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition, and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient [fol. 2975] information concerning the matters following, to wit:

(a) Information concerning credits.

(b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, stocks of cement and clinker on hand, and shipments."

Article VIII of the same instrument further declared:

That "No member of the Association shall enter into any arrangement, agreement or understanding of any nature or kind whatsoever, the object of which is to restrain trade, limit competition or accomplish any purpose contrary to the spirit or letter of the law or contrary to the objects of the Association, as set forth in this Constitution, and membership in the Association shall be recognized as implying that the member is absolutely free to conduct his business exactly as he pleases in every respect and particular."

"Full and complete minutes of all matters discussed at any meeting of the Association shall be kept and such minutes, together with all records, files and correspondence of the Association, shall be preserved and held open to any public official or other person who may have any legitimate reason for desiring to be completely informed concerning any or all the activities or transactions of the Association."

[fol. 2975½] The organization elected a President, Vice President, Secretary and Treasurer, and monthly meetings of the members were provided for. The Association had power

"to employ such persons, incur such indebtedness, and fix such assessments as may appear necessary to carry out" its objects.

All assessments were to be distributed among and paid by the members pro rata according to shipments during the preceding year from or into the territory covered by the service of the Association. Section 8 of the by-laws imposed the following obligations upon the membership:

"On or before the fifth day of each calendar month, each member shall forward to the Secretary the following:

(1) A statement of all accounts outstanding sixty (60) days or more and unpaid, giving the name and address of the debtor, total amount unpaid, and the time overdue specified by months.

A statement of all bills receivable on hand, giving name of purchaser, amount, date payable, and detail of account covered by note.

A list of accounts in attorneys' hands for collection.

(2) A statement of contracts which have been made and are in effect on the last day of the preceding calendar month, giving the following information with respect to each contract, namely, date of contract, the purchaser, the consumer, a full description of the work upon which the cement is to be used, the amount contracted for and amount yet to be delivered, the price, and the expiration date of contract. In addition to the foregoing monthly statements of contracts, as contracts are made during the month, the Secre-[fol. 2976] tary shall be notified as soon as possible.

(3) A statement of all contracts cancelled or reduced in amount during the preceding month.

(4) A statistical statement of production and shipments during the preceding calendar month and stock of cement and clinker on hand on the last day of the month.

Upon the receipt of the foregoing monthly statements, the Secretary shall forthwith put all the information contained therein in convenient form as directed by the Association and distribute the information thus prepared to the members reporting.

The Secretary shall also transmit the information thus prepared to the person performing corresponding duties in any other Association, collecting and distributing like information within the purview of the Constitution, and receive and distribute to the members of this Association such information transmitted from such other Association, as may be from time to time directed by this Association.

The Secretary shall prepare and distribute among the members a complete schedule or schedules of freight rates, on cement, giving the rates for rail, water and rail and water shipments. Each

member shall from time to time notify the Secretary of all changes of other facts of importance connected with such rates. The Secretary shall immediately advise all members of changes in freight rates by issuing supplements, revisions or otherwise, as may be most convenient."

With the preliminaries of organization out of the way, the proposed plan of procedure was put into operation. An elaborate sys- [fol. 2676½] tem of about forty forms, upon which various reports were to be made and distributed, was devised, and members were supplied with such a covered reports to be made by individual companies. Thereafter, they were regularly used. As and when the Secretary of the Association received reports from individual companies, he made appropriate tabulations, and forwarded them to the interested parties.

Before undertaking a discussion of the various reports, it may be well to state that when the Association was formed, most of its members were already pursuing certain trade practices, more or less uniform, among which were the following:

1. Selling cement f. o. b. point of delivery.

2. Allowing a differential between prices quoted dealers in cement and those quoted contractors and other consumers of cement.

3. Charging purchasers of the cement for bags in which the product is shipped.

4. Allowing credit for bags returned to manufacturers in good condition.

5. Using basing points in quoting prices.

6. Including in all quotations for the sale of cement of the freight rates from a basing point to the place of delivery, and this, even though rates of transportation by private conveyance from mill to delivery point might be less than the published rail traffic.

7. Granting trade discounts.

8. Limiting the time within which quotations might be accepted, and deliveries made.

9. Making charges for bin test.

10. Making specific job contracts for future delivery.

[fol. 2977] Now, it may be conceded, as contended by defendant, that some of the foregoing practices mean nothing more than that the elements entering into a quoted market price have been separately listed. This being so, I think that all of defendants realized that insofar as such practices were uniform, and so continued, there would be less chance of any of the elements being so used as to effect quotations for cement as expressed in dollars and cents. Each company had a vivid recollection of a ruinous price war that had been

waged a year or so before, and none of them wished for it to break out afresh. The time was ripe for an association wherein the danger of competition as to any of the foregoing particulars would be reduced to a minimum.

With this digression, I return to the exchange of the information contemplated and provided under the Association's plan.

The furnishing of information by the individual companies with respect to Item 2 of Section 8 of the by-laws, above quoted, related solely to what are known as specific job contracts. These are agreements whereby a manufacturer is to deliver in the future the cement to be used in a specific work, such as a particular building or road, and the obligation is that the manufacturer shall furnish, and the contractor shall take, only such cement as is required for or used for the specified purpose.

In the year 1921, such contracts covered about thirty per cent of the annual cement production of all of the defendant corporations. That more and more of the commodity is annually being sold under these contracts is apparent, inasmuch as in 1919, but sixteen per cent [fol. 2977½] of the production was applicable to them, while in 1920, the percentage had increased to twenty-five per cent.

When such a contract was closed, the manufacturer either immediately, or a few days thereafter, advised the Association of the contract number, its date, the name and address of the purchaser, an identification of the work, the contractor's name, the number of barrels, the price, the delivery point, and the date upon which the contract would expire. Upon receipt of this information by the Secretary, it was at once sent to each of the members. As and when the contracts were completed, reduced in amount, extended or cancelled, a like notification went to all members. If further information was desired, it could be had upon request.

The Association's daily reports were accompanied by a summary of previous reports, in which was set forth the number of new specific job contracts received for that day and to date; the prices at which the contracts were written; the number of barrels contracted for as of that day and to date, the number of barrels cancelled as of that day and to date, together with all reinstatements, increases or decreases in barrels of that day and to date.

In addition to the foregoing, a quarterly report was issued wherein every specific job contract being carried by all the companies was set forth.

A monthly summary, regularly issued, indicated the companies' commitments for cement in the several states.

Other information, furnished and distributed as above, related to the quantity of cement on hand, the quantity of clinker produced, (clinker represents that stage in the manufacture of cement which immediately precedes the production of the commodity in merchant- [fol. 2978] able form), cement ground, all cement shipped, whether for dealers or upon account of specific job contracts, and clinker in stock. Reports embodying these details also showed the percentage of decrease or increase in the various items as compared with similar months and periods in the preceding year. They further disclosed

the number of barrels of cement shipped by one company for the account of another.

Reports were made of the delinquent accounts of customers, showing their names and addresses, the ledger balance, and whether the accounts were two, three, four or more months old. If the account had been given to an attorney for collection, the fact was noted. Summary reports went to the members at monthly periods.

The greater portion of the cement sold within the Eastern States is shipped in cloth bags, each bag containing one-quarter of a barrel of cement. The bags are usually charged to the purchaser, at ten cents. For each one returned to the manufacturer in good condition, the purchaser is allowed a rebate of ten cents.

The experience of each company in respect to bags returned was of interest to all others and this incident of the business was the subject matter of more or less elaborate statistics.

Beyond what has been stated, the Association engaged in the activity of compiling freight rates for the carriage of cement from certain "mill bases" used by the defendants to the various cities and towns within the North-eastern portion of the United States.

As previously said, each manufacturer of cement sells its product f. o. b. point of delivery, and ordinarily will not quote a price f. o. b. its mills. The record indicates a marked uniformity in the price [fol. 2978½] at which cement was offered by the various defendants at any given time. This uniformity, the Government charges, is brought about in part, at least, by the use of books distributed to the Association membership and containing the freight rates per barrel of cement from mill basing points to destination.

The charge is vigorously denied by defendants and thus there is presented one of the outstanding features of the case.

The freight rates books standing alone, and insofar as they merely record a compilation of lawful freight rates, are harmless. Their vice, if such it be, resides in the fact that there is a concert of action upon the part of defendants in so using them that all prices quoted are for delivery at the point required by the purchaser, and that no cement will be sold in such manner as will permit a purchaser to take advantage of cheaper transportation charges than are required to be paid for the shipment of cement by rail. In extenuation of the practice, it is said, that this method of marketing cement is a trade custom which came into being before the formation of the association; that it results from the independent and uncontrolled action of each manufacturer, and is, in no way to be attributed to agreement, or any activity, of the association. Very probably there is no agreement now in force by which such practice is to be followed. The custom, however, was at one time the subject of an agreement to which thirteen of the corporate defendants were parties, viz;—the Articles of Association of Licensed Cement Manufacturers, dated June 30, 1909.

[fol. 2979] That agreement, whatever may have been the justification for its existence, obligated each licensed dealer named therein to observe certain practices, which if they were now the subject of con-

tract, would without doubt entitle the Government to the relief sought. It is not without interest to note the similarity existing between the uniformities and facilities now availed of by defendant corporations, and the practices observed by a number of them under the license agreement, and which seem to have then been regarded as helpful, if not essential, in an endeavor to maintain prices and to apportion territory. The similarities are:

1. Periodical reports relating to production and shipment.

2. Price quotations for delivery of cement at destination.

3. Uniform discounts to dealers.

4. Uniform discounts to consumers.

5. Uniform terms of payment.

6. Uniform charges and allowances for bags, with the requirement of reports in reference thereto.

7. Use of basing points for the calculation of freight rates.

8. A uniform period within which quotations should be in force, and delivery made.

9. The use of a book to be used in quoting prices, and which included freight rates from shipping points to places of destination in the Northeastern States, and which were computed and published by the Association.

Under the present Association, there is no method provided for disciplining and penalizing members for a departure from the foregoing practices, as was the fact under the licensing agreement. Neither is there now any compact that cement shall not be sold below a specified price. It is true, however, that departures from present uniformities and delays in making reports are not favored. This is borne out by statements made at meetings of the present association when some of the practices gave rise to discussion.

For instance, the Chairman of the meeting, held May 15, 1916, asked that contract information be reported at the earliest minute, calling attention to the fact that the members were sufferers from any delay. One person suggested the imposition of a fine upon companies which did not send in their reports by the fifth day of each month. This proposal, however, was never put into effect.

The question as to whether the manufacturer of cement should allow a discount of five cents per barrel to customers who did not pay their bill within thirty days gave the persons attending Association meetings considerable concern. After much discussion, the President said that it was the consensus of opinion that quotation forms should be changed so that no discount would be made to a delinquent debtor, saying also, that the decision was not for the Association but for the individual companies.

At the October meeting in 1916, it was resolved, "To make * * * statistics more complete, and that each member report to the Secretary the annual productive capacity of his operation, and that the Secretary tabulate and send to each member a copy of the tabulation."

The resolution was complied with. It is argued by defendants that statistics having to do with the production capacity of the sev- [fol. 2980] eral mills were in round figures, and had no relation to actual production or shipment, and that no attention was paid to them. Granting this to be true, each member of the Association was supplied from time to time with statistics of actual production and shipments, was enabled to gauge the probable output of each mill from a practical, rather than a theoretical standpoint.

The desire for uniformity in trade practice is emphasized by the attitude assumed towards reports having to do with allowances for returned bags. At a meeting of the Association upon April 17, 1916, a representative of the Giant Company had this to say:

"If a man returns 1,000 bags and is dealing with three companies, it would be more or less of a rebate if one company were giving him full credit for worthless bags and another one deducting a percentage of bags that were worthless."

The Vice President of the Vulcanite Company commented as follows:

"Some companies were giving full credit. That was the information that has been reported, and that in effect practically meant a rebate—that is, giving a customer credit for bags which could not be used again, and it might be interested from the credit standpoint to know just what the general practice was in that respect."

At a meeting held in June, 1916, the same Vice President of the Vulcanite Company remarked:

"We want our practice to be the same as the others."

[fol. 2980½] Similar colloquies took place at other meetings as to the possibility of discounts and extentions of credit being used for the purpose of rebating.

In my judgment, it was something more than a desire for statistics, as such, that was responsible for the Association undertaking to find out from the several companies whether returned bags were first cleaned and then counted, or were first counted and then cleaned. It was important that the practice be as nearly uniform as possible, so that the bag report would reflect the shading of prices that might be engaged in by a manufacturer. A disclosure of what was being done in making allowances for bags, while it could be used for competition, was, I think, more likely intended to impose a restraint upon any company that was shading prices.

Reverting to the exchange of statistics, in which the selling price of specific job contract cement is sold, it seems apparent that such

quotation will also reveal the market prices for cement sold to dealers. The evidence is that upon a given day the price of cement to dealers is ten cents less per barrel than that sold upon the same day to a consumer for use in a specific job. Each manufacturer is thus apprised of the amount being charged for cement for all purposes by its competitors. From reports of stock on hand, each member received, in effect, a forecast of his competitors' view of the immediate market, and that there might be no misconception as to actual business being transacted by any one mill, the reports were careful to specify the amount of cement which one mill sometimes shipped for another.

The care manifested in this regard brings me to a consideration of the practice under which manufacturers protected themselves [fol. 2981] against the diversion and "misuse" of cement under specific job contracts. Only under such contracts is there any obligation upon a manufacturer to deliver cement at a specific price over any extended period of the future. There was accordingly great effort to see that no specific job cement was diverted and used otherwise. If so, it might enter into competition with cement thereafter sold by the company at then current prices. Then, too, if more than one person, say a contractor putting in a bid for work, had covered himself for the quantity of cement necessary for a certain specific job, and thereafter did not obtain the contract for the work, the manufacturers were desirous that such contract be cancelled lest it confuse their estimate of outstanding commitments, and also that the cement thus contracted for, if delivery should be asked, should not affect a later market.

For this reason, specific job contracts provided for "the full Portland cement requirements of the following described work" and stipulated that the cement should not be used for any other purpose. Contracts of this character were substantially uniform among all the companies.

In order to protect the manufacturers against any alleged misuse or diversion of cement, the Association employed a force of checkers or auditors. These men were familiar with building construction, and it was their duty to investigate specific job contracts, to ascertain what contractor had secured a particular work, the amount of cement that probably would be used in the work, and whether any cement obtained for such work was being used for other purposes. Upon [fol. 2981½] obtaining the report of the checker, the Association would communicate the same to the manufacturers and such of them as had specific job contracts with persons who were not actually to furnish cement to the job would cancel. Also, if the estimate of the amount of cement to be used seemed excessive, a reduction in the requirements of the contract would generally take place. The action of the companies cancelling or reducing commitments would, at once, be made known to each of the others. Upon one occasion, cancellation amounted to no more than one-fourth of a barrel of cement.

Of course, if a company wished to recognise an agreement made with a contractor or person who had expected to supply cement to a specific job, and who did not get the work, but was willing to take

the cement, notwithstanding, it might do so. But my distinct impression is that one of the prime reasons for exercising such strict supervision over specific job work, and in reporting the cancellation of infinitesimal quantities of cement, was to exert a moral compulsion upon a company, which was inclined to recognize a contract such as I have just referred to, and to make assurance doubly sure that over any future time there would be no "free" cement.

The record, as I have said, contains much matter to indicate that at any given time the prices at which the various companies sold cement were uniform; and that when one company did change its quotation, the other companies delayed but little in falling into line. Considerable argument has been made to the effect that uniformity of price is evidence of perfect competition, and that the record abundantly proves the defendant corporations to be real and vigorous [fol. 2982] competitors. I shall not undertake a discussion of the dollar and cents quotations of cement, save to say that since the Association began to operate, there has been a uniformity and stability in such quotations that prviously did not exist. As was testified, the determining factor upon which a cement contract would be given to one company ever another, was frequently nothing but the personality of its salesman.

Competition, as commonly understood, includes the more material elements of prices and terms, especially, I should think, in the sale of a standardized commodity such as cement, where considerations as to the superiority of one brand over another have all but been eliminated. Prices, of course, will exhibit some tendency towards uniformity, in that even a necessitous seller will not make a more favorable price than competitive conditions force him to take. And, it may be, as economists say, that prices for a standardized product will actually become uniform, and will remain so over substantial periods of time, where competitive conditions are perfect. The fact is, however, that so long as there is a marked difference in production costs, in the financial necessities of manufacturers, in the location of mills as respects active markets, and there is less than a capacity production by all manufacturers who desire to sell cement, it is reasonably to be expected that there will be a difference in the inducements to be offered to prospective purchasers. In the particulars just mentioned, the defendant corporation(s) (sic) are not similarly situated, and if such similarity be a prerequisite of perfect competition, there can be none in this industry. If, under truly competitive conditions, the prices should upon occasion become uniform, I [fol. 2982½] seriously doubt if they would long remain so. Producers would not be content with a situation wherein the field of competition was limited to the personality of the salesman representing his own company and that of his rivals.

The thought that the exchange of statistical information between the defendant companies was not for really competitive purposes, receives some support from what was said at some of the Association meetings. It seems that upon a few occasions, salesmen of one or more companies obtained possession of some of the records and

used the same in taking business from persons who had previously patronized other manufacturers.

When word of this came to the Association the Chairman expressed himself in the following language:

"When that information in detail is furnished to contractors and dealers, which has been done unquestionably, it not only detracts from the value of the information for the purposes the information is intended to cover, but it also makes very common the work which we are doing, and your committee wants to very strongly recommend that that information be used in a confidential way for the purpose of enlightening you as to the facts regarding contracts that are taken; that the information should not be given out promiscuously in any way that would unquestionably jeopardise the continuance of the furnishing of such information."

It was added:

"You can evidently see that the information given dealers would not be used in the same way that we handle it ourselves."

[fol. 2983] "They use it right away as a basis to secure business. They use it in an entirely different way than we use it. They are not interested as to what contracts are filed in their town unless they can secure some tonnage from the information they get from us."

He proceeded:

"There is another leak which I think usually exists so far as this information is concerned, and that is, it is very possible that a few of us are not careful enough as to where we keep our reports. Now I found a tendency of salesmen coming in and the first thing they wanted to do was to go over the contract reports and look them over and then they would go out and spread that information around everywhere, and that is going to hurt. * * *"

Still later in the discussion this was said:

"Yes, we had no thought or intention of suggesting any specific method other than we have thought the information should be used as information for the executives of the companies in order for them to check the operation of their salesmen and not furnish the information to their salesmen which, as a rule, would be used in a manner which would not be in accordance with the desire of the executives. The whole purpose of the information is that those in charge of the sales can be more intelligently informed by reason of having the truth, but that does not mean that everybody down the line to the office boy has to have that information, because they do not all know how to properly handle it."

[fol. 2983½] As bearing upon the desires of the executives, I again refer to the Cement Dealers License Agreement of 1909. If it be

that the parties to that contract, and aside from any question of their good faith, thought it desirable for the purpose of maintaining prices and apportioning territory, that the information called for by the agreement should be exchanged, it is quite within the range of probability that the formation of the present body, under which practices and customs are disclosed, and, through the disclosure, inevitably tend to become and remain uniform, was intended to attain a similar object.

Counsel for defendants have argued that "ignorance is not a virtue, and knowledge and information are not a crime." The accuracy of the statement, as a general proposition, is not questioned, but ordinarily the sources of wisdom and of knowledge are open to all interested persons upon more or less equal terms. Here such was not the fact. The situation in this respect, which here existed, was in the main the counterpart of that condemned in the United States v. American Linseed Oil Co. et al. where it was said:

"With intimate knowledge of the affairs of other producers and * * * proclaiming themselves competitors, the subscribers went forth to deal with widely separated and unorganized customers necessarily ignorant of the true conditions."

The defendants knew that although there was no formal agreement to follow the practice of other manufacturers, such would be the result; for, to employ the words used in proclaiming the advantages of the Open Competition Plan discussed in American Column Co. v. United States, 257 U. S. 393:

[fol. 2984] "members do naturally follow their most intelligent competitors, if they know what these competitors have actually been doing."

There is, I take it, no need to find that the prices at which defendants sold cement during the period over which the Association has functioned, were excessive. Indeed, as compared with the rise in the prices of other basic commodities, it is possible to say that the quotations of cement advanced less than others. Nor can it be said that the Association overcame and destroyed all competition between the defendant manufacturers; upon many occasions, they were active in an endeavor to take business from companies associated with them. In some instances, they undoubtedly offered inducement to purchasers and thus secured orders that otherwise would not have been obtained.

But, upon the whole, and without further discussion of the great mass of evidence which goes to make up this record, I think that real competitive effort tended to become more and more feeble, that manufacturers by reason of the exchange of statistics, were equipped to regulate their production, and by common consent and a concert of action, did so, to the end that the cement supply would at all times be a lap or two behind the demand, and thus created higher prices. In enabling this to be done, the Association, its officers and

agents, together with its membership, materially limited the full and free operation of the contending forces of competition to which the public, under the Sherman Law, is entitled, and unreasonably affected interstate trade and commerce.

[fols. 2984½-2986] The Government may have the decree for which it asks.

October 23, 1923.

Jno. C. Knox, U. S. D. J.

[File endorsement omitted.]

[fol. 2987] [File endorsement omitted]

[fol. 2988] In United States District Court

[Title omitted]

[fol. 2988½] Final Decree—Filed Dec. 13, 1923

Pursuant to a stipulation between counsel this cause came on to be heard on the petition and answer therein and the transcript of record in the case of United States v. The Atlas Portland Cement Company et al., which was tried in the criminal side of this Court beginning April 4th and ending May 26th, 1922, and was argued by counsel, and on consideration thereof and in conformity with the written opinion filed herein on October 23, 1923, it is ordered, adjudged and decreed:

1. That defendant Cement Manufacturers Protective Association is an unlawful combination of the defendant corporations in restraint of interstate trade and commerce in Portland cement in violation of the Act of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies," known as the Sherman Anti-Trust Act.

2. That defendant corporations by becoming and acting as members of defendant Cement Manufacturers Protective Association and defendant individuals by becoming and acting as officers thereof entered into and engaged in an unlawful combination in restraint of interstate trade and commerce in Portland cement in violation of said Act of July 2, 1890.

3. That defendant Cement Manufacturers Protective Association be and it hereby is dissolved, and defendant corporations and individuals are collectively and individually perpetually enjoined, restrained and prohibited from entering into, engaging in or carrying into further effect said combination, or any understanding or agreement constituting a part thereof, or any similar combination or organization having the same purpose and effect.

[fol. 2989] 4. That defendant Association and the officers and members thereof are collectively and individually perpetually en-

joined, restrained and prohibited from agreeing to make or receive and from making and/or receiving, pursuant to any agreement, reports of the following character and from collecting and disseminating through said Association, or other collective agency, the information specified in the following reports, or either or any of them:

(A) Reports by members to the Association giving details of specific job contracts, showing name of dealer, name of contractor, description of work, quantity sold, the price, quantity delivered to date, and balance to be shipped;

(B) Reports by members to the Association of changes in specific job contracts, i. e., increases, decreases and cancellations of quantities previously reported;

(C) Daily reports by the Association to its members summarizing the details of all specific job contracts filed with all members;

(D) Reports by members requesting further information about contracts taken by other members;

(E) Reports by checkers or inspectors giving the results of investigations of contracts about which information is desired;

(F) Reports by the Association to its members submitting checkers' reports on contracts under investigation;

(G) Reports by members expressing satisfaction with checkers' reports or requesting further investigation and pointing out possible discrepancies;

(H) Monthly reports by members to the Association giving in- [fol. 2989½] formation in detail as to the status of all contracts;

(I) Monthly reports by the Association to its members giving information in detail as to the status of contracts of all members;

(J) Quarterly reports by the Association giving the status of all specific job contracts on file with members, showing names of dealers, names of contractors, description of work, quantity sold, the price, quantity delivered to date, quantity cancelled, and balance to be shipped;

(K) Reports by members to the Association showing number of bags returned, the number accepted, and the number rejected;

(L) Reports by the Association to its members summarizing data concerning bags returned, accepted and rejected.

5. That defendant corporations are collectively and individually perpetually enjoined, restrained and prohibited from agreeing, among themselves, or with other manufacturers of cement, to cancel and/or from cancelling pursuant to such agreement contracts which may exceed, or may be believed to exceed, the actual requirements of specific construction work undertaken or definitely projected, or are duplicate contracts held by other manufacturers for cement intended

for the same construction work; and from agreeing with each other, or with other manufacturers of cement, to collect, and/or from collecting pursuant to such agreement and distributing among manufacturers of cement, information with reference to such contracts.

6. That defendant Association and the officers and members thereof are collectively and individually perpetually enjoined, restrained and prohibited from agreeing to make or receive, and from [fol. 2990] making and/or receiving pursuant to any agreement, reports of the following character and from collecting and disseminating through said Association, or other collective agency, the information specified in the following reports, or either or any of them:

(i) Reports by members to the Association giving the quantity of clinker burned, cement ground, cement shipped, clinker in stock, and cement in stock;

(ii) Reports by the Association to its members showing as to each member the quantity of clinker burned, cement ground, cement shipped, clinker in stock and cement in stock;

(iii) Reports by members to the Association giving total shipments during a specified period of time;

(iv) Reports by the Association to its members showing shipments by each member during a specified previous period of time.

7. That defendant corporations are collectively and individually perpetually enjoined, restrained and prohibited from agreeing with each other to compile and distribute, and from compiling and distributing pursuant to such agreement, so-called freight rate books showing freight rates on cement from any arbitrarily established freight basing point to the points of delivery throughout the territory comprising their market.

But this shall not be construed as prohibiting the defendants from maintaining or subscribing to a traffic bureau to furnish rates or rules of transportation that may be contained in any public schedule or tariff, but all rates furnished shall be the actual rates between points of actual shipment and delivery, and shall not be [fol. 2990½] based on any point or points other than those of actual shipment and delivery.

8. That nothing herein shall be construed as prohibiting defendant corporations from maintaining or subscribing to a credit bureau for the sole purpose of furnishing, upon specific requests, information as to the credit of persons and corporations purchasing, or attempting to purchase, cement, but the defendants are collectively and individually perpetually enjoined, restrained and prohibited from agreeing to refuse to make sales to particular customers and/or from agreeing upon circumstances or conditions which shall exclude customers from being extended credit.

9. That defendant corporations are collectively and individually perpetually enjoined, restrained and prohibited from hereafter agree-

ing among themselves or with other manufacturers of cement to do any of the following acts:

(a) To establish uniform mill base prices for their product:

(b) To establish arbitrary freight basing points other than the points from which shipments are actually made;

(c) To sell their product f. o. b. point of delivery exclusively;

(d) To establish uniform charges for bags, or uniform credits for bags returned in good condition;

(e) To establish a uniform rate of discount or uniform terms for payment of bills within a specified period;

(f) To limit the quantity of cement to be shipped to a dealer within a specified period of time;

[fol. 2991] (g) To prohibit the diversion or so-called misuse of cement sold on specific job contracts;

(h) To establish and maintain a uniform differential in the price of cement sold to dealers and contractors;

(i) To fix or suggest the amount of commission or profit dealers should be required to make in sales of cement;

(j) To regulate or limit the amount of production of cement, and/or the amount of stock to be kept on hand;

(k) To limit the time within which quotations on cement must be accepted and deliveries made, and to refuse to grant extensions in time of deliveries;

(l) To make changes in prices effective as of the date quotations are written, to avoid "price tipping;"

(m) To guarantee prices against decline;

(n) To make uniform charges for bin tests, and/or to require the purchaser to pay for such tests.

10. That nothing contained in this decree shall be construed as prohibiting any defendant from doing or performing any of the foregoing acts, or from selecting its own trade, or from disposing of its own product to such persons and on such terms as it may choose, if done individually and without combining, conspiring or agreeing with any other manufacturer of cement.

11. That the injunctions herein contained against defendant Association and the defendant corporation shall apply to and be binding upon such Association and corporations and their respective officers, directors, agents and employees and all other persons, firms [fols. 2991½ & 2992] or corporations acting under, for or in behalf of them or any of them, or claiming so to act.

12. That jurisdiction of this case is retained for the purpose of enforcing this decree and of enabling the United States to apply to the court for a modification or enlargement of its provisions on the ground that they are inadequate, and the defendants or either of them to apply for its modification on the ground that its provisions have become inappropriate or unnecessary.

13. That petitioner shall have and recover from the defendants its costs.

Jno. C. Knox, U. S. D. J.

Assented to as to form only.

James A. Fowler, Roger Shale, Counsel for United States.
John W. Davis, George T. Buckinghan, Archibald Cox, Counsel for Defendants.

[fol. 2993] IN UNITED STATES DISTRICT COURT

[Title omitted]

[fol. 2993½] ORDER AMENDING FINAL DECREE—Filed Dec. 13, 1923

Jurisdiction of this cause having been retained for the purpose of enabling applications to be made for modification of the decree made and entered herein on the 13th day of December, 1923, on the ground that its provisions had become inappropriate or unnecessary; and it appearing that the defendant corporations and other manufacturers of cement have long been accustomed to assess and pay for the work of the national Portland Cement Association in promoting the use of cement, on the basis of shipments generally and into the States where special promotional work has been done, but the sixth paragraph of the decree entered herein December 13, 1923, may be construed as prohibiting the reports necessary to make such distribution;

Now, therefore, upon motion of Counsel for the defendants, and the annexed consent of Counsel for the United States of America and the defendants, it is—

Ordered, adjudged and decreed that the decree made and entered herein on the 13th day of December, 1923, be modified by adding at the end of paragraph 6 thereof the following:

Provided, however, that this shall not be construed as prohibiting the defendants from reporting and/or collecting annually at the close of the calendar year such information respecting shipments as may be necessary to enable the assessment of the several members for their proportionate parts of the several expenses of an association [fol. 2994] or collective agency engaged in lawful activities, and for no other purposes.

Jno. C. Knox, United States District Judge.

We consent to the entry of the foregoing.

James A. Fowler, Roger Shale, Counsel for U. S. John W. Davis, George T. Buckingham, Archibald Cox, Counsel for Defendants.

[fol. 2994½] [File endorsement omitted]

[fol. 2995] IN UNITED STATES DISTRICT COURT

[Title omitted]

PETITION FOR AND ORDER ALLOWING APPEAL—Filed Feb. 9, 1924

Cement Manufacturers' Protective Association, The Atlas Portland Cement Company, The Allentown Portland Cement Company, Alpha Portland Cement Company, Bath Portland Cement Company, Coplay Cement Manufacturing Company, Dexter Portland Cement Company, The Edison Portland Cement Company, Giant Portland Cement Company, The Glens Falls Portland Cement Company, Hercules Cement Corporation, Knickerbocker Portland Cement Company, Inc., Lawrence Cement Company, Lehigh Portland Cement [fol. 2996] Company, Nazareth Cement Company, Penn-Allen Cement Company, Pennsylvania Cement Company, The Pœnix Portland Cement Company, Security Cement and Lime Company, The Vulcanite Portland Cement Company, E. P. Alker, C. Raymond Hulsart, Miss M. B. Phalen and Marion S. Ackerman, the above-named defendants, conceiving themselves aggrieved by the Final Decree made herein on the 13th day of December, 1923, and filed and entered in the office of the Clerk of this Court on the same day, and which said decree was amended on the fourteenth day of January, 1924, do hereby appeal therefrom to the Supreme Court of the United States and pray that their appeal may be allowed and a citation granted directed to the above-named Petitioner, United States of America, commanding it to appear before the Supreme Court of the United States, to do and receive what may appertain to justice to be done in the premises and that a transcript of the record, proceedings and evidence in said cause duly authenticated may be sent to the Supreme Court of the United States.

February 8th, 1924.

Archibald Cox, Solicitor for Defendants. John W. Davis, George T. Buckingham, Counsel for Defendants.

The appellants having filed an appeal bond in the sum of Two Hundred and Fifty ($250) Dollars, it is—

Ordered, that the foregoing Appeal of the defendants be and the same hereby is allowed.

February 8th, 1924.

(Sgd.) Henry W. Goddard, U. S. District Judge.

[fol. 2997] [File endorsement omitted.]

[fol. 2998] IN UNITED STATES DISTRICT COURT

[Title omitted]

ASSIGNMENT OF ERRORS—Filed Feb. 9, 1924

And now come the above named defendants, and each of them, and say that in the record and proceedings of said Court in the above entitled cause, and in the final decree made and entered therein on the 13th day of December, 1923, there is manifest error, and for said error the said above named defendants, and each of them, assign the following:

[fol. 2999] 1. The Court erred in adjudging and decreeing that the defendant Cement Manufacturers Protective Association is an unlawful combination of the defendant corporations in restraint of interstate trade and commerce in Portland cement in violation of the Act of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," known as the Sherman Anti-Trust Act, and that the defendants by becoming and acting as members and officers thereof entered into and engaged in an unlawful combination as aforesaid.

2. The Court erred in dissolving said Cement Manufacturers Protective Association and enjoining the defendants from entering into, engaging in, or carrying into further effect, said combination, or any understanding or agreement constituting a part thereof, or any similar combination or organization having the same purpose and effect.

3. The Court erred in enjoining the defendants from making or receiving reports containing certain facts concerning closed contracts for future delivery of cement for specific construction work (known as "specific job contracts"), particularized in paragraph 4 of the final decree herein, and any of such reports.

4. The Court erred in enjoining the defendants from agreeing to collect, or collecting pursuant to agreement and distributing, information with reference to closed contracts for future delivery of cement [fol. 3000] for specific construction work (known as "specific job contracts") which exceed the actual requirements of the work or are duplicates of contracts held by other manufacturers for the cement for the same work.

5. The Court erred in enjoining the defendants from making or receiving by agreement, and from collecting and disseminating through a collective agency, information concerning production, shipments and stocks, as particularized in paragraph 6 of the final decree herein.

6. The Court erred in enjoining the defendants from agreeing to cancel, and from cancelling pursuant to agreement, contracts for future delivery of cement for specific construction work exceeding

the requirements of the work or duplicating contracts held by other manufacturers for the cement for the same work—particularly in that no such agreement or action pursuant thereto was shown to have existed or to be contemplated.

7. The Court erred in enjoining the defendants from agreeing to compile and distribute, and from compiling and distributing pursuant to such agreement, freight rate books showing freight rates on cement from any arbitrarily established freight basing point to points of delivery—particularly in that no agreement establishing arbitrarily or otherwise any freight basing point and no freight rate book showing rates from any arbitrarily established basing point was shown to have existed or to be contemplated.

[fol. 3001] 8. The Court erred in enjoining the defendants from agreeing to refuse to make sales to particular customers and from agreeing upon circumstances or conditions which shall exclude customers from being extended credit—particularly in that no such agreement was shown to have existed or to be contemplated.

9. The Court erred in enjoining the defendants from hereafter agreeing to do any of the acts constituting the customary practices of the industry, particularized in paragraph 9 of the final decree herein—particularly in that no such agreement was shown to have existed or to be contemplated.

10. The Court erred in not dismissing the bill of complaint.

Dated February 8th, 1924.

Archibald Cox, Solicitor for Defendants. John W. Davis, George T. Buckingham, Counsel for Defendants.

[File endorsement omitted.]

[fol. 3002] [File endorsement omitted.]

[fols. 3003 & 3004] Bond on Appeal for $250—Approved and Filed Feb. 9, 1924; omitted in printing

[fol. 3005] [File endorsement omitted.]

[fols. 3006 & 3007] Citation—In usual form, showing service on William Hayward; omitted in printing

[fol. 3008] [File endorsement omitted.]

[fol. 3009] IN UNITED STATES DISTRICT COURT

[Title omitted]

ORDER RE TRANSCRIPT OF RECORD—Filed March 1, 1924

This cause having come on to be heard at final hearing on the 13th day of February, 1923, upon the pleadings herein and upon the testimony, exhibits and stipulations presented and offered at the trial of the action now pending in this Court, wherein the United States of America is plaintiff and the Atlas Portland Cement Company, and others, are defendants, No. C. 29-49, and the said testimony, exhibits and stipulations having been considered by the Court in the determination of this cause, and a final decree having been entered herein on the 13th day of December, 1923, and the defendants having on [fol. 3010] the 8th day of February, 1924, taken an appeal from said final decree to the Supreme Court of the United States, it is,

Ordered, that the printed edition of said testimony, exhibits and stipulations, now on file, be considered and made a part of the record in the above entitled cause, and the Clerk of this Court is hereby authorized, in making up the transcript of record on said appeal to the Supreme Court of the United States, to include in said transcript a copy of the said testimony, exhibits and stipulations, or such part or parts thereof as the solicitors for the respective parties hereto may agree upon or the Court shall designate.

Jno. C. Knox, United States District Judge.

We hereby consent to the entry of the foregoing proposed order.
James A. Fowler, Roger Shale, Special Assistants to the Attorney General. Archibald Cox, Solicitor for Defendants.

[fol. 3011] [File endorsement omitted.]

[fol. 3012] IN UNITED STATES DISTRICT COURT

[Title omitted]

STIPULATION RE TRANSCRIPT OF RECORD

It is hereby stipulated and agreed that the foregoing consisting of 3011 pages contained in 6 volumns is a true Transcript of the Record of the United States District Court for the Southern District of New York in the above-entitled cause as agreed upon by the parties hereto, and the Clerk of the United States District Court for the Southern District of New York is requested to certify the same as the Transcript of Record in the above-entitled cause to be transmitted to the United States Supreme Court on the appeal of the Defendants in the above-entitled cause.

And it is further stipulated that the physical exhibits and charts used upon the trial of the action of United States of America, Plaintiff, vs. The Atlas Portland Cement Company, the record in which [fol. 3013] case has heretofore been stipulated into this cause, may be used by either party upon the argument of this cause on appeal before the Supreme Court of the United States.

Dated July 23, 1924.

William Hayward, United States Attorney, Southern District of New York, Solicitor for Complainant. James A. Fowler, Roger Shale, Special Assistants to the United States Attorney-General. Archibald Cox, Solicitor for Defendants.

[fol. 3014] [File endorsement omitted.]

[fol. 3015] IN UNITED STATES DISTRICT COURT

[Title omitted]

CLERK'S CERTIFICATE

I, Alexander Gilchrist, Jr., Clerk of the District Court of the United States of America for the Southern District of New York, do hereby Certify that the foregoing is a correct transcript of the record of the said District Court in the above-entitled matter as agreed on by the parties.

In testimony whereof, I have caused the seal of the said Court to be hereunto affixed, at the City of New York, in the Southern District of New York, this twenty-third day of July in the year of our Lord one thousand nine hundred and twenty-four and of the Independence of the said United States the one hundred and forty-ninth.

Alex. Gilchrist, Jr., Clerk. (Seal of District Court of the United States, Southern District of N. Y.)

[fols. 3016 & 3017] CITATION—In usual form, showing service on William Hayward; omitted in printing

[fol. 3018] [File endorsement omitted.]

Endorsed on cover: File No. 30,516. S. New York D. C. U. S. Term No. 551. Cement Manufacturers Protective Association, The Atlas Portland Cement Company, The Allentown Portland Cement Company, et al., appellants, vs. The United States of America. Filed July 24, 1924. File No. 30,516.

FEB 24 1925
WM. R. STANSBURY
CLERK

Supreme Court of the United States

OCTOBER TERM, 1924
No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, *et al.*,
Appellants,

vs.

THE UNITED STATES OF AMERICA.

BRIEF AND ARGUMENT FOR APPELLANTS.

JOHN W. DAVIS,
GEORGE T. BUCKINGHAM,
ARCHIBALD COX,
Counsel for Appellants.

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SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1924

No. 551

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION, THE ATLAS PORTLAND CEMENT COMPANY, THE ALLENTOWN PORTLAND CEMENT COMPANY, *et al.*,

Appellants,

vs.

THE UNITED STATES OF AMERICA.

BRIEF AND ARGUMENT FOR APPELLANTS.

This is an appeal under § 2, c. 544, of the Act of February 11, 1903, 32 Stat. 823, from a final decree (*R., p. 1809*) entered by direction of Knox, D. J., in the District Court for the Southern District of New York, granting a perpetual injunction in a proceeding brought by the United States under § 4, c. 647, of the Act of July 2, 1890, 26 Stat. 209, "An Act to protect trade and commerce against unlawful restraints and monopolies", against Cement Manufacturers Protective Association (an unincorporated organization), four individuals (the officers thereof); and nineteen corporations engaged in manufacturing Portland cement in Pennsylvania, New Jersey, New York, Maryland and Virginia, the members of the Association.

The petition alleged restraint of trade in violation of § 1 of the Act, "entered into and carried out through the instrumentalities of organizations known as associa-

tions" (*R., p. 4*), which were charged with "the exchange between members of comprehensive statistical data which enables each to know what his competitors are doing and to conduct his business accordingly" (*R., p. 5*); and prayed that the Cement Manufacturers Protective Association might be adjudged a violation of §1 of the Act and enjoined accordingly (*R., p. 19*).

The defendants filed their joint and several answer explaining all the matters mentioned in the petition and correcting its allegations generally and in full detail (*R., p. 20, et seq.*).

By stipulation (*R., p. 144*), the case was heard, February 13-16, 1923, upon the record made at the trial of a criminal action against these corporate defendants and forty-four individuals, officers of the corporations (United States of America *vs.* The Atlas Portland Cement Company, *et al.*) in the United States District Court for the Southern District of New York, before Judge Knox and a jury, April 4 to May 26, 1922.

That trial had resulted in a disagreement of the jury. The Government's motion to advance says that the decision herein will largely control the further action by the Government in that criminal case and in like cases pending against a large number of cement manufacturing corporations and individuals in the Northern District of Illinois.

After final hearing on the record of the criminal trial, Judge Knox handed down an opinion on October 23, 1923, concluding that the Government was entitled to "the decree for which it asks" (*R., pp. 1798-1809*), and entered the decree (*R., pp. 1809-13*), thereafter modified in one particular (*R., p. 1813*), from which this appeal has been taken (*R., p. 1814*).

Nature of Questions Presented.

The Government's motion to advance says that the "decision by this Court upon this appeal is of public importance—

(1) Because this case involves to a greater extent than any case thus far submitted to this Court the legality of the collection, compilation, and dissemination of comprehensive statistical data through the instrumentality of a so-called reciprocal trade association.

(2) Because hundreds of corporations engaged in other lines of industry belong to Associations which have been and are collecting, compiling, and disseminating statistical data similar to those prohibited by the final decree in this case."

The case differs from "any case thus far submitted to this Court", not in the greater comprehensiveness of the statistical data or information here made available, but in its narrow limits, purposes and results.

The defendants here, in good faith and since 1916, before the legality of association activities was legally questioned, have sought and brought together for protective purposes distinct from possible restraint, only certain limited facts concerning (*1*) credits, (*2*) a particular class of closed contracts for future delivery (disclosing nothing whatever concerning 70 per cent of their sales), (*3*) certain statistics limited to the existing supply, and (*4*) the freight rates necessarily in daily use.

They have done this on the straightforward agreement that each is free to conduct his business exactly as

he pleases. There is no showing whatever of any ulterior understanding to the contrary.

The record discloses none of those injurious consequences or incriminating incidents which have brought the activities of other associations into condemnation, and contains full proof of undiminished and acute competition in the trade throughout the life of the defendant organization.

The Decree.

The decree (*R., p. 1809-1813*) in general substance:—

(*i*) Enjoins the continuance of Cement Manufacturers Protective Association or any part thereof and forbids any similar organization (*R., p. 1809, Pars. 1, 2, 3*).

(*ii*) Enjoins the defendants from collecting or distributing information concerning closed "specific job contracts", either the particular information theretofore exchanged or any "information with reference to such contracts" (*R., p. 1809, Par. 4, Par. 5, last clause*).

(*iii*) Enjoins the defendants with respect to statistical information, forever forbidding them from making or receiving, through any collective agency, any report of either available supply or shipment (*R., p. 1811, Par. 6*). This provision was relaxed by subsequent order to the extent of permitting reports of shipments for assessment of expenses of the national Portland Cement Association, provided the shipments are reported "at the close of the calendar year * * * and for no other purpose" (*R., p. 1813*).

(*iv*) Enjoins the defendants forever from "agreeing" or "hereafter agreeing" concerning many things, chiefly established practices and customs prevailing in the industry (*R., p. 1811-12, Pars. 7, 8, 9, 10, 11*). For brevity, these items are not here particularized. They will be dealt with together when we come to point out that it was

not shown that any agreement concerning any of them existed or was contemplated.

The exact nature of the decree, trade expressions used therein, and the questions here presented, may be best explained by defining the activities of Cement Manufacturers Protective Association, leaving disputed matters for later consideration:—

The Activities of Cement Manufacturers Protective Association

The Association was formally organized in January, 1916, following some similar unorganized efforts of the manufacturers, during the three months preceding, to protect themselves along the lines of the "specific job contract" activities (*Ex. No. 530, R., pp. 715-6; Ex. 532, R., pp. 717-8*). The constitution then adopted, within which it thereafter acted, stated the objects as follows:—

> "The objects of the Association are the collection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition, and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information concerning the matters following, to wit,—
>
> (a) Information concerning credits.
>
> (b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.
>
> (c) Information concerning freight rates on cement.
>
> (d) Statistical information as to production, stocks of cement and clinker on hand, and shipments" (*Ex. 13, R., p. 353*).

The constitution further provided that—

> "Membership in the Association shall be recognized as implying that the member is absolutely

free to conduct his business exactly as he pleases in every respect and particular" (*R., p. 357*).

Pursuant to a provision of the constitution (*R., p. 357*), a public stenographer (*R., p. 153*) reported all meetings in "minutes which contained literally every word that anyone said at the meetings taken down verbatim whether important or trivial or what not" and the minutes of all the meetings were sent to the Federal Trade Commission (*R., p. 162*). The meetings were also attended by counsel, to whom were referred all questions concerning whether any proposed discussion or action was within the limits of the constitution and legal propriety (*R., pp. 401, 407, 429-30, 457-8, 462, 476, 567, 568, 570, 576-7, 580, 622-5*).

The information (within definite limits hereinafter defined) was sent to the Association's office and out from it by means of printed forms because that economized work and obviated comment.*

The Association was "in substance simply a mechanical multiplying and tabulating machine" (*R., p. 162*). It merely put together and sent out the information without comment, conclusion or suggestion (*R., p. 162*).

The officials of the Association were a president, who presided at meetings, and a treasurer, who had custody of the funds, each connected with a corporate defendant

* The opinion below speaks of "an elaborate system of about forty forms" (*R., p. 1800*). In fact, there were all told thirty-one forms, six connected with the information concerning credits, fourteen with that concerning specific job contracts, nine with statistics and two with a bag report (*R., p. 130 et seq., p. 163, p. 166*). But the number of forms does not indicate the subject matter and was occasioned by providing one for each stage of each detail of the business from members to the Association, the Association to its employees, the employees to the Association and the Association to members.

and serving without compensation; a secretary, (Miss Phalen, named as defendant), who had charge of the reporting (*R., p. 129, p. 153*), and a vice-president (Major Hulsart, named as defendant), an engineer, whose duties related particularly to the technical work connected with the investigation of the amount of cement which would be required to complete "specific job contracts" (*R., p. 350*)—paid employees without experience or qualifications enabling them to direct or shape policies for the industry and merely performing ministerially the duties assigned them by the Association. Unlike other associations which have been before the Court, there was here no one who in any degree ever expressed the collective will or served as a "common guide" (*American Column Co.* v. *United States, 257 U. S. 377, 410*).

The kinds of information mentioned in the constitution, represented distinct and separate services. The activities did not, and could not, interact to produce a common result. Two of the defendants, the Glens Falls and Security Companies, did not have anything to do with the contract service (*R., p. 162*). One cement manufacturer in the territory, not defendant, the Helderberg Company, has received the credit service. The freight rate books "went broadcast almost" and to companies, such as the Tidewater Company, not connected with the Association (*R., p. 162*). Some of the four activities were —perhaps each was—too unimportant to be conducted alone, because not worth the expense of maintaining the necessary machinery. But except in sharing the expense, each activity was a distinct and separate service.

The extent and limits of these activities, respectively, were:—

(a) The Activity Concerning Credits.

The information concerning credits was limited to a monthly alphabetical list of accounts two months or more over due, consisting of the name and address of the delinquent debtor, the amount of the over-due account and ledger balance, bills receivable, accounts in the hands of attorney for collection, and any explanation, as that the account is treated by the debtor as offset by a balance due for bags, or disputed, or the like (*R., pp. 159-60, Ex. Nos. 59, 60, 61, R., pp. 367, 368*); a comparison of the general totals with those for the past twelve months (*Ex. No. 62, R., p. 369*); an immediate notification of payment of an account placed in the hands of an attorney (*Ex. No. 63, R., p. 370*); and a form, "very little used", for answering inquiries as to whether a particular name had appeared in the monthly report, and, if so, where (*R., pp. 160-1, Ex. No. 64, R., p. 370*).

This is merely what is called "protective" as distinguished from "informative" credit reporting (*R., p. 575*). There was never any comment concerning any name on the list. No agreement or understanding as to whether the delinquents should be extended more credit or the like, is either pleaded or suggested.

The activity concerning credits may be enjoined by the general injunction against the Association and all its parts (*R., p. 1809, par. 3*). It is not touched by the specific definition of proper and improper credit activities attempted in the decree (*R., p. 1811, par. 8*)—not by the attempted definition of proper activities because information only "upon specific requests" would be too slow for practical use in this highly competitive business; and not by the attempted definition of impropriety because

no agreement to refuse sales or credit to delinquents was ever made or contemplated.

(b) The Activity Concerning Contracts.

The activity concerning contracts or sales was limited as follows:

(1.) The Association did not collect or distribute any information whatsoever concerning the sale of 70 per cent. or more of the cement sold by its members. Nothing was disclosed concerning any sale except those made under a particular kind of contract for future delivery, always customary in this industry, known as a "specific job contract" (*R., p. 162*).

The "Specific Job Contract" Mentioned in the Decree.

Specific job contracts have been commonly used in this industry since long before any collective activity (*infra, p. 73*).

Cement is used in large works long in construction. Those about to undertake them want an extraordinary supply of cement only for that particular work and to be sure of its cost. Manufacturers contract to supply the cement for a named price, although the costs of making cement and market conditions at the time of delivery cannot be known at the time the contract is made. Neither party wants to contract for the future delivery of that supply of cement except for that specific purpose and the common contract provides accordingly.

In the words of the opinion below, "these are agreements whereby a manufacturer is to deliver in the future cement to be used in a specific work, such as a particular building or road, and the obligation is that the manu-

facturer shall furnish, and the contractor shall take, only such cement as is required for or used for the specific purpose" (*R., p. 1801*), called the "specific job".

Such specific job contracts in this industry have been in effect free options customarily made and treated on the understanding that the purchaser (*i*) pays nothing except after the delivery of the cement to him, (*ii*) need not take the cement, and, as an inevitable corollary, (*iii*) is not held to the price named in the contract, but, if the market goes down, gets the benefit of the reduced price, whereas the manufacturer, if the market price advances, is held to the contract price (*infra, pp. 72-3*).

The "Duplicate Contracts" Mentioned in the Decree.

Many specific job contracts, purporting to call for millions of barrels of cement in the aggregate (*R., p. 165*), are what are known in the industry as "duplications", that is contracts which cannot be performed because they are to supply the same cement requirements of the same specific job being supplied under another contract (*R., pp. 163-4*).

Duplications result from (*a*) contractors (or much more often dealers hoping to supply them) about to bid for the construction work, making specific job contracts with cement manufacturers to cover themselves at the time of putting in their bids and only one of them getting the construction contract, with the result that other cement contracts are left as duplications, or (b) by the purchaser entering into specific job contracts with several manufacturers for the same cement, without any manufacturer knowing of the duplicate contracts with the others, as, for instance, the Government witness Nawn

contracting with the Atlas Company for 150,000 barrels to be used in building a certain dam and never ordering out a barrel because he was "being supplied all right" without calling on the Atlas (*R., p. 218*).

Many specific job contracts are not performable and call for no cement because the projected work is given up after the contract is made (*R., pp. 164-5*).

Practically all specific job contracts largely overestimate the amount of cement that will be required to complete the job, and so on their face seem to call for much more cement than they cover, because the purchasers always "play it safe and estimate high" (*R., p. 231*). This surplus not covered by the contract, amounting in the aggregate to several millions of barrels a year (*R., pp. 165-6*) is known in the industry as "padding".

The "Diversion" or "Misuse" of Cement Mentioned in the Decree.

As a result of this common "duplication" and "padding" of specific job contracts, the manufacturer did not in fact know, and could not alone learn in advance, his own obligations for future delivery of cement or the extent thereof (*R., p. 333*).

As a result of that ignorance, any unscrupulous dealer was enabled, if and when market prices had advanced, to obtain shipments of cement at the past lower prices of any specific job contract he happened to have, by sending orders falsely representing that the cement was required for use in a specific job and so covered by a specific job contract, and then resell it at a profit. Such transactions were commonly known in the industry as "diversion" or "misuse", because the cement was obtained from the

manufacturer at the price only by the false representation that it was to be used in the specific job covered by the contract and then diverted to resale.

In one illustrative instance, one manufacturer was defrauded of $1800 by the "diversion" of only 2500 barrels of cement, accomplished by ordering out the cement under a specific job contract although the job was not to be constructed, after costs and prices had advanced seventy-five cents a barrel (*R., p. 165, D-6, R., p. 1043-5, Ex. 675, R., p. 963*). The time for delivery under such contracts commonly extends over many months, and sometimes several years (*Ex. 26, R., p. 365*). They purport to cover many millions of barrels in the aggregate, only a fraction of which will ever be called for or represents actual obligation (*R., p. 3689*).

Specific job contracts have always been the common form of selling for future delivery in this industry. But, as in most matters of customary practice, their use is usual and not rigidly exclusive; and the defendant companies at times deal with futures in various other ways not involved in this case (*R., p. 319*).

In the year 1919, 16 per cent. of the cement sold by the defendants was sold under specific job contracts; in 1920, 25 per cent; in the other years, 30 per cent.* (*R., p. 162*). The Association did not collect or distribute any information whatsoever concerning the rest of the manufacturers' sales (*R., p. 162*).

* From these figures, the opinion below draws the inference "that more and more of the commodity is annually being sold under these contracts" (*R., p. 1801*). That would emphasize the fact that the activities of the Protective Association have not tended to diminish the number of such contracts (*infra, p. 96*). But the explanation of the figures is simply the curtailment of large construction work (the field of specific job contracts) incident to the war and the gradual recovery to normal conditions.

(2) The information concerning specific job contracts was limited to such contracts as had been closed (*R., p. 163*). The facts reached the Association's office an average of eight and one-half days after the closing of the contract and were mailed out therefrom the following day (*R., p. 351, p. 163*).

(3) The contracts themselves were not sent in or opened for examination. There was no disclosure whatever of any information concerning terms or conditions, or any special arrangements or agreements between the parties to the contract, or charges or credits for bags, or discounts, or rebates, or concerning anything else except certain facts sent in by the manufacturer and learned by sending engineers to the construction work or "specific job", as follows:—

The Facts Concerning Specific Job Contracts Reported by the Manufacturer.

The facts, sent by the manufacturer on two cards, were these:—

(*i*) One card gave the contract number, the date, the name and address of the purchaser, a description of the job so complete that it could be identified, the name of the contractor, the number of barrels named, the price, the delivery point, and the date when the contract expired (*R., p. 163, Ex. No. 14, R., p. 360*).

(*ii*) Another card was sent in by the manufacturer showing any changes in those same facts, as that a particular contract had been completed, cancelled, decreased or increased in amount or extended—information incident to the other, because it might get rid of a duplica-

tion, head off an investigation and change statistics of commitment (*R., p. 163, Ex. No. 15., R., p. 360*).

The Association listed these statements received each day and sent them to the members without comment. Once a month or once in three months a printed list was made up showing the same facts from the specific job contracts then in effect, for more convenient reference (*Ex. No. 16, 26, R., p. 360, side folio p. 654, 665*).

This reporting of these facts concerning specific job contracts enabled a manufacturer to know, or suspect, which of his own contracts were duplications and which were obligations (*R., p. 333*). But in some cases it merely informed him that one or more contracts existed for the same job, without determining under which the cement would be required by the builder, and it did not inform him as to how much of his apparent obligations for future delivery consisted of "padding" which would not be required (*R., p. 163*).

The Association's Investigation of Cement Requirements of the Specific Job—the "Checkers or Inspectors" Mentioned in the Decree.

In the Fall of 1917 (after previously employing a well-known commercial agency to do the work (*R., p. 519*), the Association took up investigating "specific jobs", to determine how much and what cement would be required by the builder, as follows:—

Any member might send to the Association a request that it investigate a particular specific job (*Ex. No. 18, R., p. 361*). The Association employed trained engineers, who upon such requests (or when enough relating to a particular locality had collected) visited the places where

the works were in course of construction, or to be constructed, and ascertained whose cement the builder would use in each work and how much cement would be required. This information, and no other information whatever, was then transmitted to only the member or members whose cement was involved (*R., pp. 163-166*).

These engineers (who because they checked the amount of cement which would be needed to complete the work with the estimate in the contract, were sometimes called "checkers") investigated and reported only the facts out in the field relating to the cement used and to be used in the specific work. They had nothing to do with any investigation whatever of any papers or books, or acts of the manufacturer, or anything else (*R., pp. 164-5*).

The instructions under which they acted were in the form of a booklet (*D-4, R., p. 1037-8*). The information to be obtained was indicated by questions on the printed form given the auditor or "checker"—whether the contract for the construction work had been awarded to the contractor, whether the work had been started, how much cement the contractor said he would use, the auditor's estimate, etc. (*R., p. 1032, 1036*).

On these facts being transmitted to the members whose brands were involved, the activity of the Association was at an end. It did not send them to the other members. It did not advise or decide anything. It simply sent the facts, so far as they could be ascertained, to the manufacturer who could not judge the extent of his own obligations without those facts (*R., pp. 166-7, p. 333*).

From the facts concerning specific job contracts sent in by the manufacturers, the office of the Association made up statistics of commitments or amounts under

contract, the place of which is indicated in connection with the statistical activity (*infra, p. 20*). It similarly made some statistics of merely passing interest, such as how much of the cement covered by specific job contracts was for each kind of construction work, such as bridges, roads, dams and water power, etc., but these tabulations added nothing to the information in the report of the contracts sent the members (*R., p. 166*).

The decree restrains the defendants from having any of the particular information just described (*R., p. 1809-10, par. 4*), and also any information with reference to such contracts (*R., p. 1810-11, par. 5, last clause*). The prohibition against agreeing to cancel duplicate contracts (*R., p. 1810, par. 5, last clause*) does not apply to this activity, because there was never agreement as to what action any member should take on the information. Even the opinion below finds that there was no such agreement as is enjoined (*R., pp. 1805-6, infra, pp. 96-7*).

(c) The Activity concerning Freight Rates.

The activity concerning freight rates consisted of printing and distributing books showing in the most convenient form the freight rates—compiled from the voluminous complicated official tariffs and translated from the rate per ton of the tariffs into the rate per barrel of 380 pounds, the cement unit—to practically all points of delivery in the northeastern section of the United States, from every point where cement is produced, used by anyone as a basing point (*R., p. 166*).

Similar lists of freight rates, substantially or exactly the same in form and contents as these books, have been

prepared and used by the individual manufacturers as a practical necessity in this particular business since before any collective activity (*infra, pp. 63-4*). The publication of the Association simply took the place of previous separate publication by individual manufacturers—with great saving of money and increased accuracy resulting from more thorough and continuous checking of the rates, but no other change.

The points of large production or basing points included in the books, were not selected by the Association. They were the same as those appearing in the prior books published by individuals—all the points ever used by anyone as basing points. They were all points of actual shipment and all the points of actual shipment of economic importance—the points from which upwards of ninety per cent. of the cement is actually shipped (*infra, pp. 64-71*).

This activity may be enjoined under the general injunction against the Association and its parts (*R., p. 1809, par. 3*), but it is, we understand, affirmatively approved and not prohibited by the definitions of the decree relating specifically to freight rates (*R., p. 1811, par. 7*), because there is here no "arbitrarily established basing point" and "all rates furnished" are "the actual rates between actual points of shipment and delivery" (*R., p. 1811, par. 7*).

(d) The Statistical Activity.

The statistical activity was characterized by two limitations:

(*i*) The information was limited to the existing supplies of cement, and

(*ii*) There was a complete absence of any interpretation of, or comment of any kind on, the facts and figures in any report, meeting or otherwise.

The statistical information came from two sources:—

(*i*) Each member sent to the Association monthly a statement of its production of clinker (*i. e.* cement just before the final grinding to powder) and ground cement, shipments and stock on hand for the past month, since the first of the year and for the corresponding periods of the previous year. These were compiled and distributed to the members without any change or comment (*R., p. 166, Ex. 30-56, R., p. 366, et seq.*). In addition to the monthly statements, semi-monthly statements of shipments alone were received and distributed (*Ex. 57, 58, R., p. 367*).

(*ii*) From the specific job contract reports were compiled statements sent to the members, keeping them informed as to the amount of cement under specific job contracts (*Ex. 405-428, R., p. 706*).

Each member of the Association was thus given full information as to the supply of cement in sight and where it was, by the figures of production, shipment, stock on hand and commitments under specific job contracts.

There was never any comment on the figures, or the market or the like. There was no statistics, estimate, prophecy or mention of actual or prospective demand (*R., p. 166*). There was nothing which could indicate the collective will as to a future course (*R., p. 162*).

The decree forbids the defendants from ever collecting and disseminating through any collective agency

any report of only production, shipment and stock or shipment alone (*R., p. 1811, p. 6*). This is presumably the principal question of public interest. Whatever its legal aspects, it seems unmistakably plain that if this decree represents the law, American industry is condemned to complete ignorance of facts essential to efficiency except as some of the necessary knowledge may be collected by, and released from the custody of, some development of bureaucracy.

The Report Concerning Bags.

The only additional activity of the Association was in bringing together certain limited information concerning returned bags (which are the usual containers and constitute an instrument of delivery taken back at the price paid) decided upon some time after the organization of the Association. This was limited to sending quarterly two items (*i*) the total number of bags returned to each member during the preceding quarter and (*ii*) the percentage thereof found unfit for use (*Gov. Ex. 65-6, R., p. 371*). The report showed that the losses always varied from about three-fourths of one per cent. by one manufacturer to about four and one-half per cent. by some other, and the diversity continued throughout.

Once in 1918 a questionnaire was sent out inquiring as to the practice of each company, to determine whether better results were obtained by cleaning before or after counting, which showed that some companies counted before cleaning, some counted after cleaning and some both before and after (*Ex. 206, R., p. 640*).

There was no information concerning the charge and allowance, or deposit, for bags; or concerning the num-

ber returned by any particular customer or portion thereof found unfit for re-use (*R., p. 166*).

Meetings.

The organization of the Association avoided any Board of Directors or Trustees and provided for the conduct of business along the lines of a town meeting.

The meetings were not in general attended by the officers of the companies, who determine prices, production and policies, but by their credit men and sales managers (*R., p. 162*). The number of companies represented at the meetings varied from eleven to seventeen, with an average attendance of about two-thirds.

Monthly meetings were contemplated, but after the forms had been developed, meetings were from time to time omitted. During the only time of rising markets since the relinquishment of Government war control, the busy spring and summer of 1920, no meetings at all were held in June, July and August, with very short meetings in May and September (*R., pp. 605, 608*). The later minutes contain many complaints that it is impossible to get attendance and suggestions which were rejected of activities designed to make the meetings more interesting and attractive (*R., pp. 547, 549, 620*).

The meetings (reflected in the record by an inevitable concentration of only the fragments most susceptible of misinterpretation) were devoted to transacting the business of the Association, the number and salaries of employees, the publication of the reports, the rental of offices, purchasing equipment, financing the Association, considering and rejecting proposed changes in, or additions to, the activities, and the like.

The minutes show that there was nothing constrained or artificial in the conduct of the meetings, and those present were proceeding in good faith to carry on the activities of the Association within the limits of the constitution and by-laws.

There were from time to time individuals who expressed themselves at greater or less length concerning the general aspects of unimportant matters (never as to production or prices or market conditions or the like), on which there was either no action or action of the meeting against the suggestions.

There was never any mention of the figures in the statistical reports. There was no comment whatever on past conditions or on prospects as to market, production, prices, or anything of the kind. In brief, the meetings developed nothing which could supply to the manufacturer any substitute for his own independent will and judgment concerning production or prices or anything which affects the public.

The Absence of the Evidences and Instruments of Restraint Found in Other Associations.

The character of the Association is made plainer by comparing it with other Associations coming before this Court long after these defendants had determined the limits of their activities.

There was a complete absence of any of those activities of other Associations that have been examined by this Court, upon which the Court has based its findings of violations of the statute:—

(1.) There was here no disclosure of what the Court referred to in the Hardwood case as "the minutest de-

tails of their business" (*257 U. S. 410*), and in the Linseed Oil case "all the intimate details of their affairs" (*262 U. S. 389*)—in the Hardwood case, a report of all sales with "all special agreements of every kind, verbal or written, with respect thereto" (*257 U. S. 394-5*), and in the Linseed Oil case "full, accurate, complete and certified reports of all sales, quotations and offerings" (*262 U. S. 381*). In those cases every detail of each transaction with each purchaser was fully disclosed.

In the case at bar, there was no disclosure of anything whatever concerning upwards of seventy per cent. of the manufacturer's sales; and in connection with the remaining fraction, sales by specific job contracts, there was no disclosure of the whole transaction or any special agreements, terms, conditions, discounts, commissions, rebates, etc., but merely certain facts serving definite protective purposes.

Any defendant could sell any amount of cement at any price, with any charge or allowance for bags, any discounts, any commissions, rebates, special arrangements with the purchaser, etc.,—all without any disclosure whatever. He could sell for future delivery without expecting to report except when the sale was under a specific job contract, and even the reporting of the facts concerning such contracts, could be readily omitted without possibility of detection through the Association (*R., p. 338*).

(**2.**) There was here nothing in the nature of any audit or investigation of a manufacturer's books or business. In the earlier cases the members of the Association submitted their books and papers to investigation by auditors (*257 U. S. 410; 262 U. S. 381*).

That, especially when coupled with the complete disclosure of every detail of each transaction, seems an earmark of any agreement where the sanction is "the restraint of exposure of what would be deemed bad faith" (*257 U. S. 410*). Its absence seems to reduce any price agreement to a silly method of inviting some among one's competitors to cut prices without fear of breaking the market.

(3.) There was here no information concerning any outstanding quotation or price. In the Hardwood case, all prices were reported "as soon as made", and the Court distinguished them from "past transactions" (*257 U. S. 398*). The declared object was, "by making prices known to each other they will gradually tend toward a standard in harmony with market conditions" (*257 U. S. 393*). In the Linseed Oil case, this was carried to the extent of an agreement not to change outstanding prices without telegraphing to the Bureau (*262 U. S. 386*). Particularly when accompanied by collective discussions, such outstanding prices may embody ideas very different from those upon which these defendants have proceeded (*R., p. 354, (2) p. 354, infra, p. 58, pp. 93-94*).

(4.) There was here no disclosure of even past prices of seventy per cent. of the business (*R., p. 166*).

(5.) There was here no disclosure of any charge or allowance, or deposit, for bags (*R., p. 163*).

(6.) There was here no disclosure of any following of, or departure from the customary trade practices, except in so far as the reporting of facts from specific job contracts would indicate that people were making that

kind of contracts, as had always been customary (*R., pp. 153-167*).

(**7.**) There was here no reporting of discount (*R., p. 163*).

(**8.**) There was here no reporting of any cost figure.

(**9.**) Perhaps most important, there was here no attempt to formulate, and nothing whatever which could possibly indicate or suggest, the collective will concerning price or production or anything affecting the public interest:—

> (*i*) There was no comment, in any report or meeting, on past business;
>
> (*ii*) There was no mention, in any report or meeting, of market conditions or prospects or anything of the kind; and
>
> (*iii*) There was no mention, suggestion or indication, in any report or meeting, of future production, sales or prices or of any estimate or standard therefor, or of desirable behavior with respect thereto, to which the individual manufacturer could, either specifically or generally, conform his acts.

The defendants here did not desire, or provide for, any formulation or expression of the collective will concerning price or production or other matter which might interfere with one taking advantage of his opportunities and judgment to make his own investment more secure and profitable at the expense of his rivals; and any collective standard for their conduct in such matters was as completely foreign to their thoughts, words and acts as a collective standard for their religions or politics (*infra, pp. 120-126, 127, 128*).

In the other cases before this Court, the collective will was constantly expressed through the representative or agency of all, employed largely for that purpose. In the Hardwood case, it was said "all the activities of the plan plainly culminated in the counsels contained in these letters and reports" of the "common guide" (*257 U. S. 399*). In the Linseed Oil case, "the bureau displayed great industry in making inquiries, collecting information, investigating the smallest derelictions and giving immediate advice to subscribers" (*262 U. S. 387*).

The work of the Association here was purely mechanical. It never in any way commented or advised, or counseled, or estimated, or did anything else except get, and send out, the bare information within the narrow limits prescribed.

The Opinion Below.

The opinion below recites the acts performed by or through Cement Manufacturers Protective Association and the absence of any agreement, general or specific, except to engage in those limited activities.

But the opinion contains many statements indicating misunderstanding of the business aspects, the scope of the collective activities, and practical effects, and a number of controlling mistakes of fact, upon which the conclusion was rested. For clearness and brevity, most of these mistakes are corrected in connection with the discussion of the facts *(infra, pp. 49, 58, 98, 111, 113, 115)*. But for certainty of definition of the activities enjoined, we respectfully mention two points here:—

(1.) The Court below was largely influenced by the general uniformity in matters of customary trade practices. Finding that they existed as now prior to the formation of the Association (*R., p. 1800*), the opinion reasons that after a cut-throat trade war (throughout which they were the same), "the time was ripe" for an association to keep them as they were; that uniformity in them must affect prices because in some patent licenses of 1909 and 1910, fixing a minimum price on cement made under the patent, there were provisions against cutting that price by means of these practices; that disclosure tends to promote uniformity; that there was some evidence that some of the defendants desired the refusal of credit for worthless bags and of unearned discount for cash, to be uniform. But all this reasoning, with respect,

confuses general, abstract desires of any responsible manufacturer with the purposes sought or attainable through the Association, and loses sight of two controlling facts:—

(*i*) These practices and such uniformity as they exhibited were the natural, inevitable products of the economic factors and the same before the patent licenses or any collective activity whatever as well as through cut-throat trade war (*infra, pp. 42-76*); and

(*ii*) These practices, or departures therefrom, were not disclosed through the Association *(supra, pp. 10-22, 25-6)*. So far as these practices were concerned, the competition was precisely the same as if the Association had not existed.

(2.) The Court concluded that while competition had not been entirely suppressed, "manufacturers by reason of the exchange of statistics were equipped to regulate their production and by common consent and a concert of action did so, to the end that the cement supply would at all times be a lap or two behind the demand, and thus created higher prices" (*R., p. 1808*).

The errors of fact are explained later *(infra, pp. 120-126)*. To define the activities which were here obviously misunderstood:—

(*i*) The Association never in any way devoted a word or thought to any estimate of demand or production; and

(*ii*) The production statistics invariably showed merely that some manufacturer was producing very much more, some other very much less and the others various degrees in between the extremes *(infra, pp. 120-2)*,

without any other possible indication whatsoever of what a manufacturer should do. Obviously, no one could take that as a guide—produce both more and less at the same time.

Thus the manufacturer had no course but to exercise his independent judgment and selfish will; and he did so, diversely, with the result that instead of production being behind demand, the defendants as a whole, at the end of each season were left with several million barrels of this perishable commodity on their hands (*infra, pp. 125-6*).

The Assignment of Errors and Questions Presented.

The errors assigned (*R., p. 1815-6*), all of which are relied on, go to every part of the decree and group themselves to present four chief questions as follows:—

1. Whether Cement Manufacturers Protective Association is a "contract, combination * * * or conspiracy in restraint of trade or commerce among the several States" in violation of § 1 of the Act of July 2, 1890.

> The first two assignments go to the first three paragraphs of the decree (*R., p. 1809*), adjudging the Association unlawful, dissolving it and enjoining the defendants from continuing the Association, or any part thereof, or any similar organization.

2. Whether it is unlawful for the defendants to exchange information with reference to closed contracts for future delivery of cement for specific construction work (known as specific job contracts) in order to ascertain whether they overestimate the actual requirements of the work or are duplicates held by other manufacturers for the cement for the same work.

> The third assignment goes to paragraph 4 of the decree enjoining the particular information concerning these contracts heretofore exchanged (*R., p. 1809-10*).
>
> The fourth assignment goes to the last clause of the fifth paragraph of the decree, enjoining the exchange of any "information with reference to such contracts" (*R., pp. 1810-11*).

3. Whether the collection and dissemination through a collective agency of information concerning either production, shipments and stocks, or shipments alone, is unlawful.

> The fifth assignment of error goes to paragraph 6 of the decree, which prohibits the defendants forever from collecting even these statistics through any collective agency (*R., p. 1811*).

4. Whether the Court should amplify the general prohibition of the statute into details which it considers suitable to a particular industry, when the acts thus forbidden have not been done or contemplated.

> The remaining assignments go to the first part of paragraph 5 and paragraphs 7, 8, 9, 10 and 11 of the decree (*R., p. 1810-12*). While these present many other questions of fact and law, they group themselves under this question. The most important, for instance, the prohibition as to all the trade practices in paragraph 9 of the decree, is only against "hereafter agreeing". It does not prohibit any past agreement or action pursuant thereto, but only future agreement. It seems to represent legislation—elaborating and making specific the general prohibition of the statute, after the manner of the Clayton Law—rather than adjudication.

BRIEF OF ARGUMENT.

I.

The Cement Manufacturers Protective Association is not a "contract, combination * * * or conspiracy in restraint of trade or commerce among the several States" in violation of §1 of the Act of July 2, 1890:—

1. Cooperation among those engaged in a particular industry or calling is a common law right not prohibited but impliedly endorsed by the statute, except when "in restraint of trade or commerce among the several States or with foreign nations".

Attorney General of Australia v. *Adelaide S. S. Co., (1913) A. C. 781;*
Anderson v. *United States, 171 U. S. 604, 616-7;*
Gompers v. *Bucks Stove and Range Co., 221 U. S. 418, 439.*

2. To determine the legality of the cooperation here, requires a consideration of the particular facts.

Board of Trade of Chicago v. *United States, 246 U. S. 231, 238;*
United States v. *American Oil Co., 262 U. S. 371, 390;*
Window Glass Manufacturers v. *United States, 263 U. S. 405, 411.*

3. That the cooperation here was not "in restraint of trade or commerce among the several States", is established by the facts that (*i*) the Association was organized for purposes of affording information enabling the manufacturer to protect himself against legal and economic

wrong, distinct from, and without, restraint (*infra, pp. 90-95*), (*ii*) the activities of the Association comprised nothing capable of suppressing, or even regulating, competition (*infra, pp. 95-113*), and (*iii*) its activities in fact produced no restraint but were accompanied by exceptionally sharp and strenuous competition throughout (*infra, pp. 118-133*).

4. The cooperation here included none of the elements which in other cases the Court has found to be evidence or instruments of restraint of trade.

> *American Column & Lumber Co.* v. *United States, 257 U. S. 377;*
> *United States* v. *American Oil Co., 262 U. S. 371;*
> *Supra, pp. 23-27.*

5. The activities of the Association here enjoined did not provide, separately or collectively, any substitute for the independent selfish will and judgment of the individual manufacturer as to price, production or other matter capable of suppressing competition. They provided him with a limited part of the material for more intelligent judgment and efficiency, but left his individual judgment and future conduct to be exercised in his own selfish interest, without either collective direction or check.

6. The proof is explicit that the activities of the Association did not result in higher prices, curtailed production, excessive profits, inferior service or in any tendency toward monopoly; there was, in short, no result in restraint of trade, nor any injury to the public, whether competitor, dealer, contractor or consumer (*Infra, pp. 118-133*).

7. The conclusion that the Association here was not in restraint of trade is further emphasized by consideration of each activity to "estimate what strength they have separately" (*Virtue* v. *The Creamery Package Co., 227 U. S. 833*):—

II.

It was not unlawful to bring together facts concerning specific job contracts enabling the manufacturer to distinguish in advance his obligations from duplications and padding:—

1. Where the "direct", "dominant", "main" purpose and result of cooperation is to enable the individual to protect himself in the enjoyment of his legal rights against dishonesty and irresponsibility, and the effect on competition, if any, is "accidental, secondary, remote or merely probable", the cooperation is not in restraint of trade.

Swift & Co. v. *United States, 196 U. S. 375, 395;*
Anderson v. *United States, 171 U. S. 604, 617;*
United States v. *Addyston Pipe & Steel Co., 85 Fed. 271, 280;*
Window Glass Manufacturers v. *United States, 263 U. S. 403;*
Virtue v. *The Creamery Package Co., 227 U. S. 8, 37;*
Reynolds v. *Plummers Protective Assn., 30 Misc., 709 (169 N. Y. 614);*
United States v. *Whiting, 212 Fed. 466, 476.*

2. The collection of information enabling the manufacturer to protect himself against misrepresentation and

fraud in matters of credit and specific job contracts for future delivery, is within the principle of the cases just cited, as well as within the rules relating to statistical activities hereinafter submitted.

III.

The collection and distribution of information concerning either production, shipments and stocks or shipments alone is not unlawful:—

1. Information alone without comment does not necessarily suppress competition (*infra, pp. 105-8*); and here in fact those receiving the information (*i*) exercised their wills and judgments variously and diversely with respect to the only subjects to which the information related, (*infra, pp. 120-6*), and (*ii*) were not restrained from competing but stimulated to increase competitive activity (*infra, p. 104*).

2. The restraint of trade declared illegal by §1 of the Act cannot exist without some substitution of some collective will for the independent will of the individual —if voluntary, some surrender of the independence of the individual to the collective will—in something (as, often, price or production) "suppressing", as distinguished from merely regulating or strengthening, competition.

Chicago Board of Trade v. *United States, 246 U. S. 231, 238;*
United States v. *American Oil Co., 262 U. S. 371, 388.*

The statute does not prescribe how the individual shall exercise his independent will. He may, for instance, independently wholly refrain from competition. The statute forbids only the surrender of his independence to the collective will.

> *United States* v. *Reading Co., 226 U. S. 324, 369;*
> *United States* v. *United States Steel Corporation, 251 U. S. 324, 369;*
> *Swift & Co.* v. *United States, 196 U. S. 375.*

Surrender of independence to the collective will cannot exist without at least one, and probably two, essentials:—

(*1*) An expression of the collective will—some formulation and indication of the collective will, so that the individual may know what it is and be offered a standard of conduct to which it is possible for him to conform his future acts. Without such an expression of the collective will the individual necessarily must act independently (*infra, p. 139*).

(*2*) The individual's agreement, express or implied, to conform his acts to the collective will so expressed; or, lacking agreement to conform, some form of compulsion—moral or otherwise—to constrain his action.

An expression of the collective will might (or might not, according to the facts) be supplied in any one of numerous ways, as

> (*a*) by the counsel or advice of the representative of all, the mouthpiece of the collective will, directing the course of all with respect to production and prices, as in the Hard-wood case, (*257 U. S. 377*), and the Linseed Oil case, (*262 U. S. 371*), or

(*b*) by some measure of future prices, as a collectively determined average cost and collectively determined average freight rate, or

(*c*) perhaps by mere collective discussion of future prospects definite enough to indicate a course to be followed.

There is here neither (*i*) any formulation or expression of the collective will indicating any standard to which the individual can possibly conform his future conduct nor (*ii*) any understanding or agreement concerning his future conduct, except that he shall carry on his business "exactly as he pleases in every respect and particular" nor (*iii*) any disclosure of details of each transaction coupled with collective audit, or other means of possible constraint.

3. Cooperation or agreement which in fact enables the individual to conduct his competition more efficiently and strongly by avoiding the weakening blunderings incident to ignorance of necessary facts, is not forbidden by the statute:—

(*a*) The statute "was intended to secure equality of opportunity" and promote individualism (*United States* v. *American Oil Co., 262 U. S. 371, 388*). Whatever strengthens, without restraining, the individual, fulfills the purpose of the statute.

Cooperation limited to making available common facts, equalizes opportunity and promotes individualism by affording the basis for intelligent independent judgment and skill as a substitute for the "contagious optimism or equally contagious pessimism" which largely govern the unin-

formed and tend, in the long run, through many economic distresses, to eliminate the individual.

(*b*) The purpose and effect of cooperation limited to making available the facts, is "reasonably forwarding personal interest and developing trade" (*United States* v. *Standard Oil Co., 221 U. S. 159-60*).

(*c*) In principle, cooperation limited to making available the facts, is like cooperation to develop improved machinery and processes through common research laboratories, strengthening each individual manufacturer and the industry as a whole, without suppressing competition. Where the "main" result is to strengthen an individual business and increase its power as a competitor and usefulness to the community, as in a partnership, even a contract in direct restraint is lawful (*United States* v. *Addyston Pipe & Steel Co., 85 Fed. 271, 280*).

IV.

The provisions of the decree enjoining agreement on methods of sale, existing trade practices and so forth, were unwarranted by any proof of the previous existence of such agreement.

1. Only acts which are agreed on, the embodiment or product of some "contract, combination * * * or conspiracy", are within the statute.

United States v. *Colgate & Co., 250 U. S. 300, 306-7;*
United States v. *Schrader's Son, Inc., 252 U. S. 85, 99.*

(**a**) The customary methods of sale, for present delivery or for future delivery generally under specific job contracts, at delivered prices figured from various points of large production used as basing points, have evolved from the circumstances without collective action and have not been affected by collective action (*infra, pp. 73, 64-71*).

(**b**) The trade practices of individuals were not disclosed through the Association. They were not agreed upon. They were in details diverse and various (*R., p. 315, et seq.; p. 1508, et seq.; infra, pp. 79-85*).

2. The matters of desirable practice infrequently mentioned in the course of meetings extending over six years—always as generalities—related only to such minor dishonesties as giving discounts when they were not earned or allowances for bags unfit for use, subjects not included in the reports (*R., p. 166*). All the matters thus mentioned—and some of those upon which the defendants are enjoined "from hereafter agreeing" (*R., pp. 1811-2*), as, for instance, the establishment of uniform charges for bags or the prohibition of the diversion of cement sold on specific job contracts (*R., p. 1812*)—might lawfully be made the subject of agreement, although they never have been, since such agreements would sharpen and promote competition by preventing its disguise and thus make it more likely to bring down prices to the public (*R., p. 305*).

Chicago Board of Trade v. *United States, 246 U. S. 231, 238;*
Swift & Co. v. *United States, 196 U. S. 375, 394*
where the injunction approved, affirmatively

permitted agreement upon certain charges for cartage and delivery, upon certain rules for the giving of credit and upon certain curtailment of shipments to prevent over-accumulation and loss in particular markets.

3. Because it was not shown that the defendants made or contemplated the agreements enjoined in paragraphs 5, 7, 8 and 9 of the decree (*R., pp. 1810-2*), there was no basis for any injunction with respect to such matters.

United States v. *Coffee Exchange, 263 U. S. 611.*

V.

The decree should be reversed and the cause dismissed.

ARGUMENT.

THE FACTS.

THE CHARACTERISTIC PHENOMENA AND METHODS OF THE CEMENT INDUSTRY.

The Portland cement industry is exceptional, perhaps unique, in the degree to which it presents certain controlling economic factors—chiefly the complete commercial identity of the product of all manufacturers and its open sale everywhere, the dominant position of the dealers, professional fully-informed purchasers, the comparative importance of the freight item in cost to the purchaser, the necessity of expensive bags as instruments of delivery, etc.

Because of these factors and the large number of independent, well-equipped competitors, competition exhibits a directness which is exceptional and results in phenomena which are unfamiliar and, in other circumstances and industries, might evidence collective control.

Many of the errors below—we think all these proceedings against these defendants—are attributable to failure to understand these factors and the inevitable economic results of them. And so particular attention to some of them seems necessary:—

I.

The Facts and Economic Factors Connected with the Well-defined Market Price—The So-called "Uniformities".

Portland cement is a completely standardized product sold openly under true market conditions to fully-informed professional buyers. Although the superficial details are not the same, economically the condition in this industry is, and has been, comparable, in one of its aspects, to adjoining booths in a market offering, within sight of each other, identical bushels of wheat to purchasers seeing all offerings. But the common price inevitably resulting in such circumstances, is here made more stable and clearly seen by (*i*) the fact that the manufacturer must make a single price for a great output *(infra, pp. 61-3)* and *(ii)* any particular sale is secondary to maintaining a supply for, and satisfying, his regular dealer customers who are his "permanent asset" (*R., p. 335*).

1. Portland Cement as a Vendible Commodity.

Portland cement is a completely standardized product defined and marketed by reference to standard specifications and tests, which prescribe the chemical limits, the specific gravity, the fineness, the soundness, the time of setting, the tensile strength, how the samples shall be tested, and the like (*D-1, R., p. 1030*).

The standardization of Portland cement has not been brought about by collective activity of the manufacturers. The charge in the Petition that this "uniformity" is the result of the "combination and conspiracy" (*R., p. 17*) has apparently been abandoned; and the evidence shows that the standard specifications, growing out of the im-

portance of having definite standards of strength and reliability in a material upon which great works and the safety of many people depend, have been formulated and given effect by users as follows:

Prior to 1912, Portland cement was defined and marketed by specifications which were substantially the same. On April 30, 1912, an executive order was issued by President Taft promulgating a standard specification, subject to revision from time to time with improvements in product, methods of testing and technical knowledge; and that specification, with such revisions, representing the result of several years' work of a joint conference representing the United States Government, the American Society of Civil Engineers and the American Society for Testing Materials, has been universally accepted as the standard by which Portland Cement is defined and marketed (*D-1, pp. 5-6, R., p. 1030, side folios pp. 1932, 1934-5).*

Portland cement of one manufacturer is commercially identical with Portland cement of any other manufacturer, and the product of one does not command a higher or lower price in the market than that of others. The commercial identity of the Portland coment of all manufacturers, by reason of the universal acceptance of the standard specifications, is so complete that a difference of "one cent a barrel in price" is generally sufficient to turn business from one manufacturer to another (*R., pp. 181, 178, 189, 148, 174*).

2. The Dealer is the Controlling Factor in the Distribution and Marketing of Cement.

The cement manufacturer must depend for the distribution of most of his product upon sales at wholesale

to dealers. About ninety per cent. of the cement manufacturer's sales are sales to dealers, the remaining ten per cent. being sales to Governments, municipalities, large industries and contractors, not passing through the dealers' hands (*R., p. 328*).

The dominant position of the dealer in the industry has naturally evolved from the facts that as a practical matter the manufacturer cannot operate without the assistance of the dealer and the dealer controls the public demand for cement. Cement is shipped from the mills where it is produced to thousands of scattered points where it is used. By reason of its weight and bulk and the fact that it is ruined by exposure, there must be at each of these delivery points someone to take the cement from railroad cars, with trucks to haul it and a warehouse to receive and protect it. It has been impracticable for the manufacturer (or anyone not selling also other articles to help carry the costs) to maintain such establishments at the thousands of different delivery points for his occasional shipments. So cement is commonly sold to dealers in building supplies, who buy in carload lots, thereby getting lower freight rates, and sell to their customers at retail.

The dealer has been commonly compensated for his services by a trade discount, or differential below the price paid by the consumer, which generally was five cents a barrel prior to 1916 and then became generally ten cents a barrel (*R., p. 320*).

The dealer's custom and good-will is the permanent asset of the manufacturer's business (*R., p. 335*), and the manufacturer's sales efforts are directed largely towards maintaining and securing the custom and good-will of dealers.

3. The Open Market Conditions Under Which Cement Is Sold.

Dealers are professional buyers at wholesale, who follow the conduct and quotations of the manufacturers closely, are constantly informed concerning offerings of different manufacturers and commonly shop around, considering the offerings of different manufacturers, before placing their orders (*R., pp. 172, 174, 177, 178, 190, etc.*). A few dealers carry the cement of only one manufacturer; most carry the cement of several manufacturers.

All the defendant corporations, in addition to sending written (or printed) quotations, employ salesmen who assiduously keep in the closest contact with the dealers in the territory they cover, soliciting orders, cultivating their good-will and closely watching and instantly reporting to their principals all trade news, including quotations, offerings and transactions of competitors (*R., pp. 147, 150, 151, 174, 178, 179, 190, 192; D-69-72, D-74-6, D-699, D-796, D-40, D-658, D-431, D-450, etc.*).

Through his dealer customers and his contact with dealers maintained by his salesmen, the manufacturer learns by telephone and telegraph of quotations and offerings of his competitors practically as soon as they are made, and often with opportunity afforded by the dealer to meet the offering if below the market (*ib., R., pp. 334, 190*).

4. The Well-defined Market Price of Cement.

As a result of the economic factors, for many years and more than ten or twenty years, there has been, and

is, a well-defined market price at which Portland cement sells at any particular place and time:—

(1.) In the case of a standardized article sold at wholesale to fully-informed professional buyers (according to the uncontradicted and well-supported evidence) uniformity of price must inevitably result from active, free and unrestrained competition, and such uniformity of price is normally more clearly seen than even the uniform, or market, price on a stock exchange, and remains over periods until disturbed by new factors (*R., pp. 294-8, 304-5, 305-6, 307*).

The uncontradicted evidence was that the observations of economists to this effect were "unanimous"; had been confirmed by studies showing uniformity of price produced by competition in the wholesale salt market, crude oil in the Kansas-Oklahoma field, corn gluten, wire nails, wooden screws, sulphur, crude brimstone, and other free industries; and that the factors of heavy investment in plant and capital and a customary right of cancellation of contract by purchasers, such as exist here, tended to emphasize the inevitable uniformity. The economists whose observations were "unanimous" included John Stewart Mill, W. Stanley Jevons, Francis Walker, F. W. Taussig of Harvard, E. R. A. Seligman of Columbia, Arthur T. Hadley of Yale, John Bates Clark, Richard T. Ely, as set forth in their writings; and also Gide's Political Economy, translated by Archibald; Bullock's Introduction to the Study of Economics; Knight on Risk, Uncertainty and Profit; Carver on Principles of National Economy; Taylor on Principles of Economics; Seager on Economics; Turner on Economics; Flux on Economic Principles; Fetter on Economic Principles.

(2.) The same degree of uniformity of price of Portland cement (and of its incidents, bag charges and allowances, and cash and trade discounts) has existed without any change since long before the formation of the Protective Association or any collective activity, and as far back as any of the witnesses could remember, some going back thirty years or more.

The statement to the contrary in the opinion below (*R., p. 1806*) is erroneous. Some of the witnesses and the period covered by the experience of each in this particular are as follows:—

Government's witness Keller, *R., pp. 172, 174, 175* (40 years);

Government's witness White, *R., p. 221* (35 years);

Government's witness Merriman, *R., p. 176* (30 years);

Government's witness Keller, *R., p. 189* (25 years);

Government's witness Kelter, *p. 190* (25 years);

Government's witness O'Connell, *p. 222* (15 years);

Government's witness Nawn, *p. 218* (since 1910);

Government's witness Elliott, *pp. 167-8, 188* (since 1912);

Government's witness Whipple, *p. 170* (since 1912);

Government's witness Lyth, *p. 191* (10 years);

Government's witness Wright, *p. 220* (since 1914);

Government's witness Oakley, *p. 222* (since 1914);

Defendants' witness Morron, *p. 335* (since 1910);

Exhibits 560 to 570, Bids December, 1912, Amsterdam Building Co., 8 companies quote market price (*R., pp. 812-821*);

Exhibit 675, Exhibit 676, Base prices back to 1913 or 1914 (*R., p. 963*).

The additional facts demonstrating that such uniformity as exists, is merely a normal market price resulting inevitably from the sharp competition, and not an agreed or controlled uniformity, are brought together later on at pages 50-58.

5. The Errors in the Opinion Below Concerning the Market Price or Uniformity.

The Court below found that there is not "any compact that cement shall not be sold below a specified price" (*R., p. 1803*), but (*i*) doubted whether such uniformity would result from free competition (*R., p. 1806*) and (*ii*) said that "since the Association began to operate there has been a uniformity and stability in such quotations [of prices] that previously did not exist" (*R., p. 1806*).

(*i.*) Whether free competition, under the particular circumstances, would result in such uniformity is matter, not of law but economics. The only evidence is that it would (*R., p. 294*). The speculation to the contrary, that prices operate on an individual cost-plus basis regardless of the market, has nothing to support it and is

contrary to "the ordinary fact in commerce that happens a million times a day" (*R., p. 306*). "In the same open market at any one moment there cannot be two prices for the same kind of article."*

(*ii.*) The statement in the opinion that the uniformity of prices has been different since the Association began to operate is directly contrary to the evidence (*supra, p. 48*). As a matter of fact, the period when the uniformity was most marked was during the cut-throat trade war when prices were below bin cost and far below commercial cost (*Ex. 675, R., p. 963*). But the evidence definitely proves that the uniformities connected with price here, are the result and evidence of exceptionally sharp competition:—

6. The Proofs that Prices are Governed only by the Intensity of the Competition.

Uniformity of price in the market may result from agreement or sharp competition (*R., p. 305*). When the uniformity is well-defined and agreement excluded by the facts, the vigor of the competition is demonstrated. That is the case here:

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* Jevons, "The Theory of Political Economy", p. 90. "In no instance where there is a perfect competition can there be more than one price for the same thing at the same time." (Seligman "Principles of Economics", pp. 234-5). "There cannot be two prices for one commodity in the same market at the same time" (Clark "Essentials of Economic Theory", pp. 99-100). "If in an open market under full competition any portion of a given commodity is to be sold at a certain price, then will all the portions of that commodity sold at that time be sold at that price" (Walker "Political Economy", pp. 05-6). "When there is perfect competition there is (in a given market) only one resultant price for all buyers and all sellers", Fisher "Principles of Economics", p. 251. See to same effect authorities cited in the record, pp. 294-5.

(*a*) The prices of the defendant corporations did not manifest agreed-on or planned uniformity, but the kind of uniformity characteristic of a market price resulting from competition in a free market:

(*a*) The uniformity has disappeared during price movements in the market, following a reduction or advance by an individual manufacturer. Since the relinquishment of Government control, the periods of price movement during which quotations have not been uniform, have been: The reduction of 15 cents a barrel in response to the urgings of the Governmental Peek Committee, in April, 1919, 2 days; the advances of the next year, respectively, 27 days, 13 days, and 19 days; ignoring the succeeding individual advances not changing the general market, the succeeding large drop of 20 cents was completed in 7 days, and that of 30 cents in 3 days (*Ex. 675, R., p. 963*).

During the cut-throat competition (*R., pp. 332-3*), when prices were down below mill cost, complete uniformity in the two declines in February, 1915, was reestablished in 3 days and the two succeeding rises resulted in uniformity being reestablished, respectively, in 4 and 3 days (*Ex. 675*).

These periods of diverse prices during price movements are irreconcilable with price control of any kind, because they imply great diversity in profits or losses incompatible with agreement. And the comparatively slow advance (except when below cost, *R., p. 333*) and quick decline is the opposite of what would appear under agreement or control.

(*b*) Occasional individual advances not followed by others, as the advances by Edison and Bath in December,

1919, the advance by Pennsylvania in April, 1920, the Alpha advance July 26, 1920, the Bath advance August 12, 1920 (*Ex. 675, R., p. 963*).

(*c*) Individual price cutting reported to the Association in specific job contracts. "Price cutting" in this business means making an exceptional low price to get a particular piece of business without changing one's general price quoted to all.

In Ex. D-641 (*R., p. 1708*) Major Hulsart *quotes* upwards of 1100 instances of different prices in specific job contracts made at the same time and place and in effect from January 19, 1919, to June, 1921, none of which can be accounted for by dealer differential or price movement, or the like (*R., p. 351*). Some of them show four or five different prices at the same time and place (*Ex. D-641, R., p. 1708, sheets 2, 5, 7, etc.*).

The Government's witness Mr. Lewis testified, in substance, that among 928 specific job contracts which he had selected at random in the reports, he found about 5 per cent. taken at prices departing from the market price, for which he could not account (*R., p. 250*).

(*d*) Individual price cutting in the current business not reported to the Association (*R., pp. 177, 181, 183, 223; D-658, p. 1717; D-436, p. 1459; D-451, p. 1469; D-460, p. 1474; D-458, p. 1472; D-470, p. 1481; D-490, p. 1496; D-489, p. 1495; D-454, p. 1471; D-247, p. 1141; D-229, p. 1134; D-426, p. 1455; D-463, p. 1478; D-556, p. 1658; D-388, p. 1435, etc.)*

These characteristics, the disappearance of the uniformity during price movements, the occasional individual advances not followed, and the price-cutting report-

ed and known to other manufacturers but occasioning no comment or action, define the prices here as normal market prices resulting from sharp competition in the standardized article, as distinguished from agreed or controlled uniformity of price.

(b) The uniformity has appeared and disappeared as the competition has increased and relaxed.

During the cut-throat trade war, when prices were down below mill cost, the uniformity was most marked. The uniformity then was obviously due to competition. During the summer of 1920, the uniformity largely disappeared and prices were as much as a dollar a barrel apart, and the competition in the market was then relaxed by the failure of transportation facilities *(Ex. 675, R., p. 963; p. 148, etc.)*. In other words, the uniformity appears when one cause, competition, is operating and any other cause excluded, and in accordance with the degree to which that cause is operating; and moreover does not appear in accordance with the operation of any other suggested cause.

(c) The same degree of uniformity existed when there was in fact no other possible cause but the competition, before any association or collective activity *(supra, p. 48)*.

(d) There was no uniformity in the price the manufacturers received.

The price realized by each at his mill, the amount of business each did, the profits each made, all varied widely

and diversely (*infra, pp. 127-133*). The only uniformity was out in the market where the competition operated.

(e) Where there was no dealer market, there was no uniformity but diversity.

Where the factor of open market condition was absent, although the business was of the utmost importance from the manufacturer's point of view, and most likely to be subject to any control, as in supplying cement for the Panama Canal, there was no uniformity, but diversity (*R., pp. 283-4*). In other words, the so-called uniformity was found only where the economic factors which necessarily produce it were present.

(f) The uniformity here involved loss of profits through reduction of price realized on the product shipped from the points of large production.

It involved, for instance, the Lehigh Valley manufacturers, the largest group, cutting the price received by absorbing freight on every sale freightwise nearer Universal or Alsen or Hudson or Fordwick, a very considerable part of their markets, to prevent their business being taken from them by the competition from those points. The conflicting individual interests thus prevailed over any imaginable collective desires of the manufacturers as a whole (*infra, pp. 67-70*).

Most important and conclusive, the evidence proves that prices were in fact made by independent action of the individual manufacturer in competition with the others:—

7. How Prices Were in Fact Made.

In view of the failure of the Court below to understand prices in this industry, it may be desirable to refer to evidence showing concretely just how prices were in fact made and how the activities of the Association had nothing whatever to do with it.

The general considerations which govern a manufacturer in fixing his prices are summarized in the testimony of Mr. Morron (*R., p. 335*). Here, as elsewhere, "the dealer is the permanent asset"; and the controlling consideration is always to supply and satisfy one's dealers.

A decline in the market price when enough cement is offered at a less price, explains itself. A manufacturer may also be forced to advance his price to avoid being swamped with contracts to such an extent as to be unable to supply and so keep his dealers:—

A particularly clear collection of contemporaneous records resulted from the fact that Mr. Morron, the President of the Atlas Company, was away at the time of the extraordinary conditions and consequent price advance in the early Spring of 1918. On March 20th, Mr. Thompson, of the Atlas Company, heard a report that another company had advanced its price 40 cents a barrel, at Montgomery, N. Y., and after trying unsuccessfully to reach the office by telephone, on the next day telephoned and wrote the information to the Atlas Company (*D-67, R., p. 1076*). On March 21st, a salesman telephoned that a dealer in Newark had quotations from Giant and Bath advancing their prices 40 cents a barrel (*D-68, R., p. 1076*). On the same day, another salesman telephoned that other dealers say that Bath and Dexter had raised their prices 40 cents per barrel (*D-69, R., p. 1076*). Other similar tele-

phone messages arrived at the Atlas Company (*D-70, D-71, D-72, D-74, D-75, D-76, R., pp. 1077-8*). On the same day, Mr. MacFarland, of the Atlas, telegraphed to Mr. Morron, at Hot Springs, Arizona:—

> "Half dozen smaller companies prices seem to be up forty cents per barrel. No information regarding any change of others. Situation well in hand. Watching carefully. Will act if advisable" (*D-80, R., p. 1080*).

Mr. Morron telegraphed in reply:—

> "Message received. Go very slow on orders and especially contracts. Confer daily with Miner [another officer of the Atlas Company] regarding manufacturing and shipping prospects. Do not let them load us with business we cannot ship especially at prevailing prices. Keep me continually posted" (*D-81, R., p. 1080*).

On the same day, Mr. MacFarland again telegraphed to Mr. Morron:—

> "Further information from dealers indicates practically all competitors' prices increased forty cents per barrel including export. When I am positive that this information is correct do you desire me to follow?" (*D-82, R., p. 1080*).

The next day, on March 22nd, Mr. Morron replied by telegram:—

> "Message received. Yes when you get definite information from trade act promptly. We cannot afford to be overloaded with shipping and manufacturing conditions so uncertain. Fight shy of contracts. Keep me posted as to volume" (*D-83, R., p. 1081*).

On March 22nd, the Atlas Company received by telephone word that dealers had Alpha written quotations 40 cents up (*D-74, R., p. 1078*), these quotations being dated the day before (*D-77, R., p. 1078*).

On March 22nd, instructions were given to issue the Atlas quotations at the advanced price (*D-87, D-88, R., p. 1082*), and on March 23rd, Mr. MacFarland telegraphed Mr. Morron:—

> "Our prices in hands of trade this morning forty cents advance" (*D-84, R., p. 1081*).

The telegram gave the amount of business taken and said:—

> "Have been able to refuse without hurting us about two hundred thousand barrels future business. Situation in hand perfectly".

As further interpreting the importance of a manufacturer not getting loaded up with contracts for future delivery when costs are advancing, we quote from a further telegram from Mr. Morron to Mr. MacFarland, dated March 25th, 1918:—

> "Don't accept any business except daily dealers until Miner notifies you of Government decision on operation. We must have free cement to sell later. This applies both east and west" (*D-86, R., p. 1081*).

Other clear instances in the record are a change by the Security Company in February 1921 (*D-522, D-502, D-501, R., p. 1501-2*); a change by the Hercules Company in 1920 (*D-42, D-44, D-45, D-46, D-47, D-49, D-50, R., p.*

1059, D-746, R., p. 1764, Ex. 675, Ex. 676, R., p. 963, D-41, A., p. 1059); the reduction of the Dexter price at Meriden (*D-544, R. p., 1650, D-545, R., p. 1651*).

Any fair reading of the record makes it certain that the activities of the Association had no slightest connection with price making and that these defendants were most actively competing.

8. The Error in the Opinion Below concerning the Purpose of reporting the Price in Closed Specific Job Contracts.

With that illustration in mind, it is plain that the Court below erred in ignoring the evidence of the actual declared purpose of including the price in the reported facts concerning specific job contracts (*R., p. 353, infra, pp. 93-4*) and reasoning that the purpose was to allow the manufacturer to deduce therefrom prices of other concurrent sales (*R., pp. 1804-5*).

A report of any price relayed by mail from the field where the contract was closed to the manufacturer's office, thence to the Association and thence to the members, could add nothing whatever to his information concerning existing market prices (*R., pp. 334-5*). It could serve no purpose except:—

> "if a report came in, for instance, that the New York Central had placed an order with a competitor for 10,000 barrels at $1.25, and $1.25 was our price, it would naturally make me think that the reason we lost the order was because the other fellow had a better salesman. It was a question of checking up the salesmanship with me more than

> anything else. The prices would not be of any use in giving me a line on current prices. We got current prices instantaneously from dealers. We got those over the telephone. These prices through the Protective Association came in about a week afterward." (*R., p. 334*).

Thus the report of *only* these prices merely contributed to make salesmanship, and so competition, more effective.

II.

The Facts and Economic Factors Connected With Selling at Delivered Prices Computed from Basing Points.

Because cement is cheap, heavy and must be protected in transit, freight is an exceptionally important part of the cost to the purchaser, often equalling or exceeding the cost of the cement. The purchaser wants to know what he must pay to get his cement and cannot, as a practical matter, figure out the freight rate (*R., pp. 330-1*). So since before any collective activity in the industry, it has been customary to sell at delivered prices (*R., p. 330, D-538, Letter of June 3, 1901, R., p. 1648*).

That method of selling seems to be mistakenly attributed in the opinion below (*R., p. 1802*) to certain patent licenses which some held in 1909-1910 (*considered infra, pp. 86-88*). It was the method used in selling cement before that; and it is the necessary method if there is to be competition between different producing points in this industry. Accordingly, we try to make plain the essentials as they have always existed:—

1. The Two Parts of the Price of a Manufacturer's Cement in any Market.

The price at which any manufacturer's cement can be bought and sold at a particular place and time necessarily is divisible into two parts, to wit:—

(*i*) The price of the cement (and its incidents, bags and discounts) named by the manufacturer at some point of production (for instance, his own mill), as the price at which plus freight he offers cement in markets freight-

wise contiguous thereto, known as a base price or price at a basing point. This part of the price in any market is determined by the manufacturer and within his control, and cannot be fixed without his action on it.

(*ii*) The cost of transportation, or freight, from such point to the particular market. This part of the price of his cement in the market is not determined by the manufacturer or within his control, but is fixed by a purely mechanical, or ministerial, application of rates established by the railroads under the jurisdiction of the Interstate Commerce Commission.

The manufacturer can and does determine what point or points of production he will use as basing points—for illustration the freight station nearest his mill—and what his price there shall be, but he cannot control the freight therefrom to markets; and his base price is ramified into different prices in the contiguous markets automatically by the mechanical addition of the official freight rates (*R., p. 331*).

2. The Manufacturer's Base Price Must be a Single Price Covering a Particular Period.

The cement manufacturer normally makes (and is compelled by the requirements of his business and law to make) his base price at any point of production or basing point, a single price covering substantially all transactions within a particular period, as distinguished from a separate price for every offering and sale.

That price may be any amount and the period short or long, in the discretion of the manufacturer, but it

must be one price, *in general*, while it lasts. The reasons for this are:—

(*a*) It is impossible to conduct a large business by treating each sale as an isolated transaction, because the price of the product has to be made with reference to the manufacturer's financial, manufacturing and inventory positions and market conditions, actual and prospective, by the responsible head, and cannot in the nature of things be determined afresh and differently for each offer and sale throughout a large territory, many times each day (*R., pp. 335-6*). He must name his price and then shop around for customers at that price.

(*b*) Any different treatment of different dealers (in markets wherein news travels "awful fast" (*R., p. 190*) would inevitably forfeit the custom and good-will of dealers, the preservation of which is essential to the conduct of the manufacturer's business (*R., pp. 285, 330*).

(*c*) The one price policy is the only fair, sound business policy, endorsed by courts which have considered it (*Steel case, 223 Fed. 55, 91-2*) and compelled by legislation whenever it has touched prices as in regulating prices of transportation and public utility services, and, since 1914, in regulating interstate commerce, by the Clayton Law (38 Stat. 730, C. 323, §2).

As President Hadley of Yale said in his book on economics, p. 82:

> "A one-price system is a most important element in commercial honesty, is secured by intelligent competition and defeated by ignorance."

So generally and normally (except for a certain, and very considerable (*supra, p. 52*), amount of price-cutting in particular transactions) the cement manufacturer makes one base price at any basing point he uses, covering all his offerings controlled thereby, until he changes it.

3. The Mechanics and Effects of Adding Freights to a Manufacturer's Base Price.

When a base price is named by a manufacturer at any point of production, his prices in all markets freightwise near that basing point are his base price there plus the different freights therefrom to such markets. The addition to the base price of the different freights to the great number of different points where purchasers buy cement, is a mechanical operation (*R., p. 331*).

So a manufacturer's prices at any production point used as a basing point and throughout its freightwise contiguous markets, are in effect a single price determined by him, which is ramified mechanically (by adding thereto the freights to those different markets) into differing prices in such markets all bearing a fixed relation to each other through freights to the basing point.

The mechanical part of a manufacturer's prices, the freight rates from his basing point or points to delivery points in territory freightwise contiguous thereto, changes much less frequently than the part determined by the manufacturer. The official tariffs give freight rates in tons, and cement is sold by the barrel of 380 pounds. Freight tariffs are mechanically most burdensome to consult and not easily interpreted correctly by

anyone but an expert traffic man. Probably from these factors, there developed long ago a convenient instrument for the mechanical addition of freight rates to base prices:—

As a necessary mechanical incident of the two distinct parts of the price of cement, it has long been customary for the manufacturer to prepare lists of freight rates wherein official freights are translated from tons into barrels of cement, and give these to his sales offices and salesmen, so that upon receiving from time to time from the manufacturer the price named by him as his price at a basing point, the members of his selling force could mechanically add the freights and thus tell customers at the thousands of points throughout the territory, the price at which the manufacturer offered cement to them. (*R., p. 331*). Some manufacturers, Atlas, Alpha, Lehigh, Edison, and others, individually put their lists in the form of printed books having the same form and contents as the books subsequently published collectively (*R., pp. 147, 150, 338, Exs. 3-11, R., p. 353*).

4. The Points of Production Used as Basing Points.

The use of different basing points in this industry, unlike the use of a single point in some others, is the product and necessary instrument of vigorous competition. Neither the use of basing points nor the point or points so used by any manufacturer, has been brought about or affected by any collective activity.

The points of production which have been (or, for that matter, necessarily will be) used as basing points

are those points of production at which any individual manufacturer has named a base price reducing market prices in territory freightwise contiguous thereto. When that occurs, other manufacturers have to meet the prices resulting in those markets, or else not sell in those markets, reducing the prices realized by them from sales in that territory so far as necessary to meet the new prices. The mechanical part of meeting such new prices consists of naming a price at the new basing point, which mechanically ramifies itself by the addition of the freights therefrom, to the lowest prices in those particular markets (*R., pp. 331-2, infra, pp. 67-8*).

The points of production heretofore used by any manufacturer as basing points have been:—

The Lehigh Valley naturally developed as a basing point from two facts: (*i*) in this country Portland cement was first produced in the Lehigh Valley, the dominating early point of production being specifically the large mill of the Atlas Company at Northampton (*D-275, R., p. 1294*); and (*ii*) as other mills were constructed on that geological deposit, the different railroads serving the region, to get tonnage, gave the mills which located on their lines freight rates to the markets, enabling those mills to ship in competition with the then dominating mill at Northampton; and there thus developed a blanket rate of origin from all the mills in the Lehigh Valley, since endorsed and extended by the Interstate Commerce Commission, so that freight rates from all the mills in the Lehigh Valley to practically each point of delivery have long been, and continue to be, equal and uniform, and

commonly determined with reference to Northampton *(R., pp. 245-6; D-251 to D-254; R., p. 264-5)*.

For many years the Lehigh Valley was the only point of production, and all prices were then the manufacturer's base price at his mill in the Lehigh Valley, plus freight to the point of delivery (*R., pp 283, 331*).

Thereafter, when cement came to be produced at other points, the manufacturers at such points naturally at first offered and sold their cement in the markets at prices made with regard to the existing market prices based on the Lehigh Valley; and thus the Lehigh Valley continued for a long time to be the only basing point (*R., pp. 331-2*).

Comparably with that, on the edges of the Lehigh cement rock deposit there have developed by the building of additional mills, some exceptional local individual freight rates, different from, and not yet supplanted by, the general group rates, particularly from the mill of the Edison Company at New Village on the extreme eastern edge of the group to freightwise nearby points in New Jersey, and from the mill of the Allentown Company, the extreme westerly mill, to some nearby points as Reading, which have naturally had no effect in establishing additional basing points at those particular mills for only that small local business.

As production at other points increased, some manufacturers at such points severally came to offer and sell cement in the markets freightwise nearer their mills, at prices representing the sum of a base price at such manufacturer's mill plus freight therefrom to destination (*R., pp. 331*).

Basing points have thus been established by manufacturers located at the largest points of production, to

wit, Universal, Pa. (with a production of more than 3,000,00 barrels), Hudson, N. Y. (with a potential production from two mills of nearly 3,000,000 barrels), Alsen, N. Y. (with three mills producing nearly 2,000,000 barrels). (*Ex. 385, R., p. 706.*)

Since the formation of the Protective Association, and while it was operating, the Lehigh Company commenced thus to base its prices in the territory freightwise contiguous to its mill at Fordwick, Va., upon that mill as a base, thus pulling down prices throughout that territory, which other manufacturers were forced to meet (because although the Fordwick mill alone is small, the Lehigh Company, from its other mills also, could supply all demands in the territory at such prices) and Fordwick has also become a basing point (*Exs. 5, 8, 11, 12, R., p. 353*).

None of the other mills of defendants, serving this territory (to-wit, the comparatively small, isolated mills at Glens Falls, N. Y., Jamesville, N. Y., Cayuga, N. Y., and Security, Md.) has yet sold at prices based on the mill. All are in the first natural stage of development of a new point of production, where they sell with regard to the market prices based on points of larger production.

5. The Fact that the Cement Manufacturer is Compelled to Base Some of His Prices on Basing Points Other Than His Mill.

Prices in markets computed by adding freight to a base price at one basing point, would necessarily be higher in some markets than the market prices of cement there based on another freightwise nearer basing point;

and the manufacturer using only one basing point could not compete in markets freightwise nearer other basing *points (*R., pp. 331, supra, p. 44*).

For instance, prices based on a manufacturer's mill in the Lehigh Valley with freight added, because of higher freights, will be higher in New York City than the prices there of cement from Hudson or Alsen; higher in Buffalo, N. Y., than the price of cement from Universal; and so on. The manufacturer in the Lehigh Valley has to meet these lower prices or not sell. He knows that the price of Hudson cement in New York City is simply a mechanical freight ramification of prices of Hudson cement up through New England; the price of Universal cement in Buffalo, N. Y., a similar freight ramification of the price of that cement in Washington, D. C.; and so on. He knows that it would be silly for him to name the lower price only at New York City or Buffalo, leaving the ramifications of the Hudson or Universal prices in other markets below the prices at which he is trying to sell there; and so he meets the lower Hudson or Universal prices everywhere by naming a base price at those basing points and letting it ramify itself by the mechanical addition of freight rates from those points of production throughout freightwise contiguous territory.

The customary and inevitable use of different basing points in this industry operates practically thus: The base price named by a manufacturer at any point of production or basing point is determined by him and cannot be fixed without his action. When he reduces his price at a particular basing point, say, Universal or Hudson, that automatically brings down all market prices

throughout a particular section of the country. That section is measured by the combination of comparative freight rates, plus the extent of the reduction. If the reduction is 5 cents a barrel, it will bring down prices throughout less territory than if the reduction is 10 or 20 cents a barrel. So cement may be selling in a particular market to-day at a price based on one point of production, and by reason of some manufacturer reducing his price at another point of production, cement in that market may sell to-morrow at a price based on another basing point. It is not partial competition at some points, but thoroughgoing competition, direct with the rival at all the reachable markets where he sells.

The market price of cement in any market, under the acute competition thus evolved, is accordingly the smallest sum resulting from adding together the price charged by any manufacturer at any point of production and the freight therefrom to the particular market.

6. Selling at the Lowest of the Delivered Prices Computed from Several Basing Points, is the Product and Means of Severe Competition and Nothing Else.

(*i*) It has in fact existed just as it exists now (the Lehigh Company putting in prices based on Fordwick as an additional basing point, being an example and not an exception) since prior to any relevant collective activity and has not been affected by any collective activity (*R., pp. 331-2*).

(*ii*) Basing prices on production points other than the manufacturer's own mill, means loss to the manufacturers collectively:—

It probably means better profits to the few small scattered mills, in so far as they can sell their output at the market in nearby places by reason of the better service in deliveries, etc., which results from their location. As long as they remain comparatively small and scattered, they can dispose of their output and profit to that extent by their freight advantage, although increased costs of fuel and material diminish the apparent advantage.

But the four such mills in this territory belonging to members of the Protective Association (at Glens Falls, N. Y., Jamesville, N. Y., Cayuga, N. Y., and Security, Md.) together, and disregarding their scattered locations, produce only something like two million barrels of cement as contrasted with something like twenty-eight million barrels produced by the other mills of the members of the Association. These twenty-eight million barrels are sold, in nearby places, at prices based on the mills where they are produced and, in other places nearer competing points of production, at prices cut below such base prices at the mill by basing upon other producing points and absorbing the freight disadvantage to hold the markets (*Ex. 374, R., p. 706*).

A customary practice obviously evolved by and adapted to meeting, promptly and exhaustively, the lowest prices at which the product is offered anywhere, which involves constant cutting of the price received, to keep or get markets, and so an otherwise unnecessary loss by mills doing more than 90 per cent. of the business, cannot be attributed to the collective will or to anything but free and severe competition.

The Protective Association has not touched basing points, or the use thereof at all. It has only cheapened (and made more accurate by better checking of rates) without changing, the purely mechanical instrument found necessary for the practical conduct of the cement business, by publishing the freight rates from every point that anyone has used as a basing point once in lieu of the former individual publications of the same thing by the separate manufacturers.

III.

The Customary Methods of Sale Evolved in the Industry.

Cement has been sold for either present delivery or future delivery. The characteristics of such transactions in the industry have been as follows:—

Sales for present delivery represent sales practically from stock when costs and market conditions are known. They constitute the regular current business of the manufacturer wherein the dealer buys at wholesale in carload lots and sells to the public at retail. Such sales constituted 84 percent. of all the business of the defendant corporations in 1919, 75 percent. in 1920 and 70 percent. in other years (*R., p. 162*).

Contracts for future delivery relate to cement to be made in the future (because deterioration and cost preclude much storage) when costs and market conditions are unknown, and accordingly involve a material element of risk.

Contracts for Future Delivery.

Contracts for future delivery of cement have been customarily made and treated on the understanding that the purchaser (*i*) pays no consideration whatever except after the delivery of the cement to him, (*ii*) is not required to take the cement unless he wants to when the time of delivery comes, and (*iii*) is not held to the price named in the contract, but if the market goes down gets the benefit of the reduced price, whereas the manufacturer, if the market price advances, is held to the con-

tract price (*R., pp. 149, 152, 179, 183, 188, 190, 191, D-517 A-S No. 34, R., p. 1508*).

By reason of the one-sided optional character of contracts for future delivery, developed by the competition of the manufacturers for business, a contract to deliver cement in the future for resale, when costs and market conditions are unknown, would necessarily amount to the manufacturer obligating himself to deliver cement at the present market if the price should advance (so that the purchaser could then resell it and reap a profit) or at the future market if the price should decline, without receiving any consideration whatsoever therefor or even an enforceable obligation to take the cement.

The more usual method of dealing with futures differs from such an absurdity in just one particular, to wit, the contract is not for the future delivery of cement for resale, but to supply the cement entering into a particular piece of construction, as a dam or concrete road or building, known as a "specific job."

The Practical and Legal Value of Specific Job Contracts.

The specific job contract has been generally used in the industry (the same as now) since many years prior to any association or collective activity. (*D-517 B, No. 11, goes back to 1898; D-517 B, No. 17, to 1903, R., p. 1508, R., p. 149, R., p. 170-1).*

As far back as 1902, one of these specific job contracts for cement, dated 1897, of a manufacturer not defendant herein, had found its way to the United States Court of Appeals, *Wolff* v. *Wells Fargo, 115 Fed. 32.*

It is difficult to conjecture how any other method of dealing in futures could have evolved out of the particular circumstances of this industry. For instance, a specific job contract in evidence related to supplying 15,000 barrels of cement to a dealer in Kaiser, West Virginia (a town of about 1000 inhabitants) for use in building a road (*R., p. 164, Ex. D-3; R., pp. 1035-6*). The dealer obviously could not use any such quantity of cement in that locality, except in that work, and if required to take it notwithstanding the fact that the work was abandoned, would probably be ruined. The manufacturer, while willing, or forced by competition, to guarantee the price on all cement entering into that work, could not (without actual consideration or ability to secure practical performance) undertake a one-sided gamble on the future price of cement. The natural, if not inevitable, transaction was a contract wherein the supplying of cement for the specific job constituted "the substantial engagement" (*Brawley* v. *United States, 96 U. S. 167*).

The limitation on the obligations, to supply cement to, and use the cement only in, the job and not to furnish, or call for, cement for resale, has long been recognized by the courts:—

A recent case in which such a contract was examined is *Maryland Dredging Co.* v. *Coplay Cement Mfg. Co., 265 Fed. 842.* The contract covered 225,000 barrels of cement for the construction of a Dry Dock in the League Island Navy Yard, Philadelphia, and contained the following customary limitation:

> "The quantity of Saylor's Portland cement mentioned is for use in the work described, and if buyer shall sell or otherwise dispose of any por-

> tion of said cement, or use portion thereof in any work other than described herein, or fail to comply with terms of payment or any of the conditions and limitations in this agreement, the cement company may at its option, decline to make further deliveries hereunder; the buyer remaining liable for all unpaid accounts'' (*p. 843*).

The buyer sued for failure to deliver the cement, but did not prove that the cement was required for the specific job in question. The court set aside a verdict for the plaintiff, saying:

> "In the present case there was no averment in the statement of claim that 225,000 barrels of cement was the quantity required for the construction of the dry dock, nor was there proof at the trial that that quantity was required. The contract clearly falls within the class where the quantity, although approximately stated, is to be determined according to the plaintiff's requirements for the construction of the dry dock, for it is agreed that it shall not sell it, nor use it for any other purpose, and whether the quantity stated is more or less than the quantity it is entitled to call for depends upon the requirements of the contract so long as it acts in good faith'' (*pp. 844-845*).

In *Ferguson Contracting Co.* v. *Helderberg Cement Co.*, 145 A. D. (N. Y.), 494, a specific job contract was entered into for the cement required to build a lock at Waterford, N. Y. The purchaser subsequently made arrangements with a contractor who agreed to do the work and furnish the materials himself. Thereafter the purchaser attempted to obtain delivery of the Helderberg

cement. The cement company refused to deliver and the court held that the cement company was fully justified because the purchaser had incapacitated himself from using the cement in the work for which it was to be furnished.

In *Wolff* v. *Wells Fargo & Co.*, 115 Fed. 32 (CCA 9th), the court enforced a specific job contract in favor of the contractor and against the cement company. In that case the contract covered the cement requirements for a specified building "about 5000 barrels more or less". The purchaser, after using 5000 barrels of the cement asked for an additional amount required to complete the building. The court sustained the contract and held the vendor liable for the additional amount.

The practical operation of specific job contracts is this: The purchaser using the cement in the specific job calls for deliveries from time to time as the work progresses and after delivery pays the manufacturer the price named in the contract if the market has advanced, and the market price if the market has declined. Others holding duplications or specific job contracts to supply the cement requirements of a job not to be constructed, cannot in the nature of things order cement to be supplied for the job or perform their part of such contracts, send in no order for cement for the job and simply ignore their contracts, which eventually expire,—unless they resort to them for purposes of fraud.

The Associations Mentioned in the Record.

The record mentions four associations, only one of which, Cement Manufacturers Protective Association, is before the Court for adjudication. The other three are

1. The Portland Cement Association, herein called the National Association, which has been continuously active since 1902, chiefly in promoting the use of cement.

2. The Association of Licensed Cement Manufacturers, which ended with the year 1910, connected with operations under a patent on apparatus for making cement by burning pulverized coal.

3. The Eastern Association, which was tentatively organized in 1912 by the eastern manufacturers who had left the National Association, to do its work in the East, and abandoned in a few months when they rejoined the National Association.

The matters connected with them, which have received consideration here, are as follows:—

1. The National Association.

The Portland Cement Association herein called the National Association is composed of practically all manufacturers of Portland cement in the United States. Its principal activity has been to increase the uses of cement by research work to develop the best uses, the employment of engineers to supervise the construction of roads, to see that they are properly made, the introduction of uses of cement on farms, the use of cement in structural

work and many other branches. It has similarly worked to bring about the prevention of accidents and to prevent waste by developing methods of economizing fuel, preventing dust, economizing grinding, and the like. Until the decision of this Court in the Hardwood case, it also collected and distributed to its members statistics of production, shipments and stocks on hand. (*R., pp. 195-204*).

The only part of the activities of the National Association questioned by the Government, we understand, are those relating to trade practices.

Trade Practices.

Among the studies made by the National Association was one of trade practices in the industry. Many details of practices found existing in the industry, were studied by a committee from all over the country, who embodied their conclusions in a report discussing the effects of various ways of dealing with details on the manufacturer, trade and public, and recommending certain practices as ideal. This report was adopted by the Association and printed, the first edition in 1915 and the second edition in 1916, which was reprinted in 1919 (*Exs. 243-5, R., p. 664*). The report did not represent an agreement, but made recommendations on the understanding that every manufacturer was free to adopt or reject any or all of them as he chose (*Ex. 244, p. 3, R., p. 664*).

The customs and practices of the industry present two characteristics: (*i*) Generically, the customary methods of sale by the barrel at delivered prices computed by adding freight to base prices at points of production

used as basing points for present delivery or future delivery usually under specific job contracts, have been practiced for more than twenty years by manufacturers generally, and (*ii*) in the details mentioned in the Report, the practices of the different defendant corporations have been diverse and various (*R., pp. 316-321; D-517 A-S, R., p. 1508*).

The diversity in the practices of the nineteen defendant corporations with respect to the points mentioned in the Trade Practice Report of the National Association is shown by quoting from the Government's bill, merely adding after each paragraph the facts:

1. "Defined a dealer". None of the nineteen defendants has ever limited its sales at the dealer's price to persons fitting the definition, except the Pennsylvania Company, which has done so since before the report came out (*R., p. 320*).

2. "Defined a consumer". The definition was that all not dealers are consumers; and so eighteen of the defendants have not acted according to that definition.

3. "Suggested that dealers be discouraged in making sales of cement in carload lots at a smaller margin of profit than 10 cents a barrel". That is an unfair statement of the Report, because after dwelling on importance of securing the assistance of the dealer "in pushing the use of cement in competition with other materials", and saying that it is to the cement manufacturer's interest to have the dealer make a fair margin of profit on cement, it merely says: "One of the surest ways to accomplish this is to help dealers to inform themselves on the cost of doing business, a result of which will be to discourage them from selling cement for carload delivery at a

smaller margin than ten cents per barrel". (*Ex. 244, p. 4.*)

None of the defendants has made any effort to discourage dealers from making sales at a smaller margin of profit than ten cents per barrel. (*R., p. 321.*)

4. "Suggested that the customary cash discount be not allowed unless remittances were made actually within 10 days from date of invoice". Fifteen defendant companies have not strictly enforced the ten day period; four have. (*R., p. 317.*)

5. "Suggested that payment of commissions to dealers on sales made directly to consumers be discontinued". Fifteen of the defendant companies have continued to pay such commissions. Three never have. One has declined to pay them since the report (*R., pp. 320-1*).

6. "Advised against making quotations to dealers for delivery at towns other than their home towns, except under certain conditions". Seventeen of the defendant companies have always acted directly contrary to the advice. Two have always followed the course advised. None has changed on account of the report (*R., p. 320*).

7. "Suggested a form of contract for use by dealers in connection with specific work contracts and urged that its use be insisted upon". Seven companies have never required the execution of a formal contract after quotation had been accepted by the dealer. Three companies always followed that practice. Eight have followed the practice since the report. One, which had required such a contract up to the time of the report, dropped it after the report came out, in 1916 (*R., p. 318*).

8. "Suggested that dealers be required to make

monthly reports of deliveries on specific work contracts 'in order that the misuse of cement by dealers may be eliminated,' and provided a form for that purpose''. Thirteen of the defendant companies have never done this. One has always done it. Five have done it since the report came out (*R., p. 319*).

9. ''Defined a blanket contract * * * and advised that 'the practice of making blanket contracts could not be too strongly condemned.' '' Fourteen of the defendant companies have always made and still make some blanket contracts and their practices have been unchanged by the report. Three have never made them. Two have not made them since the date of the report (*R., p. 319*).

10. ''Recommended a form of 'salesman's order blank.' '' Fifteen of the defendant companies have never used such an order blank. Three have always done so. One has done so only since the date of the report (*R., p. 320*).

11. ''Suggested that in order to keep the situation more nearly in the control of the cement company all trade quotations should be for immediate acceptance, 15 day shipment, and for not more than one carload each, and provided a form for use in that connection.'' The report referred to the plan of sending broadcast thousands of unasked quotations and the enormous potential obligations of each company unless limitations as to acceptance, quantity and date of shipment were inserted in such quotations. The recommendation had to do not with actual transactions, but with arranging quotations so that the manufacturer would not find himself involved in contracts he never meant to make and beyond his ability to perform, through the acceptance

of unlimited quotations. The control was simply arranging matters so that the individual seller's mind would in fact have to meet that of the buyer. These limitations have appealed to practically all the defendant companies only three or four sending out their general trade quotations without such limitation. But there has been considerable variation in the details (*R., pp. 316-7*).

12. "Advised against granting extensions in time of delivery." The report did not advise against granting extensions in time of delivery, but only that a clause be inserted in contracts which would enable the manufacturer to enforce the delivery date. One of the defendant companies always followed the practice. Seven of them have never used it. Six have used it since the recommendation, but one of those dropped it almost immediately after adopting it. Five have put it in their quotations, but never enforced it (*R., p. 318*).

13. "Suggested that dealers be required to state in their bids the brand of cement they proposed to furnish." None of the defendant corporations has ever done this. (*R., p. 321*).

14. "Defined specific work as a job requiring a carload or more of cement for a specified period of time beyond 15 days." There was no recommendation here. It was simply a definition of the subject matter to which other suggestions applied.

"15. "Suggested that quotations for specific work should be for acceptance within 5 or 15 days, etc." The Report discussed how long a quotation at a particular price should be acceptable, on the general theory that "the longer the acceptance period the greater are the manufacturer's potential obligations and such obliga-

tions, particularly in an active market may be undesirable." The effect of a limitation on the period of acceptance of a quotation is of course merely to give the manufacturer a chance to revise his offer if the period is exceeded. Sixteen of the defendant corporations limited their specific job quotations to acceptance within 15 days. Three have never done so. (*R., p. 318, Ex. 244, p. 12.*)

16. "Suggested that specific work sales contracts should accurately describe the work as to location, character, name of owner, contractor or other party doing the work, and provided a form to be used." Such a description of the work for which the cement is to be supplied has always been an inevitable part of a specific job contract, which is differentiated from other contracts by the fact that it is limited to supplying the cement entering into a specific piece of work. The description of the work is, of course, a blank in all forms of contract.

17. "Suggested conditions under which sales should be made to railroad companies, etc." Six of the defendant corporations have acted in accordance with the suggestion as to railroads. Thirteen have acted otherwise, and never in accordance with the suggestion (*R., p. 319*).

18. "Suggested that 'when quotations are issued covering a change in price, the change in price should be made effective on the date quotations are written' in order to avoid price tipping." The Report pointed out that in a few cases the manufacturer had sent out notices to the effect that in 5 days he would advance his price, which the Committee thought unbusinesslike as tending to cause dealers to defer their purchases, not to keep their stocks at a level to meet demand, foster specula-

tion, etc. (*Ex. 244, p. 15*). None of the nineteen defendant corporations has ever done this, with one exception, and that exception has continued to give advance notice of its change in price (*R., p. 321*).

19. "Advised against guaranteeing prices against decline." One of the defendants, Glens Falls, always had a written guarantee against decline. None of the others had such a written guarantee until 1918 or 1919, although in practice the buyer under a specific job contract always got the benefit of any reduction in the market price (*R., p. 321, D-517 A-S No. 34, R., p. 1508*). Since 1918 or 1919 all the defendant corporations have guaranteed in writing against decline in price (*R., p. 321*).

20. "Recommended that no cement be sold or quoted on specifications other than those of United States Government or of the American Society for Testing Materials." The Report said "The company wishing to make sale should, of course, use its influence to have the specifications made regular" (*Ex. 244, p. 16*).

21. "Recommended that charges for bin tests should be borne by the purchaser." The recommendation was that the "cost" should be borne by the purchaser and against free service (*Ex. 244, p. 16*). The facts as to the charge for this service have been:—

From about 1912 to about June, 1915 (before the Report), the usual charge for this service was 5 or 6 cents a barrel.

Before the Report some of the companies reduced the charge to 3 cents a barrel, and later practically all the rest made a similar reduction, so that the usual charge was 3 cents a barrel until 1920.

In 1920 some of the companies dropped the charge entirely and the others followed (*R., p. 320*).

22. "Recommended that under no circumstances should cement manufacturers bear the expense of commercial laboratory tests." None of the nineteen defendant companies have ever in their history borne such expense, except four who have continued to do so since the Report (*R., p. 320*).

23. "Suggested comprehensive rules and regulations with reference to handling sacks." This is an erroneous statement, because the Report discussed the theory of sacks somewhat comprehensively, but suggested nothing in the nature of a rule or regulation except that "only such cloth sacks as are serviceable and can be used again be repurchased", that the cement company's count of inspection should be final and that the cost of returning bags should be borne by the purchaser (*Ex. 244, p. 17*). Five of the nineteen defendant companies have always used the practice recommended before the Report was made. One of the defendant companies adopted that practice when it commenced business in 1917. Thirteen have not, and do not, follow the practice recommended (*R., p. 320*).

24. "Urged that credit information be interchanged freely among cement companies." That has been done to the extent of the protective credit information contained in the reports of the Cement Manufacturers Protective Association.

2. The Association of Licensed Cement Manufacturers.

In 1906, after extensive litigation concerning a patent granted to Hurry & Seaman, who were the first to burn cement by the use of pulverized coal in place of oil, and had been granted broad claims covering apparatus comprising any means of accomplishing that, an arrangement was made whereby some of the then eastern manufacturers took licenses, paying the owner of the patent $200,000 a year, and sub-licensed others (*R., p. 725*). The drawing of the patent is reproduced in the article on Cement in the Encyclopaedia Brittanica.

Later on, January 13, 1909, after the decision in Rubber Tire Wheel Co. *vs.* Milwaukee Rubber Works Co., 154 Fed. 359 and like cases, and relying thereon, supplemental licenses were executed making it a condition of the use of the patented apparatus that the product made thereby should not be sold, within certain territory, below a specified minimum price, the licenses not affecting the price of any cement except that made by the use of the patented apparatus (*R., pp. 757-8, p. 762, Ninth*). The licenses containing this condition were terminable by notice January 1, 1911. Although the decisions upon which it was based had not been changed and the patent was still in force and not finally adjudicated, the supplemental licenses were not continued after January, 1911, and the association then ended (*R., p. 726*).

No inference concerning the intentions of the defendants in forming Cement Manufacturers Protective Association can be drawn from the patent licenses of fifteen years ago, because—

(*i*) Those licenses being within the monopoly of the patent and not affecting any other cement (*Ex. No. 549, R., pp. 757-8; p. 762, Ninth*), represented a usual method of doing business upheld by the courts at that period (*see Henry* v. *Dick, 224 U. S. 1, 86 (1912); Rubber Tire Wheel Co.* v. *Milwaukee Rubber Works Co., 154 Fed. 358; Indiana Mfg. Co.* v. *Case Threshing Machine Co., 154 Fed. 365; Goshen Rubber Co.* v. *Single Tube Tire Co., 166 Fed. 431, R., p. 726*). The licenses did not apportion territory as stated in the opinion. They merely provided that the minimum price should apply only within limited territory.

(*ii*) The license agreement of 1909 was terminated voluntarily pursuant to a provision therein, on January 1, 1911 (*R., p. 726*). If these defendants are to be judged by the disposition of other men years ago, their later disposition to free themselves from any restraint seems a fairer selection.

(*iii*) While there were fifteen licensees (*R., pp. 726, 757*) three of them (the American, Catskill, and Whitehall Companies), are not defendants, and the management of many of the remaining twelve has changed. The rest of the present Association of nineteen companies were not connected with the patent licenses.

(*iv*) Since 1911 the unwillingness of the defendants to limit individual opportunity by the slightest restraint has been repeatedly demonstrated: For instance, in 1912, when as a result of withdrawals of the eastern companies from the National Portland Cement Association (*R., pp. 194-5*) an Eastern Association was abortively started as a substitute, they declined to enter into an

Association of the kind known as the "Eddy Plan" or "Open Price Plan" when presented by its author Mr. Eddy (*R., pp. 781, 782, 783*). And from December, 1914 to May, 1915, there was a trade war in this section of the industry wherein prices were reduced far below cost, not to get immediate business, but to inflict financial damage which it was thought one of the rivals was not in a position to stand (*R., pp. 332-3*).

(*v*) The law has long condemned attaching weight to such past incidents (*Wigmore, §194, and cases cited*). There has been no change in the law for centuries:—

> "1694, Holt, L. C. J., in Harrison's Trial, 12 How. St. Tr. 833, 864, 874 (charge of murder; a witness was called to speak of some felonious conduct of the defendant three years before): 'Hold, Hold, what are you doing now? Are you going to arraign his whole life? How can he defend himself from charges of which he has no notice? And how many issues are to be raised to perplex me and the jury? Away, away. That ought not to be; that is nothing to the matter'."

3. The Eastern Association.

By resignations and otherwise, most of the eastern production was out of the National Association in 1912 (*R., pp. 194-5*). In November 1912, the eastern manufacturers met to form an association with a plan following that of the National Association (*Ex. 554, R., p. 784*). At the second meeting, Mr. Arthur J. Eddy, author of the plan called the "Eddy Plan", "Open Price-Plan" in the petition herein, whose book on "open competition"

had then recently been published, appeared and explained his ideas (*R., p. 781*). At the next meeting it was unanimously decided not to adopt Mr. Eddy's plan (*R., p. 782*). At the following meetings there was discussion of what the association should undertake, in employing road engineers, what sort of statistics should be collected, etc., (*R., pp. 790-2*). At the meeting, February 28, 1913, the members having rejoined the National Association (*R., pp. 194-5*), the tentative organization was abandoned (*R., pp. 777-8*).

THE HISTORY, PURPOSES AND RESULTS OF CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION.

The existence of this litigation, and more particularly the criminal case against these companies and many individuals, has tended to give to the Cement Manufacturers Protective Association a factitious importance bearing little relation to the place it occupied in the life and affairs of the members. It was not an artificial plan invented to control this portion of the industry, but the product of a natural evolution, the spontaneous reaction for self-preservation against serious injury from abuses and evils incident to specific job contracts, when presented in most acute form.

The Association was formed to give organized, regulated form and definite limits to these efforts of the manufacturers to protect themselves by exchanging and developing information defining the extent of the obligation of each manufacturer under his specific job contracts. When it was formed, it was decided that it should carry also the limited protective credit service, the statistical service to which these companies had long been accustomed (*R., pp. 195, 337*) and the taking over from the individual companies of the publication of books of freight rates, so that the same books showing the rates between the same points were published once instead of several times as formerly.

1. The Facts Leading up to the Organization of Cement Manufacturers Protective Association.

In the latter part of 1914 and early in 1915 there was a bitter trade war between the two largest companies in this section of the industry (wherein one reduced his prices far below costs, not to get immediate business but to inflict financial damage which it believed its rival was not in a position to stand, *R., p. 332*), during which all prices for upwards of three months were reduced below bin cost and far below commercial cost (*R., p. 333; Ex. 675, R., p. 963*). In May, 1915, the war ended and prices promptly rose to their former level by July, 1915 (*R., p. 333*).

During this cut-throat competition, many specific job contracts had been taken at prices below costs (*R., p. 333*). In the fall of 1915 the sales managers of sixteen of the defendant corporations met with lists of their outstanding specific job contracts in an effort to define the actual obligations by matching their contracts to reveal duplications and bringing together the facts as to the cement still required for each job so far as known (*Ex. 530; R., p. 715*).

The transactions at this meeting and a succeeding meeting in November, 1915, related only to specific job contracts and were along the general lines subsequently given effect in the specific job contract activities of the Protective Association (*Ex. 530; R., p. 715*).

In November, 1915, a meeting of southern manufacturers (not defendants), attended by representatives of six defendant Lehigh Valley companies, was held in Washington (*Ex. 531; R., p. 716*). This meeting was the

occasion for a sharp definition of the policy of one of the largest companies, that it would not be represented at any meeting with competitors whatsoever unless the matters to be considered were definitely defined and it was conducted under legal advice (*Exs. 532, 534; R., pp. 717, 718*).

Thereupon this spontaneous specific job activity was put in definitely regulated form, and the three other activities relating to credits, statistics of supply and the publication of freight rates, added to it, in a Plan, Constitution and By-Laws, sent to eastern manufacturers shortly before January 6, 1916 (*R., pp. 337-8; Ex. 13, R., p. 353*).

2. The Plan of the Association.

The "Outline of Plan for a Protective Association of Cement Manufacturers" (*Ex. 13, R., p. 353*), sent to the eastern manufacturers of cement with a proposed constitution and by-laws, subsequently adopted at a meeting January 6, 1916, recited the purposes and nature of the proposed Association substantially as follows:

> "Conspicuous among the evils from which every manufacturer of Portland Cement has long suffered have been certain notorious abuses arising from what amounts to fraudulent misrepresentation. The most common and flagrant instances are those which have to do with misrepresentation concerning contracts (known as "specific job contract"), competitors' acts, and financial responsibility.
>
> Although these abuses are too well known to require elaboration, it may be desirable to look at an illustration of each, with a view to determining

whether it is practicable in a measure to correct them:

(1) It has become common, for example, in cases of jobs in fact involving the use of, say, a thousand barrels of cement, for purchasers to contract with each of several manufacturers for, say, two thousand barrels of cement to be used on that specific job. This pernicious practice results in purchasers obtaining what, as a practical matter, amounts to an option extending over a long period; and, in the aggregate, such options induced by, and based on misrepresentation, impose on the manufacturer one-sided, uncertain obligations covering a considerable portion of his output, frequently curtailing his business and resulting in loss.

It is apparent that such abuses could not exist if the truth were known. If the manufacturer knew the facts concerning the job, the amount of cement needed, whether his or some other cement was being used thereon, he would obviously be in a position to escape the disastrous consequences of such misrepresentations. The plan hereinunder outlined is designed to make the truth available and thus defeat such misrepresentations and their consequences."

The outline then referred to the common experience of every manufacturer "with statements made to him not only by dealers, but even by his own salesmen" concerning competitors' practices, and said:—

"In the following plan it is not proposed to provide the fullest relief against such misrepresentations, because reports of outstanding or active offers or quotations may be objectionable, but it is proposed to give the manufacturer an opportunity of checking the representations of dealers and

> salesmen by including with the information as to specific contracts, the price at which these past transactions have been closed, so that false statements may become less frequent."

Concerning the credit activities, the outline of the plan said:—

> "As to that kind of misrepresentations which has to do with credits, the plan explains itself. Here, again, the correction of the evils resulting from the misrepresentation is to be sought in making the truth available."

As to the statistical activities, it said:—

> "In addition to the correction of these abuses by meeting misrepresentations with the truth to the extent indicated, the plan contemplates the giving of certain statistical information concerning the past, which has heretofore been available in less convenient form and is included because it may be included without much additional inconvenience to anyone."

As to the freight rate books, it said:—

> "The plan further contemplates the compilation and publication of freight rates to relieve each manufacturer of the great burden of keeping track of this necessary information."

This Outline of Plan, with a proposed Constitution and By-laws was submitted by the individual manufacturers to their respective counsel, including eminent leaders of the bar in Philadelphia (*R., p. 404*) and New York (*R., p. 432*), who advised that there was no legal objec-

tion to the activities therein outlined as long as the work was kept "within the lines laid down" (*R., p. 404*).

The plan was also taken to Washington and submitted to Mr. Hurley, then acting as chairman of the Federal Trade Commission (*R., p. 288*).

The activities of the Association and the way those activities were conducted, were exactly the same from the Fall of 1917 (*R., p. 161*), when the Association commenced employing engineers to investigate the amount and brands of cement which would be used under specific job contracts. The difference prior to that was only this: In the Fall of 1916, the investigation of the requirements of specific job contracts was accomplished by employing Dodge & Company, a well-known commercial reporting house, to make the investigations at a fixed charge per contract; and for the months prior to the Fall of 1916, the facts as to the requirements were developed only to the extent of bringing together such information as the members themselves had.

The extent and limits of those activities have been recited (*supra, p. 7 et seq.*). It remains to make plain the results:—

3. The Results of the Credit Activity.

The only purpose or result of the credit activity was, obviously, to enable a manufacturer to judge somewhat better whether to extend credit or require cash or security.

In the opinion there are quoted some remarks of credit men concerning discounts and rebates (*R., p. 1804*); and the petition mentions discounts as one of the so-called

"uniformities". But there was no report whatever of terms, discounts, rebates or anything of that nature and no act of that kind by any manufacturer was ever disclosed (*R., p. 166*). As to all such things, the Association could produce no result whatsoever.

4. The Results of the Specific Job Contract Activity.

The purposes and results of the activities in connection with specific job contracts, were as follows:—

(*a*) The activities did not tend to diminish the number of specific job contracts. On June 1, 1920, 23,606,000 barrels of cement were called for on the face of such specific job contracts then in effect, the largest amount in the history of the industry (*R., p. 166*).

(*b*) The activities did not, and in their nature could not, diminish the obligation of any manufacturer to deliver cement under specific job contracts; and there is no suggestion in the evidence that any manufacturer has ever failed fully to perform his obligation under any contract.

(*c*) Upon learning the facts concerning the extent of his obligations under such contracts, the individual manufacturer in fact cancelled the amount which would not be required in the work, and so was not called for by the contract, in approximately two-thirds of the cases, and did not act on the facts in the other third.

Thus, in 1920, of 1392 contracts investigated and found to be padded or spurious to the extent of 3,552,865 barrels, 978 were wholly or partially cancelled to the extent of 2,104,653 barrels, and the remaining 414 contracts,

involving 1,448,212 barrels not required for the job or covered by the contract, were not cancelled in whole or in part (*R., pp. 350-1*).

The average time which elapsed between the report of the investigation and the date of cancellation was 86 days per contract (indicating the freedom of the manufacturer to do as he chose and the independence and care with which he proceeded); and since cancellations were reported so that these facts were known to all the members, it is plain that there was no agreement (*R., p. 351*).

(*d*) The direct purpose and result of the specific job contract activities of the Association was to inform the manufacturer as to the extent of his obligation under his own specific job contracts, and to enable him to protect himself against being defrauded by the unscrupulous obtaining cement from him at a price below that at which he was willing to sell (and often below his advanced costs), by the false representation that the cement was not for resale but for use in a specific job to which he had contracted to supply the cement at a lower price.

The secondary effects of enabling the manufacturer to protect himself against this fraud were precisely those following protection against having his cement stolen by any other means—on his finances, on future prices to make up for the loss, in the market where the stolen goods might be offered, and in law, policy and morals.

(*e*) An indirect purpose and result was a tendency to make the whole industry more honest and efficient, by diminishing the advantage which the dishonest dealer had had over the honest dealer, by enabling the manufacturer to conduct his business with knowledge of his own obligations, and by discouraging fraud—in brief, to

check an extreme example of a recognized economic abuse working great harm and produce a recognized economic benefit (*R., pp. 298-9*).

(*f*) The specific job contract activity did not, and could not, lessen competition. Any cement disclosed as not required for a specific job or covered by the obligation of a specific job contract and cancelled by the manufacturer, simply became cement which the manufacturer knew was unsold and available for sale by him in competition with other manufacturers.

(*g*) In the specific job activities, it does not "appear that the defendants have done more than was fairly justified by reasonable self-protection" (*212 Fed. 476*).

The Errors in the Opinion Below Concerning the Purpose of the Specific Job Contract Activity.

(1) The opinion finds "of course, if a company wished to recognize an agreement with a contractor or person who had expected to supply cement for a specific job and who did not get the work but was willing to take the cement notwithstanding, it might do so" (*R., p. 1805*).

While this freedom of the manufacturer is plain, these and other statements in the opinion concerning the matter of specific job contracts indicate misunderstanding:—

When a manufacturer supplied cement to a person "who did not get the work but was willing to take the cement notwithstanding", the manufacturer was not "recognizing an agreement". The agreement was (as the Court pointed out elsewhere *R., p. 1801*) to supply the cement to a specific work. It could not be recognized or performed unless the other party did get the work.

What any manufacturer does when he gives cement to such a person as the Court describes, is simply to deliver to him a certain amount of cement at the price named in the contract. Any company might deliver any quantity of cement at any price without that being disclosed in any way through the Association, because nothing concerning any sale, except the facts from specific job contracts, were in any way reported or disclosed.

On such misunderstandings, the Court below wholly ignored the real purpose and function of the specific job activity and concluded that "one of the prime reasons" for the specific job activity "was to exert a moral compulsion upon a company which was inclined to recognize a contract, such as I have just referred to, and to make assurances doubly sure that over any future time there would be no 'free' cement" (*R., p. 1806*). It is to be observed:—

(*i*) If any manufacturer wished to ship anyone the amount of cement named in a specific job contract, or more or less, at the price named therein or a higher or lower price, he could freely do so without disclosing the sale in any manner through this Association.

It seems, we submit, inconceivable that men intelligent enough to be entrusted with the conduct of large businesses, could have thought they were exerting "a moral compulsion" as to anything connected with sales when they left everything connected with 70 per cent of the sales wholly undisclosed and arranged for learning only what part of specific job contracts was "duplication" or "padding".

(*ii*) What the Court refers to as "free" cement is cement obtained by fraud. The purpose of this activity

was to enable the manufacturer to know the extent of his contract obligations. An incident of that was that he could protect himself against being cheated—against having his cement taken by false pretense.

(2) The opinion also mentions the fact that "upon one occasion cancellations amounted to no more than one-fourth of a barrel of cement" as suggesting that "one of the prime reasons" for the specific job activity was "moral compulsion" against "recognizing" non-performable contracts (*R., pp. 1805-6*).

But the reporting of the fact that a balance of one-fourth of a barrel—the difference between the contract estimate and amount delivered to a specific job—was no longer an obligation, means simply that these defendants, like all large business organizations, necessarily operate by rule; and once an order is issued, a clerk carries it out without thinking, or authority to think, whether a particular balance is important or unimportant. Unless the cancellation of the undelivered balance of that particular order had been reported, it would, of course, have been carried on the report of uncompleted specific job contracts (*R., p. 352*). It adds nothing to the fact that the Association engaged in reporting the particular facts needed to disclose duplications of outstanding specific job contracts.

The Reasons for Employing this Method for Protection.

To leave nothing unexplained, we mention some of the reasons why protection assumed this form, instead of suit which the Government has suggested as more appropriate:—

(*a*) If the manufacturer, having made a contract for "the full Portland Cement requirements of the following described work" (*Ex. 571, R. p. 821*), pursuant to the common understanding that unless the dealer (or his customer) should be awarded the contract to construct the work he would not have to take the cement, brought suit against a dealer not getting the work, who could not possibly perform by taking "the full Portland cement requirements of the following described work", under a contract expressly providing that the cement should not be used for any other purpose, it is doubtful whether he would succeed, before a Court and jury, in accomplishing more than making himself ridiculous.

(*b*) Suit, in view of the long-established general understanding, would certainly cause the manufacturer to lose more in custom than he could possibly recover in damages, even if he succeeded and the dealer was financially able to respond. Every competitor would promptly circulate information concerning the suit among the manufacturer's dealer customers; and he might as well shut down, because he cannot operate without the dealers' assistance.

(*c*) Suit would not define the manufacturer's obligations in advance. It would not inform him which of his specific job contracts were duplications or to what extent any was padded. It would not free his cement for sale. If it were possible, and the competition were suppressed long enough, to let repeated suits narrow the contracts to those with the contractor (or his dealer representative) who would actually construct the job and use the cement for it, that would merely make it more difficult for contractors to bid freely for the construction work.

(*d*) And even when that had been all accomplished, the surplus padding would still present a vast amount of uncertain obligations, tending to hold cement from the market and prevent efficient manufacturing operation, and constituting means which would be used by the unscrupulous to defraud the manufacturer and injure the honest dealer.

The Reasons for Collective Action.

The evils connected with specific job contracts could not be met individually:—

(1) The reporting and matching of the contracts was essential. No manufacturer could learn of his duplications without knowing what contracts the others had made.

(2) The expense of individual investigation made it impossible. To send a qualified man to, say, Maine, to look into a single contract and then to, say, western New York and then to Delaware, and so on, would mean such a consumption of his time and such expenses that the cost of investigating would be prohibitive. On the other hand, when the jobs in a particular neighborhood could be grouped and a man sent there to investigate the collection, the cost of each was immensely reduced.

(3) The evils incident to these specific job contracts were evils affecting the industry as an industry. They meant that the honest dealer was at a disadvantage compared with the unscrupulous dealer and put a premium on dishonesty. They tended to make both the manufacture and marketing of cement, until it reached the public,

a blind, dishonest gamble, with the reward depending on comparative degrees of luck and cheating, instead of what an industry with innumerable people depending on it, should be. The eradication of them by developing the truth went far beyond the interest of any individual company.

It was not practicable to investigate all specific job contracts. In the year 1920, when the failure of transportation made a temporary shortage of cement in the markets, the maximum of 54 per cent. of the specific job contracts were investigated (*D-9, R., p. 1048*). It is to be noted that more contracts were investigated when market prices were very high (and so manufacturers would not naturally want to avoid real contracts), in the face of the fact that prices would inevitably fall, than were investigated at any other time. When to that is added the fact that all the manufacturers' written specific job contracts then provided that if the price went down the cement would be delivered at the market price, it is plain that the only purpose of the investigations were to develop the truth as to what cement was free and what covered by obligations.

5. The Resuts of the Statistical Activities.

In this industry statistics of production and shipments have been common for many years (*R., pp. 195, 337*). The defendants at least, could not have expected them to exert restraint, for with such statistics from the national Portland Cement Association, they had recently been through a bitter cut-throat war. And the evidence proved that the statistical information of Cement Man-

ufacturers Protective Association did not, during six years, exert the slightest restraint:—

(a) Each manufacturer freely exercised his own independent judgment and will, the nineteen producing, selling and profiting diversely and variously and in ways comparable to no conceivable common standard or judgment, throughout the six years (*infra, pp. 120, 127, 129*).

(b) There is much evidence that the individual defendants used the reports to increase their efforts to get ahead of their competitors; and no evidence of any other effect on competition. Illustrations of how these reports in fact stimulated the individua' manufacturers to increased efforts to get business away from each other, admit of no speculation concerning the result in fact produced (*Exs. D-176, R., p. 1112; D-29, R., p. 1056; D-30, R., p. 1056; D-450, R., p. 1468; D-31, R., p. 1056; D-32, R., p. 1056; D-33, R., p. 1056; D-34, R., p. 1056; D-182, R., p. 1115; D-183, R., p. 1115; D-184, R., p. 1115; D-185, R., p. 1116; D-178, R., p. 1113; D-180, R., p. 1114; D-481, R., p. 1491; D-395, R., p. 1439; D-225, R., p. 1132; R., p. 334*).

(c) The suggestion of the petition that "comprehensive statistical data" (*R., p. 5*) necessarily restrains trade seems to lose sight of important distinctions. The disclosure of all the "minutest details" (*257 U. S. 410*), "all the intimate details" (*262 U. S. 389*) of terms, conditions and special arrangements between a manufacturer and each purchaser is "comprehensive" but only remotely "statistical data". The mere comprehensiveness of a particular kind of information concerning the existing supply is a merit, because:—

(*i*) Summarized or incomplete data—less than the whole truth—is apt to be misleading. For instance, here a total of the existing supply might mean either a great quantity on hand or shortage in Maryland and Virginia or northern New York, regions which, by reason of freight, do not serve the same markets.

(*ii*) Any mere summarization involves some risk of collective guidance by the way the figures are handled, which is totally absent where the information is merely "the truth, the whole truth, and nothing but the truth".

(**d**) There is no room for the suggestion that statistics of production, stocks, shipment and commitments necessarily restrain trade. Such information is recognized by all authorities as essential to effective competition and a necessary part of industry as it is carried on today—with large scale production, very wide markets, large fixed investment, narrow margins of profit, great numbers of employees dependent upon the prosperity and steady operation of particular enterprises for their livelihood and countless others indirectly dependent thereon, and risks even more than proportionately multiplied.

Professor Adams of Yale testified that statistical information is "essential to effective competition, and in general it is highly beneficial" (*R., p. 299*).

Jevons, the great economist, says that knowledge of the facts always make competition more keen and perfect and that if business men will not voluntarily give each other the essential statistical information, they ought to be compelled to do so by law.

> "It is the very essence of trade to have wide and constant information. A market then, is the-

oretically perfect only when all traders have perfect knowledge of the conditions of supply and demand.

* * * * * * * * * * *

So essential is a knowledge of the real state of supply and demand to the smooth procedure of trade and the real good of the community, that I conceive it would be quite legitimate to compel the publication of any requisite statistics." (Jevons, *The Theory of Political Economy*, 3rd ed. 1888, pp. 870-88.)

Similarly the report on "*Business Cycles and Unemployment*" prepared by President Harding's Conference on Unemployment, urges business men to co-operate in the exchange of statistics as a matter of social duty, saying (p. 11):

> "The greater part of the material presented by the Department of Commerce is based upon data furnished voluntarily either by industries or by trade associations. One of the difficulties in making such returns effective for their purpose is the refusal of a few firms to contribute to the common pool through either of these channels. Such refusal destroys the possibility of common knowledge in certain industries and seriously undermines the ability of business men in such industries to form proper judgments. It also decreases the area of knowledge of the currents of business as a whole necessary to each separate business.
>
> The vast majority of business men have given enlightened cooperation in these efforts. But the minority who refuse to cooperate are doing injury to the business fabric as a whole."

Mr. Hoover, who as Secretary of Commerce of the United States, may be expected to know about such matters, said in his speech before the Trade Association Conference April 12, 1922:

> "Statistical information as to productivity and national stocks is needed not alone by the man in a particular industry but the same information is needed by men in other industries and it is needed by every agency of the Government. A study of the trend of production and consumption does not imply restraint of trade. If it does, then the whole statistical basis of commerce that fills one-third of our newspaper space would need to be abolished. If we abolished it we would be bankrupt in ten years."

And in his address before the National Distribution Conference January 14, 1925, he emphasized the need of such information, saying:

> "It is a truism to say that no individual business enterprise could succeed or be conducted without waste if it does not know accurately its stocks, the volume of output or sales, the rate of stock turnover, or its orders, or the prices, assets and liabilities and the relation of these to previous periods. Neither can the business of a trade, as a whole, or the nation itself, function efficiently unless it knows these very things.
>
> The fundamental of every economic action is to first determine the fact. Moreover, as business is a moving thing, the facts must be recurrent in short statistics."

And, after exceptional experience, he then said:—

> "The government can do much in collection and distribution of statistical information. Indeed the Department of Commerce has greatly improved and expanded these services in the last three years. No other nation provides so complete a service today. It needs still greater improvement. However, a considerable part of our statistical service can be better provided by the different trades themselves than by the government."

6. The Results of the Activity Concerning Freight Rates.

The results here seem apparent from the facts:—

The publication of the books collectively simply took the place of previous separate publications by individual manufacturers who published books of the same form and contents,—with increased accuracy resulting from more thorough check of the rates (*R., p. 150*).

The collective publication resulted in a saving of much money annually, since individual freight departments each costing about $30,000. a year (*R., p. 412*) could be cut down.

The rates given in the books were as accurate as it was possible to make them, and no inaccuracy of any consequence or significance has been found.

The treatment of fractions resulting from changing tons to barrels, was in accordance with the regulations of the Interstate Commerce Commission (*R., p. 245*). The changes which had to be made in the Alpha books, by reason of changes in rates since they were printed—the other inaccuracy suggested by the Government—were made before the books were sent out or used (*R., p. 444*).

Any inaccuracy in the books was calculated to injure the manufacturer, because if he quoted on an erroneous rate, he would have to pay the difference. Accurate rates in every other respect would have precisely the same effect as inaccurate rates.

The books did not purport to give rates from any point which no one had ever used as a basing point—either rates from the scattered small mills or individual local rates from a particular mill on the edge of the Lehigh district to a nearby point. They gave the rates from every point which anyone had in fact used as a basing point, adding during the operation of the Association Fordwick, when the Lehigh Company commenced to base on its mill at Fordwick. Those were the only rates of any general importance to all and the only rates which the individual manufacturer had formerly published, in marketing his product (*supra, pp. 63-71*).

The purpose and result of the publication of these books was:—

(*1*) Giving effect to the purposes of the law governing freight rates, that all rates should be both equal to those similarly situated and known.

(*2*) The saving of much economic waste otherwise involved in the separate figuring of the same rates by traffic experts employed by each company.

(*3*) The securing of somewhat greater accuracy by reason of the additional checking and rectification of errors by combined experience.

(*4*) The collective publication had no other effect. All the other effects mentioned in this connection are obviously effects of using the basing points or of the

freight rates themselves, and equally present or absent when these same freight rates are published many times by individual manufacturers or once collectively.

The Error in the Opinion Below Concerning the Freight Rate Books.

The Court found that "the freight books standing alone and in so far as they merely record a compilation of freight rates, are harmless" (*R., p. 1802*); and that "their vice, if such it be, resides in the fact that there is a concert of action upon the part of the defendants in so using them that all prices quoted are for delivery at the point required by the purchaser" (*R., p. 1802*).

The Court, apparently using the term "concert of action" in the sense explained in United States *v.* Piowaty, (*251 Fed. 375-377*), then finds that there is no agreement concerning such practice, saying "it is said that this method of marketing cement is a trade custom which came into being before the formation of the Association; that it results from the independent and uncontrolled action of each manufacturer and is in no way to be attributed to agreement or to any activity of the Association. Very probably there is no agreement now in force by which such practice is to be followed" (*R., p. 1802*).

But the Court then says that "the custom, however, was at one time the subject of an agreement", the patent licenses of 1909 and 1910. The principal mistakes in this are:

(*i*) This method of selling at delivered prices computed from the points of large production, was not created by the patent licenses (*supra, p. 60*).

(*ii*) The same degree of sharp competition could not exist without it. If each manufacturer based his prices only on his own mill, he would be excluded from selling in markets freightwise nearer other mills (*supra, p. 67*).

(*iii*) The mere collective publication of rates could not control conduct in selling f. o. b. delivery point or f. o. b. mill; and if all prices were based on a manufacturer's own mill, the freight rates would still be required (*R., pp. 149-150, 152*).

7. The Errors in the Opinion Below Concerning the Purpose and Effect of the Bag Report.

The Court below seems to have attached importance to the bag report, saying "in my judgment it was something more than a desire for statistics, as such, that was responsible for the Association undertaking to find out from the several companies whether returned bags were first cleaned and then counted or were first counted and then cleaned. * * * A disclosure of what was being done in making allowances for bags, while it could be used for competition was, I think, more likely intended to impose a restraint upon any company that was shading prices" (*R., p. 1804*).

This seems based on misunderstanding:—

(*i*) The report did not show "what was being done in making allowances for bags" in any way that could disclose the "shading" of any price. The only figures were the totals of bags received and found unfit for use during the past quarter. There was no disclosure of what was done with respect to bags returned by any particular

purchaser or in connection with any particular transaction *(Exs. 85, 66, R., p. 371)*. There was no disclosure of the charge or allowance for bags (*R., p. 166*). There was no disclosure of any special allowances, commissions, rebates or arrangements with purchasers in connection with any sale. Nothing whatever was disclosed concerning 70 per cent. of the sales (*supra, pp. 11, 15*).

(*ii*) During the discussions leading up to the decision to have this bag report, sundry remarks were made by individuals. It was pointed out that giving credit for worthless bags amounted to a rebate. Also that the form of report would not correct that, but "if your company were allowing 10 per cent. and one of the other companies was allowing 3 per cent., you would look into your bag question very carefully to see the condition that your bags were shipped out in and packed up, if necessary. * * * That is where I think it would probably be of benefit to us to have this information" (*R., p. 471*).

(*iii*) The report showed percentages of bags unfit for use varying from ½ per cent. to 4½ per cent., one company rejecting nine times as many bags as another (*R., p. 484*). It was to see whether the better results could be attributed to whether the bags were counted before or after cleaning the questionnaire was sent out. The interest attaching to this and the bag report was this:

Expensive bags are necessitated by the extreme fineness and weight of cement and the strains from piling and jolting incident to its transportation. They are merely an instrument of delivery, taken back at the price advanced for them. During the five years, 1917-1921, the losses of these manufacturers in bags amounted in all to

$7,229,698.82 (*Ex. D-274, R., p. 1293*). Any information enabling a manufacturer to judge or better the efficiency of his bag department was of legitimate, helpful interest; and the quarterly diverse percentages of losses could serve no other purpose.

8. The Errors in the Court Below Concerning Trade Practices.

Much of the reasoning of the Court below, with respect, seems to proceed upon confusing actual purposes in forming this Association with desires of some or all manufacturers, to which the activities of the Association were not in any way related.

For instance, an individual on one occasion said in a discussion relating to whether the totals of bags returned and found unfit for use should be reported, that allowing credit for worthless bags was equivalent to a secret rebate and, "we want our practice to be the same as the others". Any responsible manufacturer of anything, despises secret rebates (as distinguished from fair, honest competition) and desires freedom from such indefensible practices, unless others resort to them. But that desire has nothing to do with this Association, under which everyone might give secret rebates, directly or in many disguises, including allowing any customer credit for worthless bags, without disclosure.

Similarly, the Court found that when the Association was formed, the manufacturers were pursuing ten customary trade practices of the industry which have been the subject of comment by the Government (*R., p. 1800*). But it then suggested that since "some of the foregoing prac-

tices mean nothing more than that the elements entering into a quoted market price have been separately listed" and "each company had a vivid recollection of a ruinous price war that had been waged a year or so before. * * * The time was ripe for an association wherein the danger of competition as to any of the foregoing particulars would be reduced to a minimum" (*R., p. 1800-1*). This reasoning, with respect, overlooks the fact that the practices were the same during the ruinous price war and two more controlling facts:—

(*a*) The elements "entering into a quoted market price"—the charge and credit, or deposit, for bags, and discounts—have not been reported or disclosed or affected by the Association (*R., p. 166*); and

(*b*) Nothing whatever was reported or disclosed concerning the current business and sales at wholesale to dealers constituting 70 per cent. or more of the manufacturer's business and the portion thereof to which a manufacturer needing money or seeking to capture a dealer's custom, would naturally resort.

The same error of failing to note that the Association did not report the practices or departures therefrom, seems to invalidate the importance the Court attached to the similarity between the practices observed by a number of the defendant corporations "under the license agreement and those now generally prevailing in the industry".

The Court found that "under the present Association there is no method provided for disciplining and penalizing members for a departure from the foregoing practices" (*R., p. 1803*)—to which should be added "or finding out whether or not they are acting in accordance

with them". The Court also found "neither is there now any compact that cement shall not be sold below a specified price" (*R., p. 1803*). But it reasoned that the existence of the customary practices during the license and now, is significant.

Those granting licenses under the patent on the condition and limitation that the product should not be sold below a minimum price, simply took the common methods and mechanics of sale and price figuring as they found them and guarded against dodging the minimum price. Those methods were the same during cut-throat competition. It was the price limitation alone which constituted restraint.

9. The Error in the Opinion Below Concerning Keeping the Reports Confidential.

After the Association had commenced operating, it was found that some members were using the credit reports to make those reported feel offended with members reporting them and on that ground capture their custom (*R., p. 441*) and that the statistical reports and specific job contract reports were being taken by salesmen to those who had closed contracts with misleading arguments to induce them to transfer the business to the company whose salesman thus misused the reports (*R., pp. 555, 561*).

These misuses of the reports promised to make the continuance of the Association services impossible, because a manufacturer could not report an over-due account if a competitor was to use that to make the debtor feel offended and thus capture his business; or his commitments, if competitors were to take them to purchasers

(totally unqualified to understand them, as, for instance, to guess what part of the commitments were "duplications" or "padding"), with false arguments that the business should be transferred; or his contracts, if competitors were to use them as the basis of efforts to induce breaches.

Without any thought of secrecy (as evidenced by the fact that everything went regularly to the Trade Commission (*R., p. 162*), in the hope of stopping the unfair use of the reports, a letter was sent suggesting that each company confine the use of the reports within its own membership (*R., pp. 1128, 1008*). Even that did not operate to prevent salesmen pursuing the same unfair practices; and a letter was sent to the principal executive of each company, as distinguished from those attending the meetings, calling attention to the abuses and expressing the opinion that "this information should be used by executives to check up their operations and not given out to employees for such uses as they may choose to make of it" (*R., p. 1019*). Even that did not stop the unfair use of the reports, but no further action was taken.

When competitive activities are carried to such unfair extremes, it seems impossible to suggest that competition has been suppressed. The Court below overlooked these facts and attributed to the efforts to prevent unfair use by salesmen, theoretical considerations of inequality and unfairness for want of publication. Such considerations, we submit, have no application here:—

(*1*) The particular reports here did not comprise any information which could interest a dealer or purchaser

or affect his course. Unlike the reports in, for instance, the Linseed Oil case, the reports here contained no active or outstanding price or terms or discounts or market estimates or the like. Buyers here want only offerings.

(*2*) It was obviously a physical impossibility, or at least absurdity, to keep all dealers advised as to the facts concerning specific job contracts needed to detect duplications. If every report was not to be published, where should the line be drawn? If at information which might affect a dealer's course, then no report justified publication, because these reports did not contain matter which could affect any dealer's course.

(*3*) The matter is not of general public interest and any publication could be secured only by buying advertising space.

(*4*) No one had, or has, any objection to publishing the statistics of existing supply (*R., p. 338*).

(*5*) Publication does not seem matter of law under this statute, because this statute deals only with the surrender of independence to the collective will. Unfairness of any practice seems to belong under the Trade Commission Act of September 26, 1914, 38 Stat. 717.

Throughout the existence of Cement Manufacturers Protective Association, competition was unrestrained, undiminished and exceptionally vigorous.

This was proved by a large amount of direct evidence without anything to the contrary (*R., p. 308, p. 151, p. 174, p. 177, p. 178, p. 185, p. 189, p. 190, p. 192, p. 224, p. 1055, pp. 1056-68, pp. 1074-8, pp. 1080-2, pp. 1107-1122, pp. 1130-44, pp. 1430-1472, pp. 1477-1508, pp. 1649-1664, pp. 1783-1797*).

It was proved also by the following items:—

(1) The well-defined market price evidences the acuteness of the competition.

Where as here substantial uniformity of price exists without agreement (*supra, p. 50*), the competition must be acute and vigorous. That is the most desirable kind of price, because it means that everyone is getting the benefit of the low competitive price (*R., p. 296*).

The fact that Portland cement has advanced in price less than almost any other commodity (*D. 134, R., p. 1088; opinion below, R., p. 1808*) evidences the force of the competition.

(2) The losses on the incidents of the market price evidence the sharpness of the competition.

The market price which the purchaser pays is the price of the cement with some incidents, namely, (a) the charge and allowance, or deposit, for bags, (b) the trade discount or dealer differential, (c) the cash discount and (d) the freight.

It is impossible to disguise or avoid the sharpness of the competition in the price of the cement by varying the

items of bags or discounts, because the purchasers being professional buyers, would penetrate any such disguise and figure what the cement would cost them. The same causes which compelled a well-defined market price, necessarily operated on the items entering into that price (*R., p. 298*). The facts as to each, evidence in greater or less degree the power of the competition compelling results directly opposed to the desires of the manufacturers and inconsistent with collective control, as follows:—

(*a*) Bags are merely an instrument of delivery, taken back at the price advanced for them. Collective control would adjust the amount charged and allowed to the cost of the bags. Only the force of the competition can account for the large losses of the manufacturers in this item:—

1917,	Loss	$481,120.85
1918	"	640,659.13
1919	"	774,837.62
1920	"	2,157,952.64
1921	"	3,175,128.58
Total	"	$7,229,698.82

(*Ex. D-274, R., p. 1293*)

(*b*) The trade discount or dealer differential, while of less significance, has also gone against the manufacturer, the amount allowed the dealer being generally 5 cents a barrel prior to 1916, and then becoming generally 10 cents a barrel (*R., p. 320*).

(*c*) The cash discount has always been uniform in this, and generally in each, industry (*R., pp. 188, 189, 221, 222, 223, 656-60*). It is of little significance, but it also has been going against the manufacturers generally, from 1 cent a barrel to 2 cents a barrel to 5 cents a barrel

to 10 cents a barrel, for cash within ten days (*R., p. 317*).

And, as to the other incident of the market price, to all points freightwise nearer competitors' mills, the manufacturer has been forced by the competition to absorb, or deduct from the price he realizes; the amount of his freight disadvantage.

(3) Production by each defendant company during the six years showed complete independence of judgment and action.

With the figures in evidence, if any collective guidance, distribution, allotment, or pro rating, had existed, the Government's burden of proof could be discharged to a mathematical certainty. But the figures in fact demonstrate the complete absence of collective control of production with the same certainty:—

The figures are presented graphically in D-367 (*R., p. 1399*), showing the amount produced by each company each year from 1915 to 1921, by a black line extending up into the scale of millions of barrels, a distance equivalent to the actual production, the lines for each of the six years being placed side by side over the name of the manufacturer whose production each line represents, the figures being taken from Government's Exs. 373A and 374. Thus, Allentown in 1915 produced 864,000 barrels, dropped in 1916 to 808,000 barrels, in 1917 to 739,000 barrels, etc. (*Ex. 373A, R., p. 706*). Under any conceivable distribution or control, the skyline of each company in the chart D-367 would be the same as that of the others. The more carefully the chart D-367 is examined, the more plainly the diversity and individual independence in production appears:—

Disregarding the Governmental curtailment in 1918, the production of some of the defendant companies (e. g., Allentown, Glens Falls) has shown actual decrease each year throughout the six years; the production of others (e. g., Edison, Security) has shown increase each year throughout the six years; others (e. g., Pennsylvania, Penn-Allen) have produced approximately the same amount each year throughout the six years; others (e. g., Alpha, Lehigh) have been up one year, down the next, and so on, ending after six years below the production with which they started; and others (e. g., Atlas, Bath) have similarly varied from year to year, ending well above the production with which they started. These figures take no account of conditions in the market, which would, of course, emphasize the differences, because lower individual production in a year when business is generally good and higher individual production in a year when business is generally bad, emphasize the extent to which the individual courses depart from each other and the complete negation of any conceivable collective control.

Some continuous increases, some continuous decreases, some increases one year or two followed by decreases for a year or two with final gain, and some like variations with final loss,—cannot be reconciled with distribution on any imaginable basis. But to indicate the extent of the individual departures:—

The percentage of the total production, which each defendant manufacturer produced, is perhaps even more striking. Exhibits D-369 A to D-369 H (*R., p. 1405*), compare the proportion of the total production which each company produced in 1916 with its production during the succeeding years while the Association was in

existence. As compared with its proportion of the total production in 1916, Allentown decreased 10 per cent. in 1917, 39½ per cent. in 1918, 20 per cent. in 1919 and 33 8/10 per cent. in 1920. Alpha increased its percentage slightly in 1917 over 1916, but in 1918 fell off 9 per cent., and in 1919 fell off 20 per cent., and in 1921 fell off 4 per cent. Atlas increased 3.9 per cent. in 1917, increased 9.7 per cent. in 1918, increased 8.6 per cent. in 1919, and increased 11.2 per cent. in 1920. The figures of the other companies are similarly irreconcilable with any imaginable plan or joint control of production.

In the following table are brought together for convenience, the figures showing how much the actual business done by each company each year (shipments) fell below or exceeded the amount of business it would have done if the business had been allotted or pro rated according to relative capacity, the figures being taken from Government's Exhibits 382, 388 and Defendant's Exhibits D-370 A to E, and the testimony of Mr. Fernsler (*R., pp. 706, 1413, 275*). If the business had followed an allotment according to relative capacity, each figure would, of course, be a zero (*R., p. 275*). The figures are:

	1916	1917	1918	1919	1920
Allentown	+32.07	+18.3	—10.8	+15.5	— 2.5
Alpha	—13.9	—14.8	—23.4	—32.7	—12.1
Atlas	—10.4	— 8.2	—11.9	— 5.6	— 1.3
Bath	— 8.5	— 4.4	—10.3	+45.2	+73.0
Coplay	+16.7	— 6.9	— 1.1	—12.7	+ 1.0
Dexter	+32.0	+26.9	+46.5	+51.5	+28.8
Edison	—39.5	+ 4.4	+15.6	+26.8	+11.0
Giant	—30.0	—35.8	—35.4	—31.6	—39.4
Glens Falls	+38.5	+25.4	+60.2	+16.1	+17.1
Hercules	No capacity figures furnished Association				
Knickerbocker	—10.3	—29.3	— 3.6	—15.9	+ 5.9
Lawrence	+24.7	+31.6	+40.3	+27.5	+62.8
Lehigh	+19.6	+12.8	+14.3	+16.9	—19.3
Nazareth	+32.8	+19.6	+22.9	+ 1.6	+34.7
Penn-Allen	+50.0	+36.9	+31.5	+45.2	+33.3
Pennsylvania	+19.4	+27.4	+36.7	+24.4	+29.2
Phoenix	+11.3	+13.1	Closed	Closed	+29.9
Security	— 0.8	—12.5	+19.1	+18.7	+18.6
Vulcanite	+23.8	— 3.9	— 1.7	— 7.1	+ 5.9

Since the only question here is collective control, general production is less important than relative individual productions. But the activities of the defendant corporations to increase individual low-cost production and the consequent gradual ruin of high cost capacity, emphasize the rigor, not to say cruelty, of the competition between them.

Permanent low cost in cement (as distinguished from relatively fluctuating costs) results in some degree from improved machinery and equipment, in a few cases (Dexter, Nazareth and Pennsylvania, *R., pp. 309, 341, 343, 345*) from exceptional raw material, but chiefly from freight advantage to the markets.

The expenditures of these defendants individually to increase low cost capacity by the introduction of improvements in machinery and equipment, are continuous. 870,000 barrels increased capacity were thus added by the defendants in 1919 and 1920 (*R., pp. 236, 309. Ex. 387; R., p. 706*). The Hercules Company in 1917 commenced to operate a complete new plant in the Lehigh Valley (*R., p. 184*); the Phoenix Company after losing money each year (*infra, p. 132*) completely rebuilt its plant in 1918-19 (*R., p. 1310, Exs. 374, 375 A, 377, 382*); the Edison Company has rebuilt (*R., p. 277*); expenditures for improvements decreasing costs by others are constant (*R., pp. 3583, 3590*). Much of the earnings has been put back into improving the plants and appears in increased "invested capital."

But the most radical kind of permanent low cost is in acquiring freight advantage to markets. The Atlas Company, notwithstanding large surplus paper capacity in the Lehigh Valley, has constructed its large mill at

Hudson to get this advantage over the others (*R., p. 332*); the Alpha Company, with surplus paper high cost capacity in the Valley, has added its mill at Alsen (*D-275B, R., p. 1295*); the Lehigh Company, with surplus paper high cost capacity, has added its mill at Fordwick (*D-275M, R., p. 1306*). Such expenditures are totally inconsistent with collective control.

And the result is the gradual elimination of the high cost investments under the inexorable pressure of the competition, thus:

Only ten years ago the then twenty-seven eastern cement companies were invited to form the abortive Eastern Association (*Ex. 554, R., p. 778*). Of these twenty-seven, two, the Wayland and Northampton Companies, were just disappearing, through discontinuing business and bankruptcy at that time (*ib. 791*). Another, the American Company, went into bankruptcy (*R., p. 149*) and later was reorganized into the Giant Company. Five of the others have been financially reorganized, Knickerbocker, Nazareth and Phoenix in 1918, Allentown in 1919, and Edison in 1921 (*R., pp. 1252, 1255, 1258, 1242, 1248*). Three of the others, Cayuga Lake, Norfolk and Virginia, have been taken over by larger, stronger companies (*Exs. 373A, 374, 375A, 378, 379, R., p. 706*). Thus, in ten years the finances of eleven out of the twenty-seven have received attention of some unusual kind. And some of the defendants have lost money each year (*infra, p. 132*).

This individual increase of lower cost production, reflected in this history of ten years, has meant that particular mills have been unable to operate, although being owned by companies which have increased their low cost

production, they have not occasioned financial reorganization, and still stand with paper capacity. Thus, the Atlas Company constructed its mill at Hudson, although its paper capacity in the Lehigh Valley was then far in excess of any amount it has yet produced, even with its remarkable increases, both absolute and in its percentage of the total amount consumed (*Exs. 386, 387, 373 A, 374; R., p. 706, p. 332*). Such over-building to get lower costs and advantage over competitors, even at the cost of rendering some of one's own equipment practically obsolete, is striking proof of the vigor and rigor of the competition.

Two opposite abstract theories of production policy are mentioned in the record. Gen. Goethals (*R., p. 286*), Mr. Hurley (*R., p. 287*) and Mr. Morron in a speech at the annual dinner of the National Association in 1913 (*Ex. 516, R., p. 708*) expressed the opinion that sound business requires a producer to see a demand for his product before he makes it. Other defendant corporations, as Dexter, Pennsylvania and Nazareth, turn out every barrel their plants are capable of producing right through the year (*R., pp. 341-346*) and take their chances on selling it. Whichever course is followed, production is inevitably controlled by consumption, because unsold product necessarily stops over-production as effectually as foresight.

Production of the defendant corporations has in fact exceeded consumption to such an extent that at the end of each season, about 10 per cent. of the product (*Ex. 671-3, R., p. 963*), which can be stored and kept only at con-

siderable risk and expense, has been left on their hands. On December 31, 1918, the defendants had on hand 847,000 barrels of clinker and 3,175,000 barrels of ground cement (*Ex. 30, R., p. 366*); at the close of the next year, December 31, 1919, they had on hand 503,000 barrels of clinker and 2,066,000 barrels of cement (*Ex. 41, R., p. 366*); and at the close of the next year, December 31, 1920, they had left on hand 363,000 barrels of clinker and 2,496,000 barrels of cement (*Ex. 53, R., p. 366*).

The defendants have also left nothing undone to increase consumption and so production. Through the National Association, they spent large sums annually in educational work devoted to increasing the use of cement (*R., p. 196*), and in addition thereto their individual expenditures selling their product added together make a total in 1920 and 1921 greater than their total net income (*Exhs. D-269 H, D-269 I, R., p. 1233, D-271 H, D-271 I, R., p. 1261*). Such expenditures to increase consumption are as inconsistent with production collectively regulated to increase prices as is the general result of them, which the Government calls "the marvelous growth of the Portland cement industry in the United States", indicated by the figures in its bill showing that the production has increased from 401,900,643 barrels in 1901-1910 to 864,247,719 barrels in 1911-1920, although the latter period includes the time of the curtailment of building operations and production incident to the war.

(4) The expenditures in competitive sales efforts showed the vigor of the competition. It is apparent that if there were any control or distribution of business among the nineteen competitors, money devoted to attempting to

get business from each other would be thrown away. The demand is created mainly by the work of the National Association, and under any imaginable condition except competition, individual selling expenses would be small. But here we have exceedingly large selling expenses, constantly increasing, as folows:—

1913.....	$1,526,523.
1914.....	1,873,038.
1915.....	1,942,013.
1916.....	2,401,416.
1917.....	2,597,839.
1918.....	2,579,368.
1919.....	3,584,217.
1920.....	3,513,354.
1921.....	3,960,770.

(*Ex. D-369 A-I, R., p. 1233*)

(5) The sales and shipments showed independent and diverse individual judgments, and negative any collective control. In addition to his judgment concerning production, particularly in the slack season, the cement manufacturer is confronted by questions concerning his sales policy, which admit of and receive very different answers. These questions have to do with foreseeing future costs and prices. He must determine from time to time, whether it is advisable to tie up a large part of his production in contracts for future delivery at existing prices or avoid commitments in the expectation of higher costs and prices and when to reduce or advance his price; and his decision may mean loss if he takes too many contracts or inability to dispose of what he has produced if he takes too few or acts too slowly or quickly (*R., p. 335*). Wide diversity of judgment among the defendant companies is

reflected in the diverse profits considered later, and also in their sales or shipments:

Exhibits D-370 A to D-370 E, and Exhibits D-376 A to D-376 F (*R., pp. 1413, 1430*) show how widely the shipments of each company have varied with relation to its percentage of the total capacity (*R., p. 275*). The figures as to some of these shipments are in Exhibits 382, 388 and 390 (*R., p. 706*). They are substantially like the production figures already mentioned. They differ in some details, because shipments were reported both from mills in the territory and from mills outside the territory owned by defendant companies which shipped some cement from those mills into the territory, whereas the production figures were of the mills in the territory. And the inventories at the beginning and end would also be necessary to an accurate balance. The diversity cannot imaginably be reconciled with the operation of any single or collective mind. It plainly reflects the independent operation of widely diverse minds.

(6) The Price Received Per Barrel by the Different Companies Shows Independence and Competition.

The amount actually received per barrel by each company affords interesting evidence of the extent to which the competition and the absorption of freight affect the earnings of the companies (*R., p. 272; D-296-304, R., p. 1340*). Although the market price at a given time and place is substantially uniform, the prices actually received by the different companies vary widely. Thus, in the year 1916, the prices received range from .806 cents per barrel by Edison to $1.077 per barrel received by Security, a difference of 27.1 cents per barrel, with the

other companies ranging in between. In 1917, Pennsylvania realized the lowest price per barrel and Glens Falls the highest, the difference being 26.6 cents per barrel. In 1918, the prices differed 33.4 cents per barrel. In 1919, there was a difference of 29.6 cents per barrel. In 1920, Bath realized the highest price per barrel and Giant realized the lowest price, the difference being 48.4 cents per barrel. In 1921, the difference was 31.3 cents per barrel.

The average cost of, and price realized for, a barrel of cement by the defendant companies each year since the relinquishment of Government control, was:—

	Cost.	Price.
1919	$1.467	$1.637
1920	1.812	1.911
1921	1.625	1.711

(*D-279, R., p. 1333*)

(7) The Earnings and Profits Show Sharp Competition.

The investments of the nineteen defendant corporations are separate and independent. Any agreement or collective control which would command their unanimous assent, would have to be one which yielded more than unrestrained competition. The Government appreciating this, in the petition charges the defendants with having made "enormous profits".

(*1*) There are three ways of determining the capital employed: (*i*) The "invested capital" defined by the Federal tax laws and regulations, is a more or less artificial figure, having to do with what was in fact put in, in certain forms, without regard to actual present value. (*ii*)

The replacement value (to which attention is given, for instance, in matters relating to reasonable returns on public utilities) has to do with what it would cost to replace the physical properties. (*iii*) The book value is the value as determined from the company's books.

Here the total "invested capital", as reported to the Government, of $76,735,339. (*D-271, A-I, R., p. 1261*) would be $151,622,256.09, if the replacement value was taken (*D-455, R., p. 1472*) or $102,613,760. book value (*R., p. 3084*) for the year 1920. Since it goes back to original investment, regardless of value (*R., p. 275*), and is here so much below the other ways of ascertaining capital investment, it is not particularly fair to these defendants to use "invested capital" in determining their profits. But we confine the figures here to those based on "invested capital."

(*2*) Taking first the nineteen companies collectively, the profits on invested capital have been:—

1913	4.8 per cent.	
1914	5.3 " "	
1915	1 " "	
1916	6.3 " "	
1917	3.8 " "	
1918	2.9 " "	
1919	6.7 " "	
1920	4 " "	
1921	3.2 " "	(*R., p. 1393, D-353*).

These are the earnings before any dividends. Such dividends as there were, had to come out of the profits thus shown or profits of years before 1913 not then distributed as dividends, but put back in the business and carried as surplus.

Industrial corporations in normal years—not in particularly good years—earned on the average at least 12 per cent. and even National Banks for 45 years have earned on an average 8.6 per cent. (*R., p. 300*).

These defendant corporations earned 4.2 per cent. on their "invested capital"—much less than, about a third of, what is normally earned by industrial corporations and about half as much as National Banks.

That cannot conceivably be explained by any collective control to make "enormous profits" out of the public by restraining trade. But the obvious fact that there are an unusual number of well-equipped competitors engaged in exceptionally keen competition, makes the meager profits understandable.

The figure 1 per cent. in 1915 reflects the trade war of that year. 1916 was one of the best years in the history of the world, from the standpoint of profit and business generally—the net income of the corporations in the country, as reported for Federal taxation, increasing from something over five billion dollars in 1915 to considerably over eight billion dollars in 1916 (*R., p. 301*). These manufacturers who made 5.3 per cent. in 1914, a bad year (*R., p. 301*), made 6.3 per cent. in 1916. But during the later recent years when others have been averaging in the neighborhood of 14 per cent. after the Federal taxes are deducted, this portion of this industry has earned 3.48 per cent., except in the year 1919, when the war had operated to eliminate old contracts at low figures and make all business fresh business. Then with a building boom, they earned 6.7 per cent., almost half as much as made by the average industrial corporation (*R., p. 301*).

Excepting the slight increases in the two boom years in cement (1916 and 1919) and the decrease in the year of cut-throat competition (1915), the defendant companies have made smaller profits each year since Cement Manufacturers Protective Association was organized (1917, 1918, 1920, 1921) than they made before (1913, 1914).

(*3*) And the profits of the different companies have varied as far as conceivable from any thing suggesting distribution. A few companies who have combined comparatively low costs with foresight or good fortune in making their sales when prices were at the highest point during the season, as distinguished from selling their production under contracts when prices were at a lower point, etc., have made good profits on their investment. Some whose costs have been higher and judgments less well verified by developments, have lost money. Most have made exceptionally low profits. Thus, the operations of the following companies show actual losses in the years set after their names.

Allentown, 1915, 1917, 1918, 1921 (*D-334*)

Atlas, 1915 (*D-336*)

Coplay, 1918, 1919, 1921 (*D-338*)

Edison, 1915, 1916, 1917, 1918, 1919, 1920, 1921 (*D-340*)

Hercules, 1918, 1920, 1921 (*D-343*)

Knickerbocker, 1915 (*D-344*)

Nazareth, 1913, 1915 (*D-347*)

Penn-Allen, 1915 (*D-348*)

Phoenix, 1913, 1914, 1915, 1916, 1917, 1918, 1919 (*D-350*).

Vulcanite, 1921 (*D-352*).

The same year, when Coplay and Edison and Phoenix lost money, 1919, Dexter made 23.9 per cent. on its in-

vested capital. Similar differences appear between the earnings of the different companies in every year *(D-334-D-352, R., pp. 1374-1392)*. There is no conceivable kind of agreement or thing to which these companies would all assent, that would produce such results. And, of course, the figures of loss or profits are more diverse than the percentages of invested capital, by reason of the different sizes of the businesses.

In the following table is shown, from Exs. D-334 to D-352, the percentage of profit or loss to "invested capital" as reported to the Government, the losses being indicated by black figures:

Company	1913	1914	1915	1916	1917	1918	1919	1920	1921
Allentown	3.1	9.5	**.6**	5.1	**1.9**	**8.7**	5.2	1.5	**4.8**
Alpha	8.4	8.5	4.5	5.9	4.0	3.2	6.2	8.1	1.9
Atlas	5.0	3.7	**1.8**	7.2	8.8	6.7	8.3	2.7	7.4
Bath	20.7	4.3	3.5	9.0	3.5	2.6	10.7	10.6	1.7
Coplay	5.9	4.5	3.7	7.9	.8	**2.0**	**.1**	.1	**1.6**
Dexter	15.3	12.2	1.9	17.8	21.1	9.7	23.9	11.5	19.2
Edison	**.8**	.1	**1.3**	**.8**	**3.8**	**8.3**	**8.6**	**12.4**	**.8**
Giant		.4	.2	2.2	1.5	1.1	8.8	5.5	1.4
Glens Falls.....	13.0	11.9	4.9	10.1	15.2	11.0	16.0	3.9	14.1
Hercules						**2.0**	3.6	**1.5**	**3.4**
Knickerbocker ..	2.4	7.4	**7.1**	8.3	5.6	5.9	5.5	5.0	.8
Lawrence	6.4	9.5	5.8	10.0	6.3	7.7	12.1	6.4	2.4
Lehigh	9.8	10.9	4.8	12.8	4.8	2.9	9.2	4.2	3.5
Nazareth	**5.5**	2.8	**5.4**	9.5	7.6	8.2	11.5	15.3	3.0
Penn Allen ...	27.1	14.3	**1.4**	24.2	5.7	6.1	10.1	9.8	9.6
Pennsylvania ..	6.9	11.8	6.6	3.4	9.7	9.6	14.3	15.2	3.3
Phoenix	**3.3**	**4.1**	**20.8**	**17.1**	**12.3**	**7.0**	**.8**	16.5	15.2
Security	1.8	3.1	4.7	12.3	12.1	6.5	16.2	11.1	7.6
Vulcanite	8.2	6.8	.4	3.9	5.0	2.8	7.8	2.3	**4.4**

When nineteen independent manufacturers with a combined "invested capital" of more than $75,000,000, working nine years, average only 4.2 per cent. on that small measure of their investment, less than they would have received, without effort, if their money was in Liberty bonds, charges of "enormous profits" seem—like the other charges against them.

THE LAW.

1. Cooperation among those engaged in a particular industry or calling is a common law right not prohibited but impliedly endorsed by the statute, except when "in restraint of trade or commerce among the several States or with foreign nations."

In *Attorney-General of Australia* v. *Adelaide SS. Co., 1913 A. C. 781,* the common law was summarized as follows:

> "At common law every member of the community is entitled to carry on any trade or business he chooses and in such manner as he thinks most desirable in his own interests" (*p. 793*).
>
> "The right of the individual to carry on his trade or business in the manner he considers best in his own interests involves the right of combining with others in a common course of action, provided such common course of action is undertaken with a single view to the interests of the combining parties and not with a view to injure others.

The statute does not take away the right of combining with others in a common course of action, except where that action constitutes one specified injury to the public. Both the wording and meaning of the statute are precisely as if it had contained an express clause, "But no contract, combination, or conspiracy not in restraint of trade or commerce is hereby declared illegal". Co-operation or combination, with wholesome, helpful

purposes and results, is impliedly continued as commendable by the statute.

In *Anderson* v. *U. S., 171 U. S. 374,* this Court upheld the propriety of a combination among live stock dealers, saying,

> "From very early times it has been the custom for men engaged in the occupation of buying and selling articles of a similar nature at any particular place to associate themselves together. The object of the association has in many cases been to provide for the ready transaction of the business of the associates by obtaining a general headquarters for its conduct, and thus ensure a quick and certain market for the sale or purchase of the article dealt in. Another purpose has been to provide a standard of business integrity among the members by adopting rules for just and fair dealing among them."

In *Gompers* v. *Bucks Stove & Range Co., 221 U. S. 431,* the Court said:

> "Society itself is an organization and does not object to organizations for social, religious, business and all legal purposes."

Any question of restricting the freedom of traders to cooperate through trade associations because the potentiality of such cooperation in the direction of restraint may be thought to outweigh the potentiality in making industry more honest and efficient and affording those best qualified some opportunity to experiment towards the relief of the widespread distresses of industrial civilization—belongs to the legislature and not to the Court.

The general tendencies of trade associations—as distinguished from the concrete overt acts in the particular case—bear only the same relation to the Act of July 2, 1890 that considerations affecting the desirability of the possession of weapons bear to a statute prohibiting the crime of murder or assault. General tendencies of unforbidden acts are for the legislature. This statute forbids only the full crime of restraint of trade.

In *United States* v. *U. S. Steel Corporation, 251 U. S. 417,* this Court rejected the view that the statute forbids everything which may be regarded as "a menace to the public interest and illegal because there is potency in it for mischief" (*251 U. S. 450*), saying:—

> "But we must adhere to the law and the law does not make mere size an offense or the existence of unexerted power an offense. It, we repeat, requires overt acts and trusts to its prohibition of them and its power to repress or punish them" (*251 U. S. 451*).

2. Protective Activities relating to Credits and Specific Job Contracts are lawful.

In *Swift & Co.* v. *United States, 196 U. S. 375, 395,* this Court approved a decree which provided that defendants should not be restrained

> "* * * from establishing and maintaining rules for the giving of credit to dealers where such rules in good faith are calculated solely to protect the defendants against dishonest or irresponsible dealers."

In *Anderson* v. *U. S., 171 U. S. 604, 616,* the Court said with respect to the legitimate functions of associations:

> "Another purpose has been to provide a standard of business integrity among the members by adopting rules for just and fair dealing among them and enforcing the same by penalties for their violation."

In *Virtue* v. *Creamery Package Co., 227 U. S. 8, 37,* the Court in dismissing a case where a provision for the assertion of patent rights was attacked under this statute:

> "The contracts we have shown were legal conveyances of rights, and the provision for the prosecution of infringement suits was but an assurance of those rights."

In *Reynolds* v. *Plumbers Protective Association, 30 Misc. 709* (motion for new trial denied, *63 App. Div. 650;* appeal dismissed *169 N. Y. 614)* the Court said:

> "It must be conceded that the extraordinary development and growth of commercial enterprise and trade within the past few years and the distribution of our vast products of industry in every part of the world, has made it necessary for merchants and business men to organize for the protection of each other in their business against irresponsible parties."

In *U. S.* vs. *Whiting, 212 Fed. 466, 476,* the Court said:

> "Considering on the one hand, the situation of the parties to the agreement, the possibilities of loss to them which unrestricted competition involved, and their right to protect themselves fairly against it, and, on the other hand, the public needs and the advantages to the public from unrestricted competition, it must appear that the de-

fendants have done more than was fairly justified by reasonable self protection."

3. The Enjoined Statistical Activities are lawful.

In view of the enormous amount of discussion of this subject, with the trend of which the Court is familiar, we merely state our submissions as to the law very simply:—

The breadth and permanence of the principles fixed in the statute, preclude any application of it on the basis of whether the kind of agreement questioned, existed before the date of the enactment. "Trade associations have been collecting production statistics of one kind or another, with increasing momentum, for over sixty years" (*Trade Association Activities, Department of Commerce, Government Printing Office, 1923, p. 12; R. p. 307*). And the fact that a particular kind of agreement was unknown when the statute was enacted would not evidence illegality (*Federal Trade Commission* v. *Sinclair Refining Co., 261 U. S. 463, 476*).

The occasion and purpose of the statute have been succinctly stated thus:

> "The entrance of the Government began strongly three decades ago, when our industrial organization began to move powerfully in the direction of consolidation of enterprise. We found in the course of this development that equality of opportunity and its corollary, individual initiative, was being throttled by the concentration of control of industry and service, and thus an economic domination of groups builded over the nation. * * * Our legislation against restraint

of trade is the monument to our intent to preserve an equality of opportunity" (*American Individualism, by Herbert Hoover, Doubleday, Page & Co., 1923, p. 52-3*).

"Concentration of control" was the industrial development at which the statute was aimed. Its common form was the actual turning over of the control of an industry to a single direction—"consolidation of enterprise," "combination in the form of trust or otherwise" (*26 Stat. 209*). Whatever its form, it consisted essentially in the substitution of a single control for independent controls in matters (such as price or production) which affect the public interest and are essential weapons in the "conflict for advantage called competition" (*262 U. S. 388*).

As applied to cooperation of competitors whose selfish interests remain independent and conflicting, collective control cannot exist unless the collective will in such matters is formulated, expressed and made to prevail over the selfish, independent will of the individual.

The acts of any trader or human being must, in the nature of things, conform either to some external standard formulated by, or with the assistance of, some one other than himself, or to his own independent internal thoughts, judgment and will. In order that his acts may conform to some external standard, it is obviously necessary that that standard exist and be known to him. Otherwise the individual must necessarily be guided by his own independent judgment and will.

In the Association at bar, and among these defendants, there has been no attempt whatever to substitute concentration of control for individual freedom. There

has been no thought of attempting to formulate any collective will, to say nothing of making it prevail over the independent judgment and will of the individual.

When all the activities here had functioned to the utmost and the manufacturer turned to the inevitable questions, How much shall I charge for my cement? How much shall I produce? he could find no possible answer except, Whatever you want to and can in the exercise of your own free and undirected judgment and will. His prices and production were in no way guided by any expression or intimation of a collective will. He was as free and independent as if the Association had not existed.

The essential of restraint of trade to which we have referred, has been conspicuously present in the activities of the associations heretofore before this Court. We do not here seek to justify associations with enterprising managers employed to speak the collective will and tell the members what to do with respect to prices and production, or holding meetings where the members discuss future prices and production in such a way as in fact to formulate the collective judgment and will and substitute it for the independent judgment and will of the individual, or collectively determine a standard of price, denominated by some other name, as average cost or what-not, or the like. Such activities may (or may not according to the facts) amount to substantially the same concentration of control as was involved in turning over the individual businesses, or their direction, to a collective control "in the form of trust or otherwise" (*26 Stat. 209*).

That—not the association, but the restraint—is what the statute forbids. It does not forbid information

or knowledge, however accurate or extensive, or say that traders may have or obtain only such portions thereof as some governmental bureau may deem it proper to collect and release.

Here there is no incident or instrument of collective control or restraint. The collective will was never conceived, never came into existence and could not be expressed. Each defendant conducted his own business without collective guidance and with the utmost diversity of individual judgment.

The universal recognition of the essential importance of statistical facts by the business men of the country and the departments of the Government which come in contact with business, and the efforts of both to supply the necessary facts, cannot be attributed to any desire to restrain trade. The great bulk of business men, and these defendants, do not seek to be relieved from competition and are unwilling to surrender their opportunities to advance their own interests at the expense of their competitors. But they do seek to be relieved from ignorance—to make intelligence, clean work, efficiency and ability count—to make the game less a game of guess and gamble and more a game in which the best man wins because he is the best man.

Knowledge does not restrain trade. Ignorance tends to restrain it because of the fear of the unknown and the misguidance through "contagious optimism or equally contagious pessimism" which misleads to ruin, unemployment and misery.

It is obvious that the greater the skill and efficiency of those engaged in an industry, the greater the benefit

which will result from their competition. Blundering management, which increases costs, is not more beneficent than poor equipment or unimproved processes. The extension of the law which the Government seeks here, would amount, in substance, to insuring higher costs and depriving the public of its right to a competition of intelligent skill and informed ability.

The law, we submit, has nothing to do with prescribing how much knowledge or information those engaged in competition shall have. The sovereign here has, in other connections, undertaken to supply the information necessary to some degree of efficiency and spends millions of dollars annually to provide it. In so far as it has indicated any judgment in the premises, it has thus shown its recognition of the fact that the more information those engaged in industry have, the better. But that is a field which this statute does not touch. It leaves that to the common law right of traders to do as they please as long as they preserve their individual, independent interests, judgments and wills.

4. The provisions of the decree enjoining agreement on methods of sale, existing trade practices, etc., were unwarranted by any proof and erroneous.

These portions of the decree may be dealt with shortly without entering upon the questions of how far an industry may regulate its practices, presented by some of them and presumably of much importance in some other fields of industry. All these provisions of the decree were unwarranted because there was no evidence (or even proper pleading) upon which to adjudicate them:—

(*1*) The largest group is comprised in paragraph 9 of the decree, specifying fourteen trade practices *(R., pp. 1811-2)*. The injunction is not against carrying out an agreement, but only against "hereafter agreeing". There was no evidence that any such agreement had been made or contemplated. The Court did not find any such agreement. On the contrary, it found "very probably there is no agreement now in force by which such practice is to be followed" (*R., p. 1802*). "Under the present association there is no method provided for disciplining and penalizing members for a departure from the foregoing practices * * *. Neither is there now any compact that cement shall not be sold below a specified price" (*R., p. 1803*).

(*2*) The provisions of paragraph 5 of the decree are against agreeing to cancel specific job contracts which are "duplications", or the "padding" therein (*R., p. 1810*). There was no evidence of any such agreement. On the contrary, the Court expressly found that

there was no such agreement, saying:— "Of course if a company wished to recognize an agreement made with a contractor or person who had expected to supply cement to a specific job and who did not get the work but was willing to take the cement notwithstanding, it might do so" (*R., p. 1805*).

(*3*) Paragraph 7 of the decree prohibits agreement to publish freight rate books giving rates "from any arbitrarily established freight basing point", but permits collective publication of "the actual rates between points of actual shipment and delivery" (*R., p. 1811*). Here again there was no evidence of "any arbitrarily established freight basing point". On the contrary, the Court found, "The freight rate books standing alone, and in so far as they merely record a compilation of lawful freight rates, are harmless. Their vice, if such it be, resides in the fact" that, in substance, they were used to quote delivered prices (*R., p. 1802*).

(*4*) The remaining provision, paragraph 8 of the decree, prohibits agreement as to giving credit (*R., p. 1802*). There is no suggestion in pleading, evidence or opinion that such agreement existed or was contemplated.

The discussion of the limited collective activities here, tends to misplace them. Their chief importance to these defendants results from the pending criminal cases based on them. But the principles involved seem of importance to all industry.

Where, as here, we find an exceptionally large number of well-equipped competitors, each of whom has preserved its selfish interest and investment wholly independent of all the others, and newcomers, like the defendant Hercules, freely entering the field, there are the strongest reasons for recognizing that, in the words of this Court:

> "The natural evolutions of a complex society are to be touched only with a very cautious hand" (*Board of Trade* vs. *Christie, 198 U. S. 239, 247-8*).

More recently the Court said:—

> "The great purpose * * * was to advance the public interest by securing fair opportunity for the play of the contending forces ordinarily engendered by an honest desire for gain. And to this end it is essential that those who adventure their time, skill and capital should have large freedom of action in the conduct of their own affairs". (*Federal Trade Commission* v. *Sinclair Refining Co., 261 U. S. 457, 463, 476*).

Since the introduction and increased use of machinery has done away with geographical limitations and created large units of production, the life and happiness of the individual no longer depend simply on what occurs within his neighborhood, but upon the intelligence

and efficiency with which large industries producing most of his food, clothing and shelter, and producing also directly or indirectly his means of procuring them, are conducted. The problems of this industrial era are of enormous importance and largely unsolved. Efforts towards their solution, cooperative or otherwise, by increasing the intelligence, honesty and efficiency of any industry, or preventing economic waste, are to be encouraged as representing helpful and hopeful embodiments of that common law right of traders, and others, to do as they choose, upon the exercise of which the solution must depend.

If, when all the cooperation in a particular industry has functioned, there is no collective control but each competitor continues to retain his own independent interest and investment and preserves his own independent will and judgment as to his own future production, sales and prices, there is no restraint of trade.

To the extent that these defendants have cooperated to make their industry more honest and more efficient, while preserving unimpaired the complete independence of investment and conduct of each, their efforts seem helpful, hopeful and commendable. But it is enough that they do not offend the statute or any other law.

The decision below should be reversed and the cause remanded with instructions to dismiss the petition.

Respectfully submitted,

John W. Davis,
George T. Buckingham,
Archibald Cox,
Counsel for Appellants.

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In the Supreme Court of the United States.

OCTOBER TERM, 1924.

CEMENT MANUFACTURERS PROTECTIVE Association, The Atlas Portland Cement Company, The Allentown Portland Cement Company et al, Appellants, *v.* THE UNITED STATES OF AMERICA.	No. 551.

BRIEF AND ARGUMENT ON BEHALF OF THE GOVERNMENT.

STATEMENT OF THE CASE

The original petition was filed June 30, 1921, against the Cement Manufacturers Protective Association, a voluntary association, and nineteen corporations engaged in the manufacture of cement, which constitute the membership of said association. (Vol. I, p. 1.) The petition alleged a violation of the Antitrust Law of July 2, 1890; but it is unnecessary to here repeat its allegations (Vol. I, pp. 1–20), as it is not questioned that they state a case and

[NOTE: All italics are ours, unless otherwise stated. When the name of an individual is used, there generally will be given in parentheses the name of the company he represented. In quoting, this is our addition.]

cover all the activities proven. The answer of the defendants (the terms plaintiff and defendants will be used as in the court below) elaborately discusses, and either admits or denies, every allegation of the petition. (Vol. I, pp. 20–125.)

About the same time this petition was filed, an indictment was returned against the defendants by a grand jury sitting in the Southern District of New York. The trial of the criminal case began April 4, 1922, and lasted until May 26, and resulted in a mistrial. On December 15, 1922, it was stipulated that District Judge Knox, who presided at the trial of the criminal case, might determine the civil case upon the record made on that trial. (Vol. I, p. 144.) After argument in February, 1923, the court on October 23, 1923, handed down an opinion (Vol. III, pp. 1797 to 1809), in which he held for reasons stated that the allegations of the Government's petition were sustained by the proof and that "the Government may have the decree for which it asks." A final decree was entered on December 13, 1923. (Vol. III, pp. 1809–1813.) Errors were assigned by defendants, and an appeal was prosecuted to this court.

BRIEF AND ARGUMENT

I

THE MANUFACTURE AND SALE OF CEMENT

THE MANUFACTURE OF CEMENT.

In order to fully understand some of the objects of the practices engaged in by defendants, it is necessary to know something about the manufacture and nature of cement, and the manner in which it is handled.

Holger Struckmann, construction engineer and witness for the defendants, explained in some detail the nature of cement and the processes of its manufacture. The raw materials from which cement is manufactured are limestone and shale, or limestone and clay, which in some localities are properly mixed by nature. Through a number of processes particularly described this material is mixed, dried and crushed until it is reduced to a fineness which permits 98% to pass through a sieve with 10,000 meshes per square inch. It is then placed in silos or bins, and taken therefrom under the supervision of the chemist and fed into a long kiln, one end of which is elevated above the other. In the lower end of this kiln the fuel is injected and ignited, and as the cylinder revolves the material travels from the upper to the lower end. The temperature at the upper end is approximately 1000° Fahrenheit; it gradually increases until it reaches a temperature of

2500° to 2800°, when the chemical combination of lime, aluminum, silica and iron is formed; and the finished clinker is discharged from the kiln as a white-hot slag or lava.

The last stage of the process is the grinding of the clinker, which is done after it has gone through a seasoning process, necessary to eliminate all uncombined lime. The finished product is then delivered into packing bins by machinery. (Vol I, pp. 265–267.)

It will hereafter be observed in examining the reports of stocks on hand and production that there is as much attention given to clinker as to cement; and to understand the relevancy of the reports it is important to keep in mind the distinction between the clinker and cement. As said by Mr. Elliot: "Clinker is not subject to deterioration when exposed to the weather" (Vol. I, p. 145), while cement, the finished product, will rapidly deteriorate when exposed. Mr. Morron, president of the Atlas Company, said: "To a great extent clinker is nonperishable, while cement is perishable." (Vol. I, p. 338.) The final process of converting clinker into cement is quickly performed; and therefore in order to understand the exact condition of a competitor as to its stocks on hand and its ability to meet orders, it is probably more important that the amount of clinker be reported than the amount of cement, as the cement can not be kept in storage except for a limited period of time.

THE SALE OF CEMENT.

The cement manufacturers maintain sales forces, which consist of sales managers and a number of sales agents, and the cement is distributed both through dealers and directly to contractors. A very large per cent is sold to dealers, and is retailed by them in small lots. A considerable quantity is sold to contractors through dealers, and the remainder is sold directly to contractors, or to public utilities engaged in construction work. (Elliot, Vol. I, p. 145.) Mr. Morron testified with reference to the business of the Atlas Company, which is the largest manufacturer of cement in the world, that about 60 or 65% of its business goes to dealers who sell it out in wagon-load lots; that 25 to 30% passes through dealers to contractors, while the remainder is sold *directly* to large consumers. (Vol. I, p. 330.)

The cement used by contractors is bought either directly from the manufacturer, or through the dealer, on what is known as specific job contracts. This contract always contains the provision *that the cement sold is to be used only upon the job described.* This specific job contract is one of the very important features of this litigation. If the cement be obtained by the contractor through a dealer, the contract is made between the manufacturer and the dealer; and there seems to be a diversity of custom as to whether an agreement to the same effect is made between the dealer and the contractor.

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II

ORGANIZATIONS OF MANUFACTURERS OF CEMENT

THE PORTLAND CEMENT ASSOCIATION.

The Portland Cement Association is commonly known and will be hereinafter referred to as the National Association. In a letter of August 30, 1920, addressed by Mr. Kinney, General Manager, to Mr. Naylor, President of the Knickerbocker Portland Cement Company, it was stated that on September 11, 1902, the first meeting of Portland cement manufacturers was held at Sherry's in New York City, which meeting was the forerunner of many similar meetings that resulted in the formation of the Portland Cement Association; and a photographic copy of the call of the first meeting was inclosed for Mr. Naylor to frame and hang in his office, if he so desired. (Vol. II, p. 669.) That first call reads as follows:

> The undersigned, manufacturers of Portland Cement, recognizing the fact that the present methods of handling the subject of "sacks" are almost universally unsatisfactory, and believing that the question can be profitably discussed and a satisfactory plan evolved at a meeting of the representatives of the Eastern Mills, hereby pledge themselves to attend such a meeting to be held at such time and place as may be most convenient to a majority of those signing.

It was signed by twenty-two manufacturers, eleven of whom are defendants in this case. (Vol.

II, p. 668, side p. 1363½.) The offices of the association were in the Bellevue Court Building, Philadelphia, until 1916, when it was re-organized and its offices removed to the Conway Building, Chicago. (Vol. II, p. 668, side p. 1363.) The date of this reorganization and removal of the offices of the national association, to wit, 1916, should be kept in mind, as in that same year the defendant Cement Manufacturers Protective Association was organized.

The present secretary of the association, Mr. Kinney, was placed upon the witness stand by the Government; and by him it was proven that all of the defendant manufacturers are members of the national association except the Lawrence Cement Company, which was elected a member September 11, 1902, but resigned in 1911. (Vol. I, pp. 194–195.) He filed as exhibits three pamphlets, one published in 1915, another in 1916, and a third in 1919, which set forth the trade practices prepared and recommended by a committee of the National Association (p. 195). Mr. Kinney also stated that about the only reports made to the association at the present time are connected with the accident prevention and insurance work and with the conservation bureau; *but that the members had reported the amount of production and shipments of cement until shortly after the decision of this court in the Hardwood Lumber Case in January, 1922.* (Vol. I, p. 195.) On cross examination, without objection on the part of the Government, Mr. Kinney

testified very fully as to the activities of the National Association.

He said that the association has about 320 employees, with branch offices in twenty-three cities, and a membership including companies in South America, Mexico and Canada. One of its principal activities is the promotion and inspection of concrete roads. It advises highway officials, city engineers and others as to how best to construct roads. It maintains an extensive laboratory in Chicago, where it has developed the best uses of cement. It has a farm and cement products bureau devoted to the development of the uses of cement and concrete on farms. It has a structural bureau that works with architects and engineers in the development of new and better uses for cement. Its advertising department spends usually $200,000 a year. It also has an accident prevention department, which looks after the guarding of machinery in plants, etc. It has a conservation bureau in which a study is made of ways and means to avoid waste of heat in burning, waste of dust, etc., and at one time it had a uniform cost accounting bureau. It has about two hundred engineers engaged in field work. There were filed as exhibits to his evidence many leaflets or bulletins which treat of pratically every question touching the uses of cement. He said they had expended in laboratory research work since January 1, 1918, $218,819.65; in the last four years they had expended for advertising $544,425.14, and on the

highway bureau in the same time $154,459.09. In fact, the income of the association for the previous year was $1,750,000, the amount contributed by each member being 8 mills per barrel on the production of the second preceding year. (Vol. I, pp. 196–204.)

Mr. Kinney's testimony conclusively shows that practically every activity that can conceivably be of legitimate benefit to the industry was being engaged in by the so-called National Association at the very time the defendant Cement Manufacturers Protective Association was organized, and that its activities have continued down to the present time; and that, therefore, there was left no legitimate excuse for the organization of a subordinate association to promote the welfare of the industry and to protect those engaged therein.

ORGANIZATION OF SECTIONAL ASSOCIATIONS.

As will hereinafter appear, the defendant Cement Manufacturers Protective Association was organized in 1916, the same year the national association was re-organized and its offices moved to Chicago. From the allegations of the petition (Vol I, p. 6) and the admissions of the answer (p. 47) it appears that the following organizations or agencies were formed about the same time, and subsequently:

(1) The Mid-West Cement Credit & Statistical Bureau, with headquarters at Chicago, organized by the cement manufacturers in the middle

West in 1917, substantially along the lines of the defendant association.

(2) The Southern Audit & Statistical Bureau, with headquarters at Dallas, Texas, a name under which an individual carried on the business of collecting and exchanging information for the cement manufacturers in that section of the country.

(3) The Norcross Audit and Statistical Bureau, with headquarters at Kansas City, Missouri, being a bureau of the same character and conducted by the same individual as the Southern Audit and Statistical Bureau.

(4) The Southern Statistical Bureau, with headquarters at Atlanta, Georgia, organized in 1918, its activities being in substance, but not in form, more like those of the defendant Cement Manufacturers Protective Association.

None of these associations and bureaus has any connection with the so-called National Association. In other words, while the National Association is composed of nearly all the cement manufacturers in the United States (See Gov. Ex. 242, p. 664, side p. 1296, Vol. II), the manufacturers located in the several sections of the country have organized local associations for particular purposes which act independently of the National Association; but as to some matters, as will hereinafter appear, they adopt recommendations made by the National Association.

III

HISTORY OF EVENTS LEADING UP TO ORGANIZATION OF DEFENDANT CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

Acting independently of the National Association, the group of manufacturers located in the northeastern part of the United States and extending into Virginia have from time to time formed combinations and schemes clearly for the purpose of controlling the production and prices of cement produced in that section of the country.

Association of Licensed Cement Manufacturers

The first of these combinations was known as the Association of Licensed Cement Manufacturers. From the stipulation filed as Gov. Ex. 544, Vol. II, pp. 725–727, it appears that Hurry and Seaman, employees of the Atlas Company, obtained patent, No. 645031, on March 6, 1900, for the burning of powdered coal in the production of clinker, the use of coal being thereby substituted for oil, which it was claimed effected a saving in the cost of manufacture. The validity of this patent was contested; and after the case was argued and before the decision was handed down, a settlement was effected between the parties and other cement companies who were using substantially the same apparatus. Pursuant to this settlement, on November 23, 1906, the North American Portland Cement Company was incorporated, its capital stock being subscribed by

the Atlas, Lehigh, Alpha, American, Vulcanite and Lawrence companies, all of which are defendants herein, except the American Company. By contract of December 3, 1906, the Atlas Company granted to the North American Company an exclusive license with power to sublicense the use of the inventions covered by the Hurry and Seaman patent, retaining itself the right to manufacture. And at the same time the North American Company granted to the Lehigh, Alpha, American, Vulcanite and Lawrence companies licenses to use said inventions; and afterwards several other manufacturers were granted similar licenses. *On December 30, 1907,* the Association of Licensed Cement Manufacturers was formed, which was composed of the licensees of the North American Company. In the meantime, on April 16, 1907, the United States Circuit Court of Appeals handed down its opinions in the Rubber Tire Company case, 154 Fed. 358, and in the Case Threshing Machine Company case, 154 Fed. 365, which opinions had been communicated by counsel to the organizers of the association. Subsequently, said court of appeals rendered a decision of like character in the Goshen Rubber Works case, 166 Fed. 431. On January 13, 1909, a supplemental license was executed by all the companies except the Northampton Company, which had gone into bankruptcy, they being advised by counsel that the license was in exact accordance with the decisions of the Circuit Court of Appeals for the Seventh Circuit. *In January, 1911,* the Association of Licensed

Cement Manufacturers was dissolved; and in 1912 the Court of Appeals for the Seventh Circuit held that unless the broad claims of the Hurry and Seaman patent were limited to the particular means for burning coal they were void because too broad, and consequently that there was no infringement. (196 Fed. 385.) Copies of the license agreement and of the articles of association were filed as Gov. Exhibits 545–550. (Vol. II, pp. 727–776.) The agreement entered into on January 13, 1909, between the North American Company and the several licensees, the number of whom was sixteen, all but four of whom are defendants to this suit, clearly indicates the purpose of that organization. (Vol. II, pp. 756–776.) This agreement is quite lengthy, and covers every phase of the entire industry. Special attention is called to some of the provisions contained therein. It was provided that during the existence of the agreement each licensee should enjoy the non-exclusive right and license to manufacture under the inventions mentioned, subject to the terms, conditions and covenants expressed in its license, but only within the limitations specified and only in full compliance with the minimum prices set forth in Schedule A thereto annexed, and in compliance with all the terms and conditions of said schedule; and that:

> to insure the due observance thereof, each of the parties hereto hereby agrees that it will not, except as provided herein or in said Schedule "A," directly or indirectly sell, de-

liver, or otherwise dispose of or be interested in the sale, delivery or other disposition of any Portland Cement covered hereby, or offer to sell, deliver or otherwise dispose of any such cement otherwise than in full compliance with the terms and conditions of this Agreement and of said Schedule "A"; and will not, except as in said Schedule "A" expressly provided, allow to any consumer, dealer, or to any purchaser whatever, any commission, discount, rebate or reduction from any prices fixed in said Schedule "A" except in settlement with insolvent debtors for such cement previously sold and will not, directly or indirectly, grant or give any bonus or gratuity in connection with the sale or other disposition of such cement, except, however, that a prospective purchaser requesting a sample for test may be given a sample not exceeding one barrel. (Vol. II, p. 758.)

It was also provided that the licensor might by written notice to each party reduce the minimum prices generally for any one or more delivery points or sections set forth in Schedule A; that the licensor might upon unanimous vote of all the members of its Board of Directors (the directors being appointed by the six manufacturers mentioned in the certificate of incorporation, to wit, the Atlas, Lehigh, Alpha, American, Vulcanite and Lawrence companies) present at the meeting of the Board, change or add to any of the prices, terms and provisions of Schedule A; that if a licensee should be

held by the ARBITRATOR, elected by the Board of Managers of the Association of Licensed Cement Manufacturers, to have violated any of the limitations, terms and conditions and covenants of the agreement or to have done any act or thing in violation thereof, then *such licensee should forthwith pay* to the licensor as liquidated *damages* and not as a penalty, a sum amounting to not less than five cents per barrel, and not exceeding fifty cents per barrel on the entire amount of Portland cement sold or otherwise disposed of by such licensee in violation of any such limitations, terms, conditions and covenants of the agreement or of Schedule A, and that such damages should be paid " *in case of quotations or offers to sell* as well as in cases of actual sales of Portland cement in violation of any such limitations, terms, conditions or covenants," *but that the damages should not exceed for any one calendar year a sum equal to ten times the amount of the total original deposit of the licensee* as specified in the agreement; and stringent provisions were inserted to enforce the collection of the damages adjudged. It was further required that the licensee should report its production *under oath,* and that all the transactions of the licensee relating to business covered by the agreement was subject to investigation and audit. The country was also divided into Territory A and Territory B. Territory A embraced the New England States, New Jersey, Delaware, District of Columbia, North Carolina, and South Carolina, and all portions of

New York, Pennsylvania, Maryland, Virginia (excluding West Virginia), lying east of a line particularly described: and the provisions of the license applied only to Territory A, unless it should be thereafter extended upon notice. Strict requirements were made with reference to prices, discounts, terms of payment, branch offices, sales agents, purchase of bags, statements of outstanding quotations and contracts, lists of delivery points, and minimum prices; and *in fact there was no subject, however small, which was not fully covered by said schedule.*

It is perfectly manifest that the Hurry and Seaman patent was used as a mere cloak to conceal the real purpose and intent of the parties to the agreement. The principles of the cases decided by the Court of Appeals of the Seventh Circuit, which it was claimed justified the formation of the License Association, have long since been repudiated by this court. But in fact, it can not be in good faith pretended that those decisions gave any justification whatever for the combination and agreement entered into by those manufacturers of cement. The Hurry and Seaman patent only applied to the use of a fuel in the reduction of the raw material to clinker. After it was made into clinker there remained another grinding process by which the material was converted into the finished product. There was no pretense that there was a patent even upon this ultimate process; and of course there was no claim that any invention or improvement was em-

bodied in the finished product. And it is inconceivable that the members of that organization and its attorneys could have believed that such a claim of patent could give any legtimate excuse for an agreement whereby the price of cement and all the practices relating to its sale could be fixed and regulated. It might as well be claimed that all the manufacturers of brick who happen to use some patented device in some process of their manufacture could form a combination fixing the price of brick, or that the millers of the country who happen to be using some patented machine in grinding wheat could fix the price of flour.

While that agreement was discarded and the association dissolved a number of years ago, yet the District Court held that its existence and acts were competent as evidence tending to show the purposes for which the defendants entered into the present Association.

PERIOD FROM JANUARY, 1911, to SEPTEMBER, 1912

So far as the Government has been able to ascertain, the corporate defendants did not belong to any local or sectional organization during the period from January, 1911, to September, 1912. Early in September, 1912, Mr. Morron, the president of the Atlas Company, invited a number of officials of competing companies in the East to have dinner with him at the Knickerbocker Hotel in New York

City on September 26. The invitation to that dinner read in part as follows:

> For some time I have hoped for an opportunity to become better acquainted with the men who are interested in the welfare of the cement industry in the East, and I hope no previous engagement will prevent me having the pleasure of seeing you on the date above mentioned. (Vol. II, p. 777.)

The dinner at the Knickerbocker Hotel was attended by thirty or forty cement manufacturers. (Vol I, p. 337.) The record does not show what transpired at that dinner; but six weeks later, on November 7, 1912, representatives of seventeen of the corporate defendants in this case assembled at the Hotel Astor in New York City for the purpose of deciding on the advisability of forming an association of cement manufacturers having mills located in the East. (Vol. II, p. 778.)

EASTERN CEMENT ASSOCIATION.

The Eastern Cement Association was launched at a meeting of cement manufacturers held at the Hotel Astor in New York City on November 7, 1912. Among others who attended this meeting were representatives of the following defendant corporations:

1. Allentown Portland Cement Company.
2. Alpha Portland Cement Company.
3. Atlas Portland Cement Company.
4. Bath Portland Cement Company.

5. Coplay Cement Manufacturing Company.
6. Dexter Portland Cement Company.
7. Edison Portland Cement Company.
8. Glens Falls Portland Cement Company.
9. Knickerbocker Portland Cement Company.
10. Lawrence Portland Cement Company.
11. Lehigh Portland Cement Company.
12. Nazareth Cement Company.
13. Penn-Allen Cement Company.
14. Pennsylvania Cement Company.
15. Phoenix Portland Cement Company.
16. Security Cement & Lime Company.
17. Vulcanite Portland Cement Company. (Vol. II, pp. 778–9.)

The minutes show that the call for this meeting was sent out by the chairman of a committee which had been appointed to determine the advisability of forming such an association (Vol. II, p. 778); and that a plan, constitution, and by-laws were prepared and ready to be adopted, and were unanimously adopted. (Vol. II, p. 779.)

The record does not show when, where, and by whom this committee was appointed, or when, where, and by whom the plan, constitution, and by-laws were formulated. In view of the fact that the president of the Atlas Company brought the manufacturers of cement in the East together at a dinner on September 26, and that he attended the organization meeting of the Association and was

elected president thereof, it may fairly be inferred that the Association had its inception at the Knickerbocker dinner.

The minutes of the meeting held on November 7, 1912, recite:

> After some discussion the Executive Committee decided that the representation at meetings of the Eastern Cement Association should be confined to Executive Officers only of the Companies who are members of the Association. (Vol. II, p. 780.)

The minutes of the meeting of December 3, 1912, recite:

> Mr. Cox of counsel was also present. Mr. Arthur J. Eddy was present by invitation and explained to members of the Committee the operation of the " Eddy Plan " and answered all questions put to him by members of the Committee and Mr. Cox on same.
>
> It was decided to advise the members of the Association that the question of the adop- of the Eddy plan, or one similar thereto, was being considered by the Executive Committee and would be taken up further. (Vol. II, p. 781.)

The minutes of the meeting of December 27, 1912, show that:

> Mr. Cox of counsel stated that he thought that there was some legal objection to the Eddy Plan in its entirety and some serious objections from a legal point of view to the present Constitution and By-Laws of the Association. He was requested to draw up a

Constitution and By-Laws and a Reporting Plan, eliminating these objections, for submission to the next meeting of the Association. (Vol. II, p. 782.)

At a meeting held January 7, 1913, a proposed form of constitution and by-laws was submitted and adopted. The following excerpts are the only portions that are of sufficient materiality to quote:

Article III. . . . .

(h) To obtain and make available accurate and complete statistical information concerning the manufacture and sale of cement, *including correct statistics regarding the capacities and outputs of all plants* engaged in the manufacture of cement, together with *periodical reports regarding outputs, shipments, orders and prices,* and accurate information concerning labor conditions, material markets, supply markets, and all conditions affecting the industry generally, to the end that each member may have in the most accurate and complete form possible all the data desirable for the most intelligent and efficient conduct of his business. . . . (Vol. II, p. 786.)

Article VII.

No member of the Association shall enter into any arrangement, agreement or understanding of any nature or kind whatsoever the object of which is to restrain trade, limit competition, or accomplish any purpose contrary to the spirit or letter of the law or contrary to the objects of the Association as set forth in this Constitution. (Vol. II, p. 788.)

While this Eastern Association was in existence the Amsterdam Building Company of New York City sought bids on 10,000 barrels of cement required in the construction of the Samaritan Hospital at Troy, N. Y. Eight members of the Eastern Association submitted bids, and every bid was $1.64, f. o. b. Troy, N. Y., with 1 cent per barrel discount for payment in 10 days, 30 days net, and 10 cents for each sack returned. Of the eight companies bidding, seven are defendants in this case, namely, the Alpha, Edison, Glens Falls, Knickerbocker, Lehigh, Pennsylvania, and Vulcanite. (Vol. II, pp. 812–821.)

On January 9, 1913, Mr. Mallory, president of the Edison Company, who was also chairman of the Committee on Statistics of the Eastern Association, transmitted to Mr. Morron, president of the Atlas Company, who was also president of the Eastern Association, a copy of a report by the Committee on Statistics, and added to the letter the following postscript:

> I have sent a duplicate of the above letter to every member of our Association and *also to the companies who are not members* as I believe it is desirable to have them all thoroughly understand the *danger of overproducing in the winter months.* (Vol. II, p. 707.)

On January 30, 1913, Mr. Mallory wrote Mr. Morron suggesting that certain statistics desired be procured from the Portland Cement Association.

(Vol. II, pp. 707–8.) This indicates that the Eastern Association was duplicating some of the work done by the National Association. In this same letter reference was also made to the desirability of forwarding to the executive officer of each of the members a typewritten sheet showing the production, shipments, and stock on hand of each individual company.

The Eastern Association was formally dissolved *on the advice of counsel* on March 4, 1913. (Vol. II, pp. 795, 797.) However, there is reason to question the good faith of the dissolution because on the following day Mr. Mallory, president of the Edison Company, who had been chairman of the Committee on Statistics of the Eastern Association, wrote his sales manager as follows:

> Because of a recent decision of the Court of Appeals in the State of New York, and the recent Wilson bills, passed by the State of New Jersey, it has been deemed wise to discontinue the Eastern Cement Association—not because it is illegal but to avoid the possibility of our action being misinterpreted. *We will make no changes in our trade practice or prices.* (Vol. II, p. 812.)

On March 20, 1913, less than three weeks after the alleged dissolution of the Eastern Association, the sales manager of the Edison Company wrote the president of his company that the Lehigh Com-

pany had quoted a contractor at Tuckahoe, N. Y., $1.67 per barrel, saying:

> This price is 1¢ under the dealers' price and 6¢ under the *book* price to contractors. *Can you not get the Lehigh to withdraw this quotation or permit us to meet it?* (Vol. II, p. 812.)

Back in the days of the Licensees Association, which was abandoned in January, 1911, there was a price book which showed the price to dealers and contractors at any given point of delivery, and this reference to a book price indicates that the manufacturers of Portland cement were still using some kind of a price book.

CONDITIONS IN THE TRADE BETWEEN DISSOLUTION OF EASTERN CEMENT ASSOCIATION ON MARCH 4, 1913, AND ORGANIZATION OF CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION ON JANUARY 6, 1916.

The evidence shows conclusively that following the dissolution of the combination of licensees of the North American Company, in parts of 1914 and 1915, competition assumed the proportions of a price-cutting war. Mr. Elliot, who was in 1914 and 1915 with the Alpha Company, but now is vice-president in charge of the sales of the Whitehall Cement Manufacturing Company, testified that prices went very low in 1914 and 1915. He thinks the price was the lowest at which cement had ever been sold. He sold cement as low as 60c at the mill.

(Vol. I, p. 152.) Mr. Whipple, who at that time was salesman for the Atlas Company, said that in 1914 and 1915, there was more competition than at any other time during the five years from 1910 to 1915; that the general trend was downward from perhaps the fall of 1914 until the late spring of 1915; that the lowest point quoted was 58c a barrel at the Lehigh Valley base; but that it advanced considerably the latter part of the summer and in the early fall of 1915. (Vol. I, p. 169.)

Luther Keller, a dealer who resided in Scranton, Pensylvania, gave the price at Scranton, beginning with the month of April, 1915, when it was at its lowest point, as $1.25. In May it increased to $1.35; in June to $1.45; in August to $1.55; in October to $1.65; and in December to $1.70, where it remained until July, 1916. (Vol. I, p. 173.) Mr. Gilbert, a dealer, and Mr. Oakley, a builder, also remembered the cutting of prices in 1914 and 1915. (Vol. I, pp. 185, 222.) Mr. Morron, president of the Atlas Company, described the price war in some detail. He said it began in 1914. At that time the mill price was 90¢ a barrel. His company did not lead in putting the price down, nor in putting it up. The price went as low as 60¢, but Atlas did not go below 65¢ except in rare instances. He always thought that the attack was principally by the Lehigh Company on the Atlas Company for the purpose of taking away its dealers, which is probably the most valuable asset a manufacturer has. He doesn't think that they looked upon the Atlas Company as

being in particularly strong financial shape; and they commenced to drop the price and kept it going at 5 or 10¢ a time until everybody was losing money. The Atlas met it until it got down to 65¢, when it notified its salesmen to go to the trade and explain the situation, and give them to understand that the Atlas would not sell below that price no matter what the other fellows did; and they got a good deal of business at 65¢ while the other fellows were taking business at 60¢. The price began to rise in May, 1915. The average price realized by the Atlas for the year was 72¢. (Vol. I, pp. 332–333.)

But during the entire period from March 4, 1913, to January 6, 1916, when the defendant association was organized, there were communications passing, and some kind of tacit understanding existed between some of the manufacturers, probably nearly all of them; and there was also from time to time an effort, especially upon the part of Mr. Morron, to bring about another organization. This is clearly shown by the following correspondence:

On July 22, 1913, Mr. Morron, of the Atlas Company, wrote to the president of the Whitehall Portland Cement Company (not a defendant in this case) thanking him for certain statistics, and observing that the ratio of shipments to production—

> is just about right, and the percentage of operation as related to maximum was very well attended to in each instance. (Vol. II, p. 708.)

In a speech delivered in December, 1913, at the annual dinner of the Cement Manufacturers, Mr. Morron said:

> Good judgment in regard to output will be far more substantial than even the best distributing advantage and force which any company may have. In an industry which has shown a continued increase from its inception in this country, where amounts shipped each year for 10 years has been greater than the preceding year, and where new usages are going to increase the demand, in spite of general present conditions, *it would behoove each one of us, and not just some of us, to be cautious in not manufacturing and carrying in stock the capacity of a mill but to curtail according to what each may think is a normal condition, and realizing that should he continue to violate the 11th commandment he will force others into the same position.* (Vol. II, p. 709.)

When called upon to explain the Eleventh Commandment, Mr. Morron said it was "Don't be a hog." (Vol. I, p. 337.) In other words, "Don't overproduce."

On February 16, 1914, Mr. Morron wrote Mr. Hagar, president of the Universal Company (not a defendant in this case), stating among other things:

> Your stock on hand February 1st was less than it was on January 1st and it brought to my mind that *perhaps the difference might be in clinker unreported.* Am I right? (Vol. II, p. 710.)

In a letter dated April 9, 1914, Mr. Morron transmitted to Mr. Hagar the Atlas production figures for March, 1914, observing:

> You will notice that we are way below our March of last year, too. (Vol. II, p. 710.)

On May 14, 1914, Mr. Morron again wrote Mr. Hagar saying:

> Enclosed find our figures for April. (Vol. II, p. 710.)

On March 5, 1915, Mr. Morron wrote Mr. Affleck, who then appears to have been president of the Universal Company, in part as follows:

> I am very glad to have your letter of the 3rd and return you our figures for the month of February *and write particularly to congratulate you upon the curtailment of your output of both clinker and finished product.* It is the science of merchandising to do this and it will win in the end just as sure as night follows day. (Vol. II, p. 711.)

It is especially significant that two of the largest manufacturers of Portland cement in the world should be curtailing their output in February, on the threshold of the open season for cement. At the very time they should have been filling their bins with cement to meet the prospective summer demand they were curtailing production and congratulating themselves for doing so. Attention is also invited to the distinction drawn between clinker and the finished product.

In July, 1915, an effort was under way to bring together representatives of five or six of the larger cement manufacturing companies. On July 12, 1912, Mr. Morron addressed a letter to Mr. Gowen, a vice president of the Lehigh Company at Chicago, which reads as follows:

> On my return this morning I find your telegram of the 9th and have just wired you that if convenient to you, I should prefer Thursday, July 22, to see the gentlemen whom you mention. I would like very much to have all of you lunch with me at one o'clock if you will on the day that you are here. *I have no doubt at all that the topic which you want to discuss is one that we have a perfect right to discuss,* and I know you feel as I do that if five or six important cement companies get together for a meeting, that it is very often misconstrued. I know this to be so because of the fact that when the United States was looking into the cement situation as applied to previous years, that one of the questions asked me over and over again was, had I been in conference with my competitors. I told them I had, if there had been any conference, and then always told them exactly what was discussed, so that we must be sure that with such a meeting as you suggest, we only discuss the things that can be reported. Please pardon my making this suggestion, as I feel that it already echoes your own ideas, but there are so many people eager to misrepresent conditions that I wanted to go on record as to just how we felt.

> I hope you will be able to accept my luncheon invitation, which will be a pleasure to me, and, if so, will you extend the invitation to the other gentlemen. (Vol. II, p. 998.)

With the recollection of an investigation of the cement industry by the Government fresh in his mind, the president of the Atlas Company realized the importance of making a record for use in the future should the Government again investigate the subject.

Mr. Gowen's reply to the above letter reads as follows:

> I have before me your letter of July 12th and will be more than delighted to take lunch with you at one on Thursday, July 22. The matter we are particularly anxious to talk over is one which is close to your heart I know, viz., pertaining to the furtherance of the Association and the people I was anxious to have there are Mr. Young, Mr. Brown, Mr. Affleck, you and myself. I talked to Mr. Affleck over the telephone this morning, and he stated that one o'clock would be agreeable to him, and if you will let us know the place where we are to meet for lunch, I will arrange to be there at the time you mention. (Vol. III, p. 1122.)

Mr. Morron claimed in his testimony that after looking it up he was satisfied that the topic referred to was the change of the manager of the National Association. (Vol. 1, p. 328.) But the character of the correspondence, especially the wary tone of Mr.

Morron's letter, is striking. Why not mention such an innocent purpose outright? Why should they feel that the meeting of five or six manufacturers of cement was such a suspicious incident when the National Association was functioning continually?

Neither of these letters contains any reference to the change of an officer or employee of the National Association; and two other letters exchanged between the same parties prior to the luncheon on July 22 contained no reference to such subject.

Anyway, representatives of the Atlas, Lehigh, and Alpha Companies, the three largest cement manufacturing companies in the United States, met together on July 22, 1915, and had an opportunity to discuss any subject in which they were mutually interested.

An important circumstance is that this correspondence was had and the meeting was held during the time of the fierce trade war. And Mr. Morron attributes the war *to an attack by the Lehigh Company upon the Atlas.* (Vol. I, p. 332.) Yet they are found sitting at the same table with the most friendly relationship existing between them.

In October, 1915, a few months prior to the organization of the Protective Association, Mr. Coogan, a vice president of the Alpha Company, addressed the following letter to Mr. Beach, president of the Pennsylvania Company:

> As you are aware, the undersigned, in connection with Mr. Mallory, *has been appointed to gather, tabulate, and disseminate certain*

statistical information with regard to the production, shipments, and stocks of cement AND CLINKER, and also information regarding contract obligations extending beyond January 1, 1916. We are anxious to have, just as early as possible, a statement of your contract obligations extending beyond January 1st.

In order to enable us to have this information properly tabulated, we would appreciate it very much if you would kindly make up a list of your contracts, giving the information with regard to same as shown on the attached form. These contracts will then be tabulated and lists of same distributed some time during the early part of November.

I trust you will let us have this information promptly so that we will be in a position to have this work completely finished up by November 6th.

Please note we would like the information with regard to contracts, whether such contracts are made direct with the contractors, consumers, or dealers.

It will not be necessary at this time to furnish us with any information in regard to contracts which expire on or before December 31st, 1915. (Vol. II, p. 999.)

This letter indicates that preparations were being made to launch the Protective Association, and that *it was desirable to know how much stock and how many orders each company would have on hand as of January 1, 1916,* to be used probably as a basis for representation or for the assessment of dues.

In November, 1915, Mr. Horner of the Nazareth Company wrote Mr. Morron concerning current reports that the Nazareth Company had largely increased its capacity by adding two kilns, stating that—

> This seems so unfair I wish you to know the true conditions. (Vol. II, p. 715.)

Why should an official of the Nazareth Company consider it important that the president of the Atlas Company know the truth about the operations of his company unless there was some understanding between them? However, the report afforded Mr. Morron another opportunity to expound his views on the subject of production, viz.:

> Thanks for yours of the 15th. I never pay any attention to rumors. Am glad you are not to operate the extra two kilns because if your company is run as ours we find it much sounder to regulate manufacturing in relation to our demand. There always has been a great temptation to run mills full, and I do not believe it is to the interest of public policy to do it.
>
> We must not, of course, any of us, do anything that is without the spirit of the law, but good business sense is a thing each company should take into consideration. It is their duty to do it. As far as I am concerned, I expect to continue in this business, as I always have, in trying to regulate supply and demand as far as this individual company is concerned. (Vol. II, p. 715.)

On November 9 and 10, 1915, the president of the Lehigh Company entertained a number of gentlemen engaged in the cement industry at his estate near Allentown, Pennsylvania, in order that they might see some of the beauties of nature around Allentown. (Vol. II, p. 713.)

On November 4, 1915, a number of cement manufacturers held a meeting at the Machinery Club in New York. The minutes of this meeting show that lists of outstanding contracts as sent to each member by the secretary were discussed. (Vol. II, p. 716.) Therefore, the functions of an association were being performed whether the participating parties were organized or not. When this meeting adjourned, those present were invited to attend a further meeting at the Union League Club in Philadelphia, on November 18, 1915. The record does not show the nature of the business transacted at this meeting.

On November 19, 1915, a number of cement manufacturers held a meeting at the Hotel Raleigh in Washington, D. C. The exceedingly brief minutes of that meeting show that certain misunderstandings between mills in the South and mills in Maryland and the Lehigh Valley district were discussed. It was then decided that there should be frequent meetings for the dissemination of information regarding Trade Practices, and that the next meeting would be held in New York on December 14, 1915. (Vol. II, pp. 716–717.) The record does not show whether that meeting was actually held or not.

In November, 1915, Mr. Morron wrote from St. Louis to Mr. MacFarland, one of his assistants, in part as follows:

> The main reason for my writing you this letter is because, in a talk which Mr. McConnell had with me yesterday afternoon, he related having been shown a memorandum of what he called some meeting held in Washington, of the southern manufacturers of cement and some others, as I recall it, in which your name appears, and Mr. McConnell stated to me that the record of that meeting as it had been shown to him was one that he felt sure I would not approve of, and that brought up to my mind a condition on which I have spoken to you a great many times and which I feel sure you fully appreciate, but I want to emphasize it again.
>
> The Atlas Company wants to do anything it can legitimately to improve trade ethics. We have made changes in our terms to five cents a barrel so as to make it an inducement for dealers to handle cement as against other building materials. We are willing to do anything that is within the spirit of the law to straighten out bad customs, but the Atlas Company will not and must not take part in any conference which might be misinterpreted.
>
> I know you feel just as I do on this, but it is a good deal like an automobile; it is not what you do yourself when you drive, but you have got to be on the lookout for what the other fellow does, and while you might not

have any intention of entering into any conference that would touch upon any matters other than those which we believe in, still if you take four, five, six, or a dozen men and put them together, somebody is liable to misinterpret it, and the Atlas Company is so staunch in its policy that I feel it necessary to write you this letter again so that you may be guided thereby.

Now, do not misunderstand me; I do not think you have done a thing you should not have done, but in the enthusiasm of some of these other fellows, you can not tell what they will report, and I do not want you to take part in any conferences of any kind that are not strictly in accord with our policy.

Furthermore, it seems to me that it would be the safest thing, even when you are talking over these ethics which we have a right to discuss, as I understand it, that you should have Mr. Cox or some lawyer there to take down the record of the meeting, so that there can be no misunderstanding, or that no one, after it is all over, can say that you were trying to do something which you really did not intend to do.

At the time of the investigation, about a year ago, of our company and others in the industry, I was perfectly frank in showing them everything and telling them the exact conditions, and the only danger that we are in at any time was what some other fellow said we were trying to do, not what we were really trying to do, and the strength of our

> position was that I had a record of our intentions, and we were not depending upon somebody else's memory as to what was done.
>
> This must have your very careful attention and you must handle the matter on those lines always and without exception. (Vol. II, p. 717.)

This letter indicates the ever present desire on the part of the president of the Atlas Company to make a record for the inspection of representatives of the Government who might be investigating the industry, and one that might be used as evidence in its behalf in case an action should be brought by the Government. This is a legitimate inference because one who knows he is walking on solid ground does not stop to warn a companion against quicksand. And if the president of the Atlas Company was so fully cognizant of the danger of the interpretation which might be put upon meetings between men in the cement industry, and that the action of one man might involve all the others in difficulties, why should he allow his company to continue to participate in meetings?

Upon receipt of the foregoing letter, Mr. Morron's assistant proceeded to prepare for the files of the Atlas Company a memorandum, dated December 1, 1915, which reads in part as follows:

> At an informal meeting of various eastern manufacturers at the Railroad Club held November 30th, I made the statement that from two recent letters I had received, I felt there might be a misapprehension as to the

> exact position of the Atlas Company in connection with the handling of its business, and therefore wanted to state that we were always glad to furnish and receive statistical information of past performances and that we would be willing to do anything that was within the spirit as well as the letter of the law to correct bad customs, but that we would under no circumstances be a party to any arrangement that might be construed as having at any time a price understanding or agreement * * *. (Vol. II, p. 718.)

Further evidence of the precaution taken by representatives of the Atlas Company is contained in a letter dated November 30, 1915, addressed to the Bath Company:

> I am at a loss to understand why this information is conveyed to me, as there might be construed the thought that there is some understanding between us, and perhaps you are under a misapprehension as to the exact position of this Company with reference to its Sales Policy, and that there may be no misunderstanding, we want to state that we are not interested in the details of your Company's sales any more or differently than we are interested in the sales of all or any one of our competitors.
>
> We are, of course, always glad to know, as nearly as possible, the trade practices pursued by our competitors and their volume of sales and other statistics of past performances, but we will not under any circumstances countenance or approve of any

> method that in the remotest degree savors of any understanding or agreement, such as your letter may be construed to assume. (Vol. III, p. 1109.)

In December, 1915, the president of the Atlas Company held a telephone conversation with the president of the Edison Company, and a memorandum of that conversation was placed in the files of the Atlas Company. This memorandum reads as follows:

> President Morron stated to Mr. Mallory that *it was his understanding that the statistics compiled by Mr. Mallory showed the production in past years of the various plants*, and *that wherever he showed a minus sign it would indicate that the Atlas Company's average production for this year was less than its average production for the three years;* and *that wherever he showed a plus sign, it would indicate that the Atlas Company's shipments averaged greater than the average for the three years.* This information is valuable, as by these plus and minus statements he was able to determine Atlas volume of business. President Morron stated to Mr. Mallory that he felt that *at the recent conferences* some of those attending misinterpreted the object of the compilation of these statistics and have inferred that they were dealing with the price of cement, and that he had written Mr. MacFarland to that effect, instructing that he should not be a party to any further conference, *because some of those attending such conferences*

> *seemed to be impressed with and to convey the idea that they related to prices,* which was not to be considered for a moment, and therefore we would not be a party to or take part in any way in any further conferences, nor would we be represented at any time or place with anyone except a chaperon be present, meaning an attorney. (Vol. II, p. 719.)

Here is a clear admission that they *were holding conferences, and that some of the manufacturers understood that those conferences related to prices.* Yet within two or three weeks after this memorandum was planted in its files, the Atlas Company assisted in the organization of the Cement Manufacturers' Protective Association.

That those conferences did relate to prices, and that the Atlas Company knew of that fact, and was a party to the tacit understanding is shown by a memorandum taken from the files of that company relating to the opening of bids submitted to the city of Worcester, Massachusetts, on July 15, 1916. This memorandum contained the following statement:

> You will note that the only two manufacturers who bid direct *maintained the proper price.* (Vol. II, p. 719.)

In January, 1916, shortly after the organization of the Protective Association, Mr. Mallory, president of the Edison Company, wrote Mr. Morron, president of the Atlas Company, as follows:

> At the meeting of January 14th of the Cement Manufacturers Protective Associa-

> tion it was decided that statistics relative to the production, shipments, and stock on hand should hereafter be sent direct to the Secretary and compiled by him; and in accordance with this action *the December sheet* which is already in your hands will be the last sheet that I expect to compile. You will remember that at the time of the Association meeting at Baltimore I spoke to you, and you in turn took the matter up with Mr. Young, as to the matter of checking the statistics, and since that time I have personally expended $135.65, covering the salary and expenses of the men doing the checking, also the printing and mailing of the sheets themselves, together with trips which it was necessary for me to make to the Tidewater, Whitehall, and Knickerbocker offices to obtain the statistics. (Vol. II, pp. 720–721.)

This letter shows conclusively that shortly *before* the organization of the Protective Association the manufacturers of cement in this section of the United States were collecting and exchanging statistical data.

The conduct of the officers of the Atlas Company in planting in its files correspondence and memoranda, and the testimony of Miss Mary K. Kavanagh correspond exactly, and each corroborates the other. Miss Kavanagh testified:

That she was employed by the Atlas Company November 4, 1904, and remained with them until April 16, 1920. She was first a stenographer in the Transportation Department for about eight months.

She then worked for Mr. Miner, comptroller of the company, the president's right hand man. She remained with Mr. Miner until 1911, when she began work for Mr. Holman, who was assistant to the president. She worked for Mr. Holman until 1920, but during his absence because of ill health she worked some for Mr. Burch and also steadily for Mr. MacFarland, who assumed the duties of Mr. Holman in his absence. Her office was between the offices of Mr. Morron and Mr. Holman. (Vol. I, p. 205.) She said that before the period of the world war the Atlas Company was visited from time to time by other cement manufacturers; that they would come in one by one and stay from ten minutes to half an hour, very seldom more than an hour; that they would go into Mr. Holman's room; that their visits would occur at least once a month, but all of them would not come each month. Those who came were Mr. Young and Mr. Swett of Lehigh; Mr. Coogan and Mr. Brown of Alpha; Mr. Mallory of Edison; Mr. Hilles of Dexter; Mr. Moyer and Mr. Lober of Vulcanite; Mr. Griffith of Giant; Mr. Smith of Lawrence; and Mr. Loeb of Coplay. *She removed certain correspondence out of the files and put it in a folder and gave it to Mr. Holman. That was just before the Government started an investigation. Mr. Holman said that they had a suspicion that the Government was going to make an investigation, and that she was to go through the files of the office and take out anything which she thought was of a damaging nature (Vol. I, p. 212), as she*

naturally knew what was damaging. She put it in a folder and put it on the center table in Mr. Holman's room. He took it out and went into Mr. Miner's room and she never saw it after that. Shortly afterwards the Government inspectors came, and she showed them where the files were, and they went through the files. With reference to when this occurred, on examination in chief, she said:

> I think it was just before the war started, about 1913 or 1914. I think it was 1914, although I am not sure. (Vol. I, p. 207.)

She afterwards said in speaking of the World War that she meant after the United States got into the war on April 6, 1917. (Vol. I, p. 208.) On cross examination she stated that she gave those papers to Mr. Holman before the Government inspector arrived. As to the length of time, she said it certainly wasn't a week before. (Vol. I, p. 212.) And after being pressed as to dates because Mr. Holman was absent a great part of the time on account of his health she said:

> I may have been mistaken about the year, but Mr. Holham did it personally. He was in the room. I can see him just now if I close my eyes. I remember him telling me to take out those papers. I remember putting the papers on his desk, and I can see him walking out of that room with the papers under his arm, going into Mr. Miner. I can see the whole thing. I have a very vivid recollection of things that are not honest. (Vol. I, pp. 213–214.)

And again speaking of dates she says:

> I am not sure of my dates; I am sure of my facts, but not my dates. (Vol. I, p. 214.)

From a wire from DeWoody, one of the Government's agents who investigated the cement companies, to Mr. Bacon, then secretary of the National Association, and Mr. Bacon's answer (Vol. II, pp. 667–8) it appears that one investigation by the Government was in progress in December 1917; but it also appears that there had been a previous investigation in 1914. (Morron's letter to MacFarland, Vol. II, p. 718.) The removal of this correspondence shows why the information was so meager with reference to the situation existing prior to the organization of the defendant Cement Manufacturers Protective Association; and the frequency of the investigations by the Government indicates why Mr. Morron was so anxious to have the proper kind of correspondence and memoranda in his files.

IV

CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION

On January 6, 1916, the Cement Manufacturers Protective Association was organized. At that meeting a plan, constitution, and by-laws were ready to be adopted and were adopted, all necessary arrangements having previously been made for the Association to begin functioning immediately. The lack of information showing where and by whom the

preliminary work incident to the launching of this Protective Association was done was commented upon by the vice president of the Association at a meeting held in November, 1920, when he announced that he was trying to compile a history of the organization of the Association, and called attention to the fact that "the minutes of the organization meeting start right out without leading up to the organization of this association." (Vol. I, p. 613.)

Manifestly much preliminary work had been done which involved conferences, correspondence or phone calls, and quite a lot of stenographic work. Here again Miss Kavanagh and the circumstances shown are strikingly corroborative. With reference to the organization of the association and the papers relating thereto she testified:

That she remembered about the organization of the Cement Manufacturers Association. The Atlas Company had a great deal of correspondence in regard to it which was dictated by Mr. Holman. This correspondence extended over a period of several months, surely three or four. All the correspondence which related to the formation of the association she either sent to a certain one of the attorneys of the Atlas Company or he came after it, and that firm has the entire file relating to that matter. She doesn't remember when it was taken, but she put a slip of paper in the file which had the attorney's name written on it. (Vol. I, pp. 205–6.)

An attempt was made to discredit Miss Kavanagh on cross examination mainly by showing that

Mr. Holman was absent from his office a part of the time because of sickness, and could not have been present at the times mentioned by the witness. When the trial was had Mr. Holman was in Phoenix, Arizona; and he sent to Mr. Morron a telegram which the Government permitted to be introduced as a sworn statement. The telegram reads as follows:

> First went to Loomis, December Nineteen Fourteen returned to New York November Nineteen Fifteen and left in one week for Arizona, returned to New York, April Nineteen Seventeen was there until August, Nineteen Nineteen then Saranac, was there three months then left for Arizona, returning New York, May, Nineteen Twenty One. (Vol. II, p. 1088.)

Clearly there is no inconsistency between the facts stated in this telegram and Miss Kavanagh's testimony. Holman was in his office in New York until December, 1914, and one week in November, 1915, and from April, 1917, until August, 1919. Therefore the papers which Miss Kavanagh took from the files because of their damaging nature could have been delivered to Mr. Holman immediately before the Government's investigation of 1914, or in or after April, 1917, as that investigation was being conducted in December of that year. And he could have dictated some of the correspondence relating to the organization of the association while in New York during November, 1915, which

was one month before the organization meeting was held. As a perusal of the minutes of the association will show, when present, and he was often there, he was the dominant figure among them. Absolute accuracy upon the part of the witness as to every detail can not be expected after five or six years had intervened, as there was no special reason to charge her memory with details. *Furthermore, no contradictory evidence was introduced with reference to either the stripping of the files of damaging documents and delivering them to Mr. Holman or to the delivery to counsel for the Atlas Company of the papers relating to the organization of the Association.*

The work was therefore done where one would expect to find it, *right in the office of the Atlas Company.*

The organization meeting was attended by representatives of 14 of the 19 corporations which are defendants in this case. The purpose of the meeting was stated by the chairman Mr. Lober, of the Vulcanite Company, as follows:

> We all understand what we are here for. I was requested to call you here to consider the plan, *copies of which have been sent to you;* and the idea was to have you go over it carefully and I presume you have done that. . . .
>
> Of course you understand *that the idea of this thing is cooperation and I think it is not necessary to say any more on that point. We all agree that the necessity of coopera-*

tion is acknowledged by everybody in the industry. The only question now we have to determine is how we can best make use of cooperation. . . . (Vol. I, p. 401.)

After some discussion the plan, constitution and by-laws were adopted by a unanimous vote. (Vol. I, p. 405.) The following are the parts of the plan, revised to January 1, 1921, which are of particular interest:

Outline of Plan

The reasons stated as a justification of the organization are as follows:

> Conspicuous among the evils from which every manufacturer of Portland Cement has long suffered have been certain notorious abuses arising from what amounts to fraudulent misrepresentation. The most common and flagrant instances are those which have to do with misrepresentation concerning contracts (known as "specific job contracts"), competitors' acts, and financial responsibility.
>
> Although these abuses are too well known to require elaboration, it may be desirable to look at an illustration of each, with a view to determining whether it is practicable in a measure to correct them:
>
> (1) It has become common, for example, in cases of jobs in fact involving the use of, say, a thousand barrels of cement, for purchasers to contract with each of several manufacturers for, say, two thousand barrels of cement to be used on that specific job. This

pernicious practice results in purchasers obtaining what, as a practical matter amounts to an option extending over a long period; and, in the aggregate, such options induced by, and based on misrepresentation, impose on the manufacturer one-sided, uncertain obligations covering a considerable portion of his output, frequently curtailing his business and resulting in loss.

It is apparent that such abuses could not exist if the truth were known. If the manufacturer knew the facts concerning the job, the amount of cement needed, whether his or some other cement was being used thereon, he would obviously be in a position to escape the disastrous consequences of such misrepresentations. The plan hereinunder outlined is designed to make the truth available and thus defeat misrepresentations and their consequences.

(2) The second form of misrepresentation is illustrated by the common experience of every manufacturer of Portland cement with statements made to him not only by dealers but often by his own salesmen concerning competitor's practices, with the result that the manufacturer is deceived and imposed upon. In the following plan it is not proposed to provide the fullest relief against such misrepresentations, because reports of outstanding or active offers or quotations may be objectionable, but it is proposed to give the manufacturer an opportunity of checking the representations of dealers and salesmen by including with the infor-

mation as to specific contracts, the price at which these past transactions have been closed, so that false statements may become less frequent.

(3) As to that kind of misrepresentations which have to do with credits, the plan explains itself. Here, again, the correction of the evils resulting from the misrepresentation is to be sought in making the truth available.

(4) In addition to the correction of these abuses by meeting misrepresentations with the truth to the extent indicated, the plan contemplates the giving of certain statistical information concerning the past, which has heretofore been available in less convenient form and is included because it may be included without much additional inconvenience to anyone.

(5) The plan further contemplates the compilation and publication of freight rates to relieve each manufacturer of the great burden of keeping track of this necessary information. (Vol. I, pp. 353, 354.)

CONSTITUTION.

ARTICLE I.—*Name.*

The name of the Association shall be CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION.

ARTICLE III.—*Objects.*

The objects of the Association are the collection and dissemination of such accurate information as may serve to protect each

manufacturer against misrepresentation, deception, and imposition, and enable him to conduct his business exactly as he pleases in every respect and particular, free from misdirection by false or insufficient information concerning the matters following, to wit:

(a) Information concerning credits.

(b) Information concerning contracts which have been made for the delivery of cement, sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentation.

(c) Information concerning freight rates on cement.

(d) Statistical information as to production, *stocks of cement* and *clinker on hand*, and *shipments*. (Vol. I, pp. 355–6.)

ARTICLE V.—*Officers.*

Section 1. The officers shall be a President, Vice-President, Secretary, and Treasurer.

The Vice-President and Secretary shall be elected by the Association for such term as it may determine and may receive a salary, fixed by the Association. (Vol. II, p. 356.)

ARTICLE VIII.—*Freedom of Trade.*

No member of the Association shall enter into any arrangement, agreement, or understanding of any nature or kind whatsoever,

the object of which is to restrain trade, limit competition, or accomplish any purpose contrary to the spirit or letter of the law or contrary to the objects of the Association, as set forth in this Constitution, and membership in the Association shall be recognized as implying that the member is absolutely free to conduct his business exactly as he pleases in every respect and particular. (Vol. I, p. 357.)

BY-LAWS

SECTION 2. *Vice-President.*—The Vice President shall perform such duties in connection with the collection and dissemination of the information which it is the object of the Association to accomplish as may be assigned to his office by the Association.

* * * * *

SECTION 4. *Secretary.*—The Secretary shall keep a careful, full and complete record of all the meetings, discussions and transactions of the Association, give notice of all meetings of the Association, examine all bills, conduct the correspondence, collect, prepare and distribute the information contemplated by the Constitution as prescribed by these By-Laws, and perform such other duties as may be assigned to his office by the Association.

SECTION 5. *Provision of Funds.*—All assessments shall be fixed by a majority vote of the Association and distributed among and paid by the members pro rata according

to shipments during the preceding year from or into the territory covered by the service of the Association.

* * * * *

SECTION 7. *Meetings.*—The Association shall meet monthly, the time and place of each meeting to be fixed by the Association. Special meetings may be called whenever the President shall deem it necessary or upon request of five (5) members. A majority of all the members shall constitute a quorum.

* * * * *

SECTION 8. *Collection and Distribution of Information.*—On or before the fifth day of each calendar month each member shall forward to the secretary the following:

(1) A statement of all accounts outstanding sixty (60) days or more and unpaid, giving the name and address of the debtor, total amount unpaid, and the time overdue specified by months.

A statement of all bills receivable, on hand, giving name of purchaser, amount, date payable, and detail of account covered by note.

A list of accounts in attorneys' hands for collection.

(2) A statement of contracts which have been made and are in effect on the last day of the preceding calendar month, giving the following information with respect to each contract, namely, date of contract, the purchaser, the consumer, a full description of the work upon which the cement is to be used, the amount contracted for and the

amount yet to be delivered, the price, and the expiration date of contract. In addition to the foregoing monthly statement of contracts, as contracts are made during the month, the Secretary shall be notified as soon as possible.

(3) A statement of all contracts cancelled or reduced in amount during the preceding month.

(4) A statistical statement of production and shipments during the preceding calendar month and stock of cement and clinker on hand on the last day of the month.

Upon the receipt of the foregoing monthly statements, the Secretary shall forthwith put all the information contained therein in convenient form as directed by the Association and distribute the information thus prepared to the members reporting.

The Secretary shall also transmit the information thus prepared to the person performing corresponding duties in any other association, collecting and distributing like information within the purview of the Constitution, and receive and distribute to the members of this Association such information transmitted from such other association, as may be from time to time directed by this association.

The Secretary shall prepare and distribute among the members a complete schedule or schedules of freight rates, on cement, giving the rates for rail, water, and rail and water shipment. Each member shall from time to time notify the Secretary of all

changes or other facts of importance connected with such rates. The Secretary shall immediately advise all members of changes in freight rates by issuing supplements, revisions or otherwise, as may be most convenient. (Vol. I, pp. 358, 359.)

Location of Office

Those present at the organization were conscious that the assembling together of competitors was unusual, and would naturally excite the suspicion of those having knowledge of such fact.

In the course of the discussion as to when and where the second meeting of the Association would be held the following remarks were made:

> Mr. Morron (Atlas): Just one thought, on that, Mr. President. I am wondering whether having the meeting in this Club is a particularly good thing. You come in contact with people with whom you are doing business, who might misinterpret it to some extent. A great many men that you do business with are members of this Club, and it seems to me that that might be misconstrued by some who are always willing to misconstrue things. If they saw a great big group of cement men coming into this Club constantly——
>
> The Chairman (Vulcanite): How about a hotel?
>
> Mr. Morron: I should say that until you have some regular place to meet, a hotel would be a better proposition. . . .

* * * * *

Mr. YOUNG (Lehigh): I do not think it would be a bad stunt at all to have your meeting up at the Biltmore. *We are accustomed to going there,* and *we could get one of the rooms upstairs* and serve a light luncheon, *as we generally have at the Association meetings.*

President GRIFFITH (Giant): That was my idea. (Vol. I, p. 409.)

The second meeting was held at the Biltmore Hotel. (Vol. I, p. 411.) Mr. Brobston (Dexter) suggested that the office of the Association be located at Bethlehem, Pa., which brought forth the objection from the Chairman (Vulcanite) that the office would "be rather conspicuous in a place like Bethlehem."

Mr. Morron (Atlas) favored New York City, where counsel would be convenient "and we are sort of swallowed up in the great big life around us." (Vol. I, p. 410.)

V

EFFORTS TO ENLARGE MEMBERSHIP OF ORGANIZATION AND TO FORM WORKING RELATIONSHIP WITH OTHER ASSOCIATIONS

It was believed by the members from the beginning of the organization that its success depended upon the relative number of the manufacturers within the territory that belonged to the Association, upon the degree of cooperation among the

members, and also upon the extent of the cooperation between this Association and the associations organized for contiguous territory. This is shown especially by discussions which were from time to time had in their meetings, and also by correspondence. Thus in the organization meetings, Mr. Bayle (Glens Falls) inquired whether any particular number had signified their intention of joining the organization. The Chairman stated that it was taken for granted that all present had so signified their intention; that the Alsens Company had promised to have a representative there; and that the Bath people had submitted the plan to counsel, and would be governed by his advice. Inquiries were made of the Chairman if he had heard from the Knickerbocker or Helderberg, and he said he had not heard from the Helderberg. It was stated that the Nazareth would also join. Mr. Bayle then said:

> It is very important to get those in. . . .
>
> Mr. BAYLE: *I think, Mr. President, it would be also necessary that the newly-elected officers should try to see the companies that are not here represented, and get them in here. One or two companies staying out might destroy all the good work the rest of us might do.*
>
> The CHAIRMAN: Mr. President, will you take that up with the Knickerbocker and the Helderberg?
>
> President GRIFFITH (Giant): Yes, sir. (Vol. I, pp. 408-409.)

At the meeting held January 14, 1916, Mr. Brobston (Dexter) said:

> In that connection, Mr. President, I understood the president was to appoint a committee to see the representatives of those companies who were not present at the last meeting and the secretary sent out notices not only to those who were present at the last meeting but to all of the companies in the Lehigh Valley District and Maryland District and the New York State District. Under those circumstances I might give you a list of the companies to whom notices were sent and the president could report as to the status of the companies as their names are called.

And then a list of companies that were not represented was gone over, and the members stated what was known about their intention to join. (Vol. I, p. 411.) At the same meeting the president asked:

> Is it the feeling of the members that we want to go to the southern mills and ask them to join us in this Association?
>
> Mr. WEAVER (Allentown): Will they file their contracts with us just the same as the western association?
>
> Mr. SWETT (Lehigh): The same as the western.
>
> Mr. COOGAN (Alpha): I think they could become affiliated with us.

And the president inquired whether it would be satisfactory for them to organize an association of their own and report their contracts as an associa-

tion, because it would be difficult for them to meet with this association.

> Mr. SCOTT (Giant): In that case I think we would consider the idea of affiliation with those southern companies.
>
> Mr. WEAVER: You would probably join a southern association?
>
> Mr. SCOTT: I think we would join the southern companies. (Vol. I, pp. 413–414.)

And there was an extended discussion relative to the southern companies, in which the following views were expressed:

> Mr. BROBSTON (Dexter): Mr. Chairman, I don't think that it would be of advantage to have the mills south of the Virginia line in this Association.
>
> This is a homogeneous Association, one where the information that is got for one is gotten for all of us; and I think it would be very much better for the mills south of the Virginia line if they would have their own Southern Association.
>
> Mr. SWETT (Lehigh): I agree with you, Mr. Brobston, I think the southern mills should have their own association because *they will want to come in and affiliate with the Western Association and the Eastern Association just as we have now with the Western Association and have an exchange of information.*
>
> Mr. SCOTT: Personally, I agree with Mr. Brobston. *The business of this entire plan is the matter of exchange of information*

and we cannot accomplish very much if a few of us file the information and the rest of us not do so. (Vol. I, p. 415.)

The president (Giant) said:

> It seems to me that it would be in order for us to see if we cannot stir up the southern mills, and get them to form an association along the same lines as ours and as is formed also by the western people, and we would be then, as Mr. Scott expresses it, in the position of the "Three Musketeers." (Vol. I, p. 416.)

In the same meeting, Mr. Swett (Lehigh) said:

> As to the manufacturers that are not members of this Association steps should be taken immediately to interest them in the Association and there ought to be someone delegated to attend to that. (Vol. I, p. 418.)

At the meeting of January 31, 1916 Mr. Coogan (Alpha) said that Mr. Bayle (Glens Falls) had explained to him that until such time as the status of the other New York mills was clearly defined he would not care to report his contracts. Mr. Cover (Security) stated that that was the reason why the Security had not so far filed its contracts; and that he was ready to come forward and bring everything up to date the minute the other companies joined the association and did likewise, but that was the only condition under which his company would come in at that time; and he expressed a doubt whether his company should remain in the

association under those conditions and receive its benefits; but the president assured him that his position was understood, and that they were willing to furnish his company the information without its contracts being reported. (Vol. I, p. 440.)

On March 25, 1916, Mr. Brobston (Dexter) wrote Mr. Griffith, president of the Association:

> I acknowledge receipt of yours of the 24th inst. My only idea in writing you was that it was not fair for the Nazareth Company to have reports of our contracts and credit reports if they did not reciprocate and it seems to me that they have now been given enough chance to see what the benefits of belonging to the Association will be and we, therefore, until they actively take part, think they should not receive any further reports.
>
> I am glad to note that you expect the Alsen's to come in. I think it is worth while to continue working on the Helderberg as we can get Glens Falls the minute the Helderberg comes in. We will always keep on working with Horner and trust that he will eventually come in line. (Vol. II, p. 650.)

At the meeting June 19, 1916, in discussing the relationship with the western association, Mr. Griffith (Giant) said:

> I feel it is very valuable for this Association and the members of this Association to have the information from the Western Association as there are a great many points

> the Eastern Mills ship into that are close to their mills, and we should know what is going on—what has been going on in their territory. It is the feeling of the members, we will ask them to make their report at the next meeting after the thing is definitely settled, as the Western Association has just been formed. The same committees were asked to take up with the Universal the filing of New England contracts. (Vol. I, pp. 494–495.)

At the meeting of August 21, 1916, the president told about a conference of the committees appointed by the Mid-West Bureau and the Cement Manufacturers Protective Association, in which the best methods of interchanging information was considered, and said it was decided that as soon as the Mid-West Bureau had made necessary amendments to its by-laws a conference would be arranged between the attorneys of the two associations. The following colloquy then occurred:

> The PRESIDENT: I think it very essential that all the eastern members should have the same information as compiled by the Secretary of the Mid-West Association.
>
> Mr. ISRAEL: All it requires is, that the Western Association should amend or change its by-laws, in order to give information to one that is not a member of that Association, namely, to our Association?
>
> The PRESIDENT: Yes.
>
> Mr. ISRAEL: When they have done that, then, in fact, it will be perfectly legal to exchange information?

The PRESIDENT: Yes.

Mr. ISRAEL: That will be very satisfactory.

The PRESIDENT: And they will give us sufficient copies of their contracts, credit reports, et cetera, after their by-laws are changed, so that each member of this Association shall receive same. (Vol. I, p. 501.)

At the meeting of the Credit Managers' Branch on October 16, 1916, there was read a letter from the Association's counsel in which he reviewed the objects of the two associations, and stated the result of his conference with the attorney of the Mid-West Bureau. In this letter he said:

> The arrangement made (subject, of course, to the approval of the two Associations) was that the Secretary of the Mid-West Association and the Secretary of the Protective Association should send each other a sufficient number of their respective reports in the form each Association uses for distribution to the members of the other Association. Thus, a member of the Protective Association will receive from its Secretary precisely such information collected by the Mid-West Association as a member of that Association receives from it; and a member of the Mid-West Association will receive from its Secretary precisely such information from the Protective Association as a member of the Protective Association receives from it. (Vol. I, pp. 513–514.)

At the meeting of the Credit Managers' Branch on February 19, 1917, a motion was passed to thereafter send to the Secretary of the Mid-West Association a copy of the minutes of the meetings of the Protective Association. (Vol. I, p. 522.)

On March 10, 1917, the Sales Manager of the Clirchfield Portland Cement Corporation addressed a letter to the president of the Association in which he submitted his resignation and expressed the hope "that we will be able to perfect the organization of a little Protective Association in the South next week." And he added:

> In doing this, I want to express my full appreciation of the great amount of good that is derived from membership in your organization. I want to compliment those of you who have worked so hard to perfect the organization, and to carry out the ideas that originated in the Association. I am not unmindful of the good that we have derived, and the enthusiasm instilled into me, I believe, has done more to cause the creating of a similar organization in the South than any other one thing. (Vol. I, p. 524.)

At the regular meeting of February 20, 1919, a long discussion occurred with reference to members of the Protective Association also becoming members of the Southern Association. It appeared that the Southern Statistical Bureau had sent out a circular letter in which they had requested that mills shipping cement into that territory pay them

certain dues and join the Southern Association; and the discussion related to whether the members shipping into that territory should be permitted to belong to both associations; and, if so, whether their reports to the Protective Association should be limited to sales made within its territory. Mr. Moyer (Vulcanite) said:

> I do not think it is desirable for companies having no mill located in the Southern territory to split up their statistics between this association and some other association. I would not think it would be desirable for the Vulcanite Company to be a member of the Eastern Protective Association and the Mid-West Protective Association and report to them shipments into Ohio and not report those shipments into Ohio to this association. It destroys the value of the statistics to the Eastern Association. It seems to me that protective associations are organized along the line of grouping of mills; that all mills grouped in the South or on the borders of the South are grouped into the Southern Association; those in the Mid-West in the Mid-West Association; and those in the East, in the Eastern Association, all placed along those lines. I do not think we ought to upset that plan. (Vol. I, p. 589.)

Mr. Swett (Lehigh) said that the Southern Association was "evidently going to run their association along the line we are here, checking up the contracts," and that he thought any concern that

shipped a volume down in the southern territory should belong to that association and stand some of the expense. (Vol. I, p. 589.)

At the meeting of March 20, 1919, the chairman said that at the last regular meeting the question was brought up in regard to interchanging information and statistics with a proposed association comprising the mills in the South Atlantic States, that association to be built along the lines of the Protective Association, and that he was authorized to appoint a committee to consider what dues should be paid that association by members of the Protective Association shipping into that territory, and where the dividing line should be. (Vol. I, p. 592.)

Mr. Holman (Atlas), Chairman of the Committee so appointed, stated that he had written a letter to Mr. Dickinson, a member of the Mid-West Association and Chairman of its Auditing Committee, in which he stated that if an association was formed in the South along the lines of the Protective and Mid-West Associations, one which counsel would approve and would authorize the exchange of information with, the Protective and Mid-West should contribute a sum of money towards the expense of operating such Southern Association, and allow both the Protective and Mid-West Associations to proceed without withdrawing any tonnage reported to either Association and reporting it to the Southern Association, and that

counsel had advised he would approve such an arrangement if satisfactory details could be arranged; as "such a plan would enable exchange of information among the three associations based upon no changes in the present membership." (Vol. I, p. 593.) Mr. Holman further reported that Mr. Dickinson had replied that he had presented the matter to the members of the Mid-West Bureau at their regular meeting on March 14, and that a motion had been passed authorizing the Chairman of the Bureau to enter into negotiations with the proper parties and giving him "*power to take what steps are necessary in order to secure the cooperation and coordination of the three associations, along the lines suggested in your letter*"; and that he, Mr. Dickinson, would be glad to make such arrangements as would be satisfactory to all concerned "with a view to the exchange of information between the Southern Association and our respective organizations following the formation of the Southern Association along similar lines to ours, which would meet with the approval of our respective counsel." Mr. Holman further stated that he understood that the proposal had been accepted subject to the working out of the details satisfactory to them and the Association. The Chairman then said:

> The matter seems to me to be up to the Southern Association now, as the Mid-West and our Association are apparently in

> accord in the matter, and I think it would be well for us to adopt a similar resolution to that adopted by the Mid-West and to keep this Committee intact to work out any further details with the Southern Association when it is properly formed, then we can go ahead, based upon their willingness to meet the views of this Association and the Mid-West, subject to the proper formation of their Association, which will be decided by Mr. Cox at the proper time. (Vol. I, pp. 593-594.)

The motion of the Mid-West Bureau was then read and Mr. Twamley (Coplay) said:

> I offer a similar resolution that the committee of six members that has been appointed by you be empowered to conduct negotiations along the lines suggested in the Mid-West resolution;

which motion was carried. (Vol. I, pp. 590–594.)

The minutes show no further action upon the matter; but as both the Mid-West Bureau and the Protective Association had appointed committees, with full power to act, it is a fair inference that the relationship contemplated was established with the Southern Association. *And thereby arrangements were perfected for close cooperation, and the exchange of full information with reference to the entire cement industry and the minute details of their business between nearly every manufacturer of cement within the entire territory extending from the Mississippi River to the Atlantic Coast.*

How completely members of the defendant Association dominate the industry in the eastern section of the United States is shown by Government Exhibit No. 242 (Vol. II, p. 664, side p. 1296), which was issued by the National Association and purports to give the capacities of all the mills in the United States in the year 1920. From that exhibit it appears that the mills belonging to the members of the Association have about 95% of the total capacity of all mills located in the territory covered by the Association.

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VI.

CONTROL OF PRICES AND PRODUCTION (1) BY THE USE OF SPECIFIC JOB CONTRACTS, (2) BY THE ASSOCIATION'S SYSTEM OF REPORTING, AND (3) BY THE EMPLOYMENT OF CHECKERS TO SPY OUT THE USE OF CEMENT SOLD ON SUCH CONTRACTS AND DETERMINE WHETHER THE QUANTITY SPECIFIED WAS EXCESSIVE.

Before it can be intelligently discussed whether the reasons assigned in the constitution justify the Association's existence, it is necessary to know what the practices engaged in by and through the Association are, and the relationship between those practices and the cement industry. There should be kept in mind the two classes of sales heretofore mentioned, to-wit, one of cement to dealers for the general trade, which, according to Mr. Morron (Vol. I, p. 330), " they sell out in wagon-load lots, or something of that kind," and which is from 60 to 65 per cent. of the entire trade, and the other of cement to be used on special jobs. Of the latter class two-thirds or more is sold through the dealers; but for all sales, whether made through a dealer or directly to the contractor, contracts having the same provisions are used, the dealer, of course, being allowed his differential when the sale is made through him. Because cement will deteriorate

when exposed to bad weather and often when left too long in the air (Elliott, vol. I, p. 148: Morron, vol. I, p. 338), it is purchased by dealers for the general trade *only as needed to meet the immediate demand.* There is no restriction on the quantity that can be bought for immediate delivery (Lockwood, vol. I, p. 184), but the following testimony of Merriman, a dealer of Scranton, Pennsylvania, with reference to contracts for future delivery *for the general trade* is especially important:

> A blanket contract as I interpret it is a contract that provides for a certain amount of cement to be taken in a specified time, *but to be used where you choose to place it.* There was a time when I could get a blanket contract. That is several years ago. *I can't get a blanket contract from any company. They have cut out that practice of giving blanket contracts in the neighborhood of fifteen years ago. They have not been allowing it since that time.* (Vol. I, p. 176.)

In other words, while there is no restriction as to the quantity of cement that the dealer can purchase for immediate delivery, yet he cannot buy for future delivery *for the general trade;* and, as the dealer cannot keep it in storage for a substantial length of time, all cement purchased in the general trade must be bought and sold at the current market price; and the price at any time in the future cannot be affected thereby; and also, the dealer is cautious as to the quantity ordered, and there is no probability of the cement market be-

coming oversupplied. But it is entirely different with reference to cement sold for delivery six, eight, or twelve months in the future, as is done to contractors and builders and large consumers for specific jobs. (Vol. I, Kelter, p. 189.) It is necessary for a contractor to know that he can obtain the cement when needed, and also, that he may figure intelligently his bid for a job, the price he will be required to pay. As two-thirds or more of the cement shipped for specific jobs passes through the hands of dealers, in the absence of some restriction, if a dealer should believe that the general demand for cement would increase and the price be advanced, through these contracts he could contract for cement for future delivery at the price prevailing when the contract is made. And, if a substantial quantity of excess cement should thus be contracted for, the cement so obtained would come in competition with that manufactured and sold for the general trade *at such future time,* and the manufacturers would thereby lose control of the market. Therefore, as a complement to the abolishment of the blanket contract under which dealers could buy for future delivery cement for the general trade, there was introduced what is known as the specific job contract which alone is used in the sale of cement to be used on specific jobs.

SPECIFIC JOB CONTRACTS.

According to this record every member of the Association uses, in selling to contractors and builders

and large consumers for special purposes, and to dealers cement to be furnished to such customers, specific job contracts. In fact, it appears to be a custom of the trade, but precisely when it arose and why it should exist defendants do not attempt to explain. Because it does exist, it is assumed to be entirely proper; and then it is further assumed that any conduct is legitimate that is necessary to control, or helpful in controlling, the production and price of cement by taking every advantage of the exact terms of the contract.

Special attention is given to trade practices by the National Association; and that organization is largely responsible for the adoption and maintenance of many uniform practices. In Government Exhibit No. 243 (Volume II, following p. 664), a pamphlet entitled "Trade Practices in the Cement Industry," published in January, 1919, on pages 9 and 10 appears the following under the heading "Contract Form for Dealers' Use":

> Great demoralization results from the ability of dealers to place orders with manufacturers for large amounts for deferred delivery upon the representation that the cement is for specific work which the dealer has sold, all or part of which has in reality not been sold by dealer for such work. In such a case the cement is later sold by dealer from time to time when the market has advanced at a price lower than warranted by the manufacturers' current prices to such dealer and lower than other dealers in the

same town can sell at, based on manufacturers' prices to them for current requirements. This results in demoralization to the detriment of all manufacturers concerned in the market affected—the manufacturer who has such an unspecific contract delivering cement at prices below prevailing market prices, and the manufacturers who are trying to sell through other dealers being unable to secure business because of the disadvantage under which such dealers are placed in competition with the dealer who is being supplied by the other manufacturer at price below prevailing market.

Urging dealers to place orders for extended delivery for specific work, and permitting such dealers, at their option, to take more or less cement on such orders than actual quantity used in the work, *has been one of the most objectionable devices and practices known, and has done more than any other one thing to bring about demoralization.* This practice is closely akin to to " guaranteeing prices against decline ", and no good or wise merchant ever resorts to such practices. If a contract is made it should be a fair one and its terms observed by both parties.

No specific work contract should be made that is not bona fide, and such a contract should cover the quantity of cement used in the particular job described—no more, no less; and any change in the market during the period of the contract should not affect

the price named in the contract. All specific work contracts with dealers should be in written contract form, and dealers should be required to report monthly their deliveries thereon. These suggestions, if consistently followed, will prevent padding of contracts and the loss and demoralization resulting therefrom.

If all manufacturers insist that every specific work contract with a dealer have attached thereto an executed copy of contract between the dealer and his customer for that particular work, it will largely eliminate the abuses recited.

For these reasons the attached form of dealer contract should be adopted and its use by dealers insisted upon and executed copy of the dealer contract be attached to the manufacturer's specific work contract with that dealer in every case. The manufacturer, of course, when he has any reasonable doubt of the existence of the specific work mentioned, should make a thorough investigation to disclose the fact or establish with certainty that the quantity in the dealer contract is correct. (See Form No. 5.) (The italics are theirs.)

To this pamphlet there were attached a number of forms, the fourth of which was a suggested form for "Specific Work-Sales Contract." This form contained the following clause:

in consideration of the price and subject to all the terms, conditions and limitations set forth on this and the reverse side hereof,

which it is hereby mutually understood and expressly agreed are a part hereof, SELLER hereby sells and agrees to deliver, and the BUYER hereby purchases and agrees to receive and pay for approximately barrels of " IMPERIAL " Portland cement, at a price of $ per standard bbl. in 4 cloth sacks, in carload lots, f. o. b. cars , to be used in the following described work, and shipped between the date hereof and , 191 .

DESCRIPTION OF WORK

This contract is intended to, and does, within the limitations hereof, cover the entire quantity of Portland cement which BUYER shall, during the time herein specified, furnish or use in the work above described.

The amount of Portland cement required for the said work is estimated by BUYER at barrels, but nothing herein contained shall obligate SELLER to furnish hereunder more than the quantity of " IMPERIAL " cement actually furnished by BUYER for, and used in, said work. (Vol. II, p. 664, G. E. 243, Form 4.)

The fifth form was " Contract Form for Dealer's Use " and contained the following clause:

Quantity: This contract is intended to, and does within the limitations hereof, cover the entire quantity of Portland cement, which BUYER shall, during the time herein speci-

> fied, use in the work above described, estimated at _____ barrels, but SELLER is not obligated to furnish hereunder more than the actual quantity of " IMPERIAL " cement actually used during said period in said work. (Caps and italics theirs.)

The section above quoted appeared in the "Trade Practices" published in 1916, and forms containing the same clauses were attached thereto; and a similar section, but not in the exact words, was in the Trade Practices published in 1915, and to it were attached forms containing the same clauses. (Gov. Exhibits 244 and 245, Vol. II, following p. 664.)

The above quoted clauses or their equivalents are used in all of the defendants' specific job contracts. Under those contracts it is not at all improper for the purchaser to obtain and the manufacturer to deliver more cement than is necessary to complete the job described, or for cement to be delivered and accepted for use on some other job. It is simply provided that the seller is not "obligated" to furnish more than the quantity necessary for the job.

The attitude of the defendant manufacturers towards their dealers and other customers, as indicated in this record, is, to say the least extraordinary. It is hardly believable that it is real. To so believe is a greater reflection upon them than to believe that it is merely pretended for the purposes of this litigation. The pretense is that their cus-

tomers have no proper sense of honor in respect to their contractual obligations; that they will observe their contracts, if it be to their interest to do so, but, if otherwise, they treat them as mere waste paper. And they would have it believed that those who purchase cement are so financially irresponsible that a contract can not be enforced against them. Therefore, throughout the record contracts with dealers and contractors are spoken of as one-sided—perfectly good as against the manufacturers, but worthless as against the purchasers. And it is assumed as an incontrovertible fact that the purchaser perpetrates a fraud upon the manufacturer if he manages to *procure and pay for* more cement on a contract than is used on the job described. That is, if a contractor happens to be engaged in building at the same time a schoolhouse and a churchhouse, and obtains some cement under the schoolhouse contract and uses it in the construction of the churchhouse, he has perpetrated a fraud upon the manufacturer, *though he pays for the cement the contract price.* It is to protect the manufacturers against such frauds as that, and to prevent them from being defrauded in a similar manner by a dealer or contractor making contracts to procure cement for the same job with more than one manufacturer and thus procuring more cement than is sufficient to complete the job, that they have organized the elaborate system operated by the Association.

The contract for future delivery generally used in commercial transactions obligates the seller to deliver, and the purchaser to accept the goods at the time, place and price specified. If either party breaches the contract, he is liable to the other in damages. There is nothing in this record to indicate, and there is certainly no reason why the court should judicially assume, that the dealers in building materials and the contractors who construct the great highways, bridges, tunnels and buildings which touch the sky are financially less responsible than those who engage in other lines of business. Then there must be some special reason why cement manufacturers uniformly use this specific job contract, and are so anxious to see that no cement is delivered thereunder other than the quantity necessary to complete the work described.

As above explained, *that reason is, if dealers could procure cement for the future general trade at current prices, the cement so obtained would come in competition with that manufactured and sold in the general market at such future period. Therefore, the object of the specific job contract and its strict enforcement is to enable the manufacturers to retain absolute and continuous control of the market.* Succinctly stated, therefore, *the principal excuse assigned for the existence of the Association* is to enable the manufacturers to prevent the users of cement from obtaining a greater quantity, though paid for, than is necessary to meet their actual current needs. *And the primary object intended to be accomplished was to pre-*

vent the delivery of more cement under a specific job contract than is necessary to complete the job described, thereby enabling the manufacturers at all times to control the price of cement, and by exchange of information and intimate association to prevent competition among the manufacturers as to its price.

Let us see if the defendants are not entitled to a grade of 100 in the accomplishment of this purpose.

Reports as to Sales on Specific Job Contracts and Production and Shipments.

The exchange of information relating to production and shipments of a commodity, and especially to sales and prices at which made, is one of the most efficient means of regulating production and advancing and maintaining prices, and one that is used by all open-price associations.

It is doubtful whether any more complete system of reporting could be devised than that used by defendants.

The following are the forms used for reporting specific job contracts, production of clinker and cement, and shipments of cement. They are fully explained by Miss Phalen, Secretary of the Association in Volume I, pp. 154–161, of the record. For convenience of inspection the more important ones are reproduced:

Form #20.—Used by manufacturers in reporting to the Association full data concerning specific job contracts.

Form 20

From ..... 192..

Contract No. ..... Dated ..... 192..
Purchaser .....
Address .....
Work, as described on the back hereof .....
Location .....
Contractor .....
No. bbls. ..... Price ..... Del. pt. .....
.....
Date of Exp'n .....

Give full and complete description below of the work, viz.—if a building give dimensions, character of construction, etc. If paving state what kind, giving yardage, thickness, mix, etc. Give exact locations and make description specific. (Gov. Ex. 14, vol. 1, p. 360.)

Form #21.—Used by manufacturers in reporting to the Association changes made from time to time in specific job contracts previously reported on Form #20.

Company — Form 21
Contract Number — Date
Delivery Point

1. Completed [ ]
2. Canceled ..... Bbls.
3. Decreased ..... Bbls.
4. Increased ..... Bbls.
5. Leaving balance due ..... Bbls.
6. Date of expiration extended to .....

(over)

Instructions

First—Whenever entire amount of contract has been *shipped*, check only (v) in space opposite "Completed" (line 1).

Second—If entire amount due on contract is cancelled enter number of barrels canceled on Line 2.

Third—If portion of contract is canceled, state number of barrels cancelled on Line 3 and balance still due on Line 5.

Fourth—If amount of contract is increased state number of barrels of increase on Line 4 and balance still due on Line 5. (Gov. Ex. 15, vol. 1, p. 360.)

Form #7.—A *daily* report compiled by the Association from data reported on Form #20 and distributed to its members showing the contracts obtained by each member, the purchaser's name and address, the point of delivery, a description of the work, the brand of cement purchased, the delivered price, and a symbol indicating the nature of the job on which the cement is to be used. (Gov. Ex. 16, p. 360, Side p. 654.) See folder opposite.

Form #8.—Compiled *daily* by the Association and distributed to its members, showing the number of new contracts received as of that day and to date from the first of the month, the number of barrels ordered as of that day and to date, the number of contracts canceled as of that day and to date, the number of barrels canceled as of that day and to date, reinstatements and increases as of that day and to date, and the decreases as of that day and to date. (Gov. Ex. 17, p. 360, Side p. 655.)

Form #22.—Used by manufacturers in reporting to the Association at the end of each month a list of all active specific job contracts, showing the balance due in barrels at the end of the previous month and the balance in barrels remaining due at the end of the current month. (Gov. Ex. 23, vol. 1, p. 364, Side p. 662.)

Form #13.—Issued monthly or quarterly by the Association to its members and showing as to each of the member-companies its percentage of committments on a given date as compared with shipments for the past 12 months. (Gov. Ex. 24, vol. 1, p. 365.)

Form #9.—A monthly summary and cumulative report of information distributed daily by the Association on Form #8, showing as to each member the new contracts, contracts canceled, reinstatements and increases, and decreases during the preceding months of the current year. (Gov. Ex. 25, not printed, but see Gov. Exs. 405–428, vol. II, p. 706. Side pp. 1463–1468½.)

Form #10.—Quarterly report by Association of all specific job contracts on file with member companies, showing name of contractor, delivery point, full description of work, brand sold, date contract was closed, date of expiration of contract, number of barrels sold, price at which sold, the quantity shipped since last report, total shipments to date, and the balance to be shipped. (Gov. Ex. 26, vol. 1, p. 364. Side p. 665.)

Form #11.—Issued by the Association monthly and showing by States the commitments of each company, in barrels, and the total commitments of each company. (Gov. Ex. 27 not printed, but see Ex. 429, vol. II, p. 707, side p. 1469–1471.)

Form #23.—Used by manufacturers in reporting monthly to the Association the quantity of clinker produced, cement ground, cement shipped, clinker in stock, and cement in stock. The importance of this report warrants its reproduction here:—

Form 23

Cement Manufacturers Protective Association
Following are the Statistics of The

_____ Co

For the month of February, 1921

Clinker Produced

1st 2 months of 1920_____Bbls.
1st 2 months of 1921_____Bbls.
February 1920_____Bbls.
February 1921_____Bbls.

Cement Ground

1st 2 months of 1920_____Bbls.
1st 2 months of 1921_____Bbls.
February 1920_____Bbls.
February 1921_____Bbls.

Total Shipment

1st 2 months of 1920_____Bbls.
1st 2 months of 1921_____Bbls.
February 1920_____Bbls.
February 1921_____Bbls.

Stock on Hand

Clinker January 31st, 1921_____Bbls.
Clinker February 28th, 1920_____Bbls.
Clinker February 28th, 1921_____Bbls.
Cement January 31st, 1921_____Bbls.
Cement February 28th, 1920_____Bbls.
Cement February 28th, 1921_____Bbls.

Note: Please fill out and return to this office *by March 4th, 1921.*

19 West 44th Street,
New York, N. Y.

(Gov. Ex. 28, vol. 1, pp. 365–6.)

Form #12.—Summary report issued monthly by Association based on reports made to Association by members on Form #23 and showing as to each member the quantity of clinker burned, cement ground, cement shipped, clinker in stock and cement in stock, etc., and showing the percentage of increase or decrease as compared with similar months and periods in the preceding year. This report also shows the number of barrels shipped by one company for the account of another company. *It is impossible to adequately describe this form, and it is too complicated to reproduce here. It must be seen to be fully appreciated.* (Gov. Ex. 34, vol. 1, p. 366. Side p. 679.)

Form #30.—Issued monthly by Association and showing by chart or picture the same information shown in figures by Form #12. (Vol. 1, p. 161.)

Form #24.—Used by manufacturers in reporting to the Association semimonthly their total shipments, both on specific contracts and to dealers (Vol. 1, p. 159), during the preceding 15 days, and also showing for the purpose of comparison the quantity shipped during the corresponding period of the preceding year. (Gov. Ex. 57, vol. 1, p. 367.)

Form #14.—This is a summary report issued by the Association, compiled from information received upon Form #24, showing comparatively the total shipments by each company during 15-day periods during the current year and the preceding year, and the percentage of increase or decrease in the shipments of each member. (Gov. Ex. 58, vol. 1, p. 367.)

Form #31.—Issued monthly by Association and showing by chart or picture certain information reported on forms Nos. 15–18. (Vol. 1, p. 161.)

Form #28.—Issued quarterly by the Association to its members and analyzing contracts to show commitments and shipments on various classes of construction by States, total shipped to date and the unshipped balance. (Gov. Ex. 67, vol. 1, p. 371. Side p. 709.)

On behalf of defendants special attention is called to the fact that the reports of sales do not include those made to dealers for the general trade; and Miss Phalen testified on cross-examination that—

> The activities of the Association in connection with contracts are limited strictly to these specific job contracts, and the Association has nothing to do with other transactions of the manufacturer, nothing to do with three-quarters of his business during 1920, and more than two-thirds of his business during 1921. (Vol. 1, p. 162.)

The reports relating to production and shipments include *the entire output of the factories, and the information upon those subjects is complete.* One of the most significant circumstances in this record is the fact that sales to dealers for the general trade were not reported. Such reports were wholly unnecessary. They would have added nothing to the members' knowledge. The price to the dealer was perfectly well known, because they had a uniform differential between his price and the price to the contractors. A number of dealers were examined, whose testimony will be hereafter cited, and it was not suggested by them, nor is it intimated anywhere in the record, that there was any variation in prices to dealers independent of the little variations claimed at times in prices to contractors. Possibly in an instance or two, under special circumstances and with a warning to keep it secret, a slight shade was given a dealer, but those slight discriminations related to specific job contracts. In fact, a dealer generally, if not always, sells the product of more than one manufacturer. **That the reports of sales under specific job contracts was equivalent to reporting prices to dealers is shown by the following discussion which took place at the meeting of March 20, 1916:**

> Mr. DUTTON (Coplay): I would like to make a suggestion: In our reporting of these contracts here I do not believe at the present time, as Mr. Cox said the way it works out,

that we have any right here to discuss here as to whether we are going to quote a man as a dealer or simply some other way, and I do not think it would be in harmony. I think that we should simply report these contracts as sold to a dealer or contractor and leave it wholly on the company who is doing the reporting to specify it as they saw fit. *they could very easily take these contracts and check them up if they chose and ascertain that fact.* I had several inquiries from parties as to whether such and such a contract was with a dealer or whether it was with a consumer. As it is, if you want to find out, you have to write a special letter about it to check the matter up and that becomes a matter that takes a lot of time, if you want to go through these 38 pages of contracts here and find out about very many of them.

The PRESIDENT (Giant): Is not that the answer, in view of the fact that you have been able to get that information during the last three months on those that have been reported on that method of inquiry. *It seems to me that a simple look at the price would answer your question there without very much trouble, if you see whether the price was at $1.05 or $1.10, wouldn't that answer your question?*

Mr. DUTTON: Still it is an easy matter to take from your own information and report on your own contract and say whether it is a dealer or a consumer by putting a D or a C after it, that would clear up the whole

situation at once, as to how you considered it, and that would save any question unless one wanted to go into the matter further.

Mr. COVER (Security): It would be a good way of getting an expression of how each member regarded his contract, whether he regarded them particularly, in each particular instance as a dealer or not.

The PRESIDENT: *Would not that show by the quotation itself, Mr. Cover, as to what price it was quoted at without saying whether he was a dealer or a consumer?*

Mr. ISRAEL (*Coplay*): No, Mr. Chairman, as the price does not always remain the same, and there is no such thing as a uniformity of price *owing to the changes of freight rates and distances of delivery.* But as a matter of record of each individual case, I cannot say, unless Mr. Cox finds objection to it, but in the matter of reporting the contracts to the secretary, if we will state if the purchaser is a dealer or contractor, that is all we have to do. (Vol. 1, pp. 462, 463.)

Therefore, as there was a fixed relationship between the price to the dealer and the price to the consumer it was not worth while to incur the enormous additional work and expense necessary to report the sales made to dealers for the general trade.

The forms above quoted and described show that each member had continually in his possession every detail of its competitors' business, in so far as it related to production of clinker and cement,

shipments of cement, the quantity under contract for delivery in the future, and when, where, to whom, and at what price it was to be delivered. Let it be assumed, as claimed by defendants, that it is a fraud upon the manufacturer for a dealer or builder to obtain more cement upon a contract than he would need for the specific job described. Yet the information necessary for the prevention of such fraud would be nothing more than a description of the contract sufficiently full to enable it to be identified; and it would certainly be sufficient to state the name of the purchaser, when and where the cement was to be delivered, the quantity sold and in what kind of a job it was to be used. That information would enable a member to examine his contracts and ascertain whether he had one for the same job, and also would enable it to be ascertained from inspection whether too much cement had been contracted for. But the members of the Association are not content with that information. *It is required that the exact price for which the cement is sold be reported.* The price certainly has nothing to do with the identification of a job unless they all agree to charge the same price for cement delivered at the same place. But the excuse for requiring the price to be reported is thus stated in the constitution:

> The second form of misrepresentation is illustrated by the common experience of every manufacturer of Portland cement with statements made to him *not only by dealers*

> *but often by his own salesmen* concerning competitor's practices, with the result that the manufacturer is deceived and imposed upon. (Vol. I, p. 354.)

In other words, *the manufacturers' dealers, and even their own salesmen, are of such character that they cannot be believed;* and to protect themselves against misrepresentations by them as to members' prices and practices the manufacturers must combine *and tell each other what their prices are.* This same excuse is offered by all associations which practice an exchange of prices. It is based on the assumption that the members of the Association are immaculate, while those with whom they deal are dishonest. There is no combination among the customers by which they can be protected against misrepresentations of the members of the Association as to their supposed competitors' prices. It is just as easy and as common for one who is selling an article to misrepresent to the customer his competitors' prices as it is for the customer to make such a misrepresentation. Is there any reason why it should be assumed that the one will not speak falsely while the other will? In fact, the claim that a manufacturer of cement can be so deceived as to prices at which his competitors are selling is flatly contradicted by another defense made as to the practice of exchanging prices. They say that the reporting of prices is of no value whatever, because the reports are out of date when received, the prices of their competitors having

long before been ascertained by 'phone or otherwise. It is, no doubt, a fact that the members of the Association are informed of every change in the price at which another member is selling through their dealers and salesmen before they receive information of such change through the reports. *But the real object of the confidential exchange of prices at which sales are made is that, through the moral effect of such knowledge, the prices may be enhanced when the market is favorable and maintained when unfavorable.* Mr. Morron, the only defendant in the criminal case who went upon the witness stand, unconsciously explained on cross-examination the exact effect of this exchange of prices. He said:

> The question of price in those reports did not mean anything to us at all, so far as the specific job contracts were concerned, because we got our prices from the dealers, as I told Colonel Stimson. But I was glad to have the prices of specific contracts reported on that sheet for the purpose of checking up our own salesmen, to find out whether we were losing business because they were not good salesmen or because of the fact that they misrepresented conditions to us and told us somebody was cutting the price.
>
> *I would feel very much ashamed to have to sell cement at less than anybody else. I did not want to do it, certainly not. I should hate to think that we were spending hundreds of thousands of dollars in advertising and building up the business of the*

Atlas Company, and then have to sell, because of lack of ability of the President, for less than the same kind of commodity was being sold for. As to whether my competitors felt the same way, you cannot ask me about my competitors because I don't know. (Vol. I, p. 338.)

THE IMPORTANCE ATTACHED BY THE MEMBERS TO REPORTING EXACT PRICES AND FILING THE REPORTS PROMPTLY, AS SHOWN IN THE DISCUSSIONS IN THEIR MEETINGS.

At the meeting of January 31, 1916, the president (Giant) said:

> This is another thing I want to take up with you gentlemen, the question of reporting price. Some of you have been reporting the delivered price, others the mill price, and I think the simplest way would be for the companies to report the actual delivered price, including freight and everything. (Vol. I, p. 433.)

At the same meeting Mr. Cover (Security) in the course of a statement explaining why his company had not filed its contracts, said:

> I stand ready to come forward and bring everything up to date the minute the other companies join the Association and do likewise * * *. (Vol. I, p. 440.)

At a meeting of April 17, 1916, Mr. Cover (Security) brought forth *applause* from the members by announcing that—

> I want to make a statement now that beginning the first of next month we will re-

> port our contracts irrespective of what anybody else does. (Applause.) (Vol. I, p. 475.)

At the meeting held February 28, 1916, Mr. Brown (Alpha) stated:

> * * * we ought to have that statistical information back into our hands summarized not later than the 5th of the month or the 6th, the furthest. (Vol. I, p. 447.)

In the course of a discussion concerning delay in making reports to the Association, Mr. Twamley (Coplay) stated at a meeting of April 17, 1916:

> Suppose we *fine* them if they do not have their report in by the 5th. In that way you will have them all in. (Vol. I, p. 475.)

At the same meeting, in the course of a discussion of the subject of exchanging reports, Mr. Erdell (Penn-Allen) stated:

> We told the president that if the Association continued to send reports to people who did not furnish reports, we would discontinue sending our reports. (Vol. I, p. 474.)

At a meeting of December 15, 1916, Mr. Smith (Lawrence) said:

> The purpose of these daily reports is to give information to each other, and if we hold up the reports unnecessarily, that is bad faith, and I am sure no member is attempting to act in bad faith. (Vol. I, p. 520.)

At a meeting of March 18, 1920, Mr. Goode (Hercules) made this very illuminating observation:

> I think now is really the time for every company to know exactly and accurately what the commitments are. (Vol. I, p. 605.)

It was important to know at that particular time just what the commitments of every company were because the manufacturers anticipated higher prices, and they desired to keep in close touch with supply and demand. Their anticipations were realized and in the following July, 1920, the peak of high prices in the cement market was reached.

At the meeting of September 23, 1920, Mr. Dutton (Bath) said:

> Our real object is to see the commitments of all manufacturers. If this report is of value if issued every three months, I think it is of value if issued every month. (Vol. I, p. 609.)

The information contained in these reports was also confidential, intended for the exclusive use of the members, and was not to be divulged to dealers and contractors. Thus at the meeting of January, 1921, Mr. Naylor (Knickerbocker) said:

> All of these statistics are supposed to be confidential, are they not?
>
> The PRESIDENT (Pennsylvania): I do not think they are necessarily confidential.
>
> Mr. NAYLOR: I mean that they are confidential as among the manufacturers; not to be given out to customers. (Vol. I, p. 625.)

Checkers

Checkers are really spies, but by the use of that term no reflection is intended upon those who were employed in that service. It is assumed that the purchasers are endeavoring to obtain more cement than is necessary for use on a specific job, and sometimes it is supposed that there is some excess cement in a locality, and these employes are sent there *to spy out and check up* the situation.

Before the Association was organized, each company looked after its own contracts; and when first organized no provision was made for such agents. It was supposed that if each manufacturer had before him all the contracts of his competitors, he could readily look them over and ascertain whether any of his contracts were duplicates; and, if a duplication was found, it could be arranged between them which would cancel. How the employment of checkers came about and the nature of their activities, is shown by the minutes of the Association meetings and certain correspondence in the record. At the meeting of the sales managers' branch on March 20, 1916, the employment of some one to investigate contracts was suggested by the president (Giant). (Vol. I, p. 467.) At the meeting of July 17, 1916, it was said that at " a little informal gathering " several gentlemen had talked upon that subject, and that it was suggested that the Association have a man at New York to go over the information and find out what jobs were actual

and specific, " it being generally believed the best time to cancel a contract or get out of a phony contract is just before entering into it instead of going through all this terrible rigamarole through two or three months, possibly getting into complication with the dealer." (Vol. I, p. 499.) On October 30, 1916, Mr. Scott, of the Edison Company, wrote the President of the Association recommending the immediate employment of six persons to check over contracts listed and that they begin work immediately. The reason assigned was that " regardless of advanced selling prices which may be created, in view of the constantly increasing cost of manufacture; for the very reasons set forth in the articles of incorporation of our Association, *the cement market will be controlled not by actual costs of manufacture, or supply and demand, but instead by the contracts which have been written in the past few days.*" (Vol. I, p. 371. Side p. 710.)

Acting upon Mr. Scott's suggestion, the president, Mr. Griffith, wrote the secretary, giving him a form of letter which he desired to be addressed to the several members. (Vol. I, p. 371. Side p. 711.) To this letter nine replies were received, all of which were favorable except Mr. Ward, of Knickerbocker, after stating that any action the majority of the Association desired to take would be satisfactory, said:

> * * * but I desire to go on record that I do not think the contemplated action is

> either necessary or advisable. In my opinion, each company can check and correct its contracts to better advantage than any one else, and if they have not the inclination to do this, any checking which might be done would be valueless. (Vol. I, p. 371. Side p. 712.)

And the Cayuga Company replied:

> It certainly appeals to us that the sales managers of the various companies should know conditions well enough to know when their own salesmen were padding contracts. You know as well as we do that some of the companies have maintained a complete investigating corps outside of the regular selling force for the compilation of figures they desire to get on the different contracts reported.
>
> * * * * *
>
> *It looks to me as though some of the manufacturers did not have confidence in some of the others, and it is for this reason that we vote against the resolution.* (Vol. I, p. 371. Side p. 713, 714.)

On November 17, 1916, the committee of the Association, appointed for the purpose, addressed a letter to the Association suggesting that they be empowered to employ F. W. Dodge Company to make such investigations. (Vol. I, p. 371. Side p. 722.) This request was granted, and at the meeting of December 15th a report was made by the committee. The secretary made a statement of what the Dodge Company had done. He said they had sent 2,200 requests for investigation to the company, and they had received 800 reports, and up to that

time the cancellations due to those reports amounted to about 86,000 barrels. (Vol. I, p. 519.) The matter of employing permanent checkers was again discussed at the meeting of June 18, 1917; and it was suggested that the officers get in touch with the Mid-West Bureau and ascertain how they were handling the matter. (Vol. I, p. 529.) At the meeting of July 16, 1917, a report of the committee appointed to visit the Mid-West Bureau was heard; and the fraudulent conduct of purchasers in endeavoring to procure and pay for more cement from the manufacturers than called for in their specific job contracts was reviewed at length; and it was reported that the Mid-West Bureau was handling the matter by employing special checkers. And it was said that—

> In the Mid-West Bureau this service has proved of value in curtailing to a large extent all the species of abuses which depend on misrepresentation as to specific job contracts, not only "duplication" but also "padding contracts," "shipments on dead contracts," and "diversion on contracts." Vol. I, p. 533.)

It was recommended that a committee be appointed, empowered to employ an inspection manager and a sufficient number of checkers. A motion was passed that a committee be appointed to make up an estimate of cost, and that the plan be submitted to the executive heads of the companies for a vote by letter. The ballot was taken and all members voted in the affirmative. (Vol. I, pp. 372–374.)

In a letter prepared by the committee and addressed to the members (Vol. I, pp. 541–543) a general suggestion as to forms to be used was made; and the forms subsequently perfected and in use when the petition was filed are as follows:

Form #1—Used by manufacturers in calling the attention of the Association to specific contracts taken by other manufacturers concerning which they desire further information:—

Form 1

Date _____

Cement Manufacturers' Protective Association
19 West 44th Street, New York

Gentlemen:

We desire to call attention to specific contract No. _____ for _____ Brand of Cement for _____ barrels sold to _____ for delivery at _____ with remarks as indicated by check marks herein.

(Check)

_____ 1. This contract appears to be a duplication of _____ Company's No. _____

_____ 2. We believe that if this job is investigated it will be found that the amount contracted for is more than the quantity required.

_____ 3. We know of no such work under construction or contemplated.

_____ 4. The construction work covered by this contract was completed _____ months ago.

_____ 5. We are informed that the company shown as the contractors on this work have never been awarded a contract.

_____ 6. We are informed that the work in question has been indefinitely postponed, for the reason that _____

_____ 7. We have reason to believe that cement under this contract is being diverted to other work.

Yours truly,

(Gov. Ex. 18, vol. I, p. 361.)

Form #2.—A combination form used by the Association in apprizing its checkers or auditors of the particular contract to be investigated, and by the auditor in reporting the result of his investigation:—

Form 2

BUILDINGS

No. _____ Brand _____ Delivery Point _____
Description of Work _____
_____
Location _____ St. and No. _____
Contractor or Owner _____ Architect _____
Purchaser _____ Total Am't of Contract _____

Has the above contractor been awarded this work? _____
Has work started? _____ If so, when? _____
Is foundation in? _____ Is superstructure started? _____
How many floors are completed[_____
How many floors to be finished? _____
How much cement did each floor take? _____
Give d mensions of building _____
What kind of construction—steel, reinforced concrete, etc. _____
How much cement does contractor say he has used? _____
How much more cement does contractor say he will use? _____
What other brands are being furnished for this work? _____
If work has not started state date it will go ahead _____
Estimate date of completion _____
Is any of the cement under this contract to be furnished to subcontractors? _____
How much cement dealer's books show has been used? _____
Source of information_____
Remarks _____
_____
_____
Date _____ Signed _____
This Form is to be used by the Auditor on the Work.

(Gov. Ex. 19, vol. I, pp. 361-2.)

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Forms #5, #5–a, and #5–b.—Used by the Association in submitting to its members the results of the investigation of specific job contracts by the auditor or checker. (Gov. Ex. 21, vol. I, pp. 363–4.)

Form #6.—Used by manufacturers in replying to Form #5 and containing spaces in which manufacturer may indicate (1) whether he considers the report correct; (2) whether he is making further investigation; (3) whether he desires the Association to make further investigation, and (4) the additional information the manufacturer desires the Association to consider. (Gov. Ex. 22, vol. I, p. 364.)

As shown in the letter addressed to the members (Vol. I, p. 541), the investigation of contracts was carried on under the direction of Mr. Gaines, Vice President of the Association; and he appears to have handled it with much diligence and success. The discussion at the meeting of March 18, 1920 (Vol. I, pp. 603–605) indicates the importance attached to this work by the members. And Mr. Hulsart, who succeeded Mr. Gaines, at the meeting of April 29, 1920, stated that the number of investigations made in 1919 averaged 59 per month, while for the months of January to April, 1920, the average was 90 per month. (Vol. I, p. 606.) An extended discussion of the subject was had at that meeting. At the meeting of October 21, 1920, Mr. Hulsart reported that during the first four months the average contracts investigated averaged 100 per month,

but that it had increased to 297 in September, the total number investigated up to that time being 1,838; and that the investigations so far made showed an overestimate of 2,152,000 barrels of cement. (Vol. I, p. 611.) It appears that by that time it had become a race of wits between the manufacturers and the consumers of cement, the latter exercising every ingenuity to procure a little more cement than was actually necessary for the jobs described, and the manufacturers using the ingenuity of both themselves and six paid agents in their endeavor to defeat the efforts of the purchasers, and keep all free cement from the market.

The correspondence between the manager and the checkers and between the manager and the members of the Association indicates the character of the work in which the checkers were engaged, and how they were expected to carry it on. On November 10, 1917, the manager, who was also the vice-president of the Association, wrote Mr. Norton, a checker, as follows:

> We are always especially interested in knowing what brand of Cement is used on the job which you visit. And we also like to have as fully as possible, the report of your conversations with the source of your information; as oft-times details that may seem of small importance to you, are of vital importance to us. (Vol. I, pp. 378–379.)

How the checker was expected to treat the information obtained is indicated by the following

letter dated May 20, 1918, directed to the three who were then employed:

> We are sending you under separate cover a copy of the monthly contract report, which you are to use for your personal information in auditing contracts.
>
> Please bear in mind that *this information is absolutely confidential* and that you should not under any circumstances divulge to any dealer, salesman or any other person, any information contained in this report.
>
> You are likely to be asked by some dealer or contractor to tell him something about some other contracts in his immediate vicinity and ask you to get this information from this report, but under no circumstances should you do so. (Vol. I, p. 387.)

The length to which the checker was to go in obtaining information is shown by letter dated August 20, 1918, addressed to Mr. Broomall, as follows:

> I have a report that C. J. Domsohn & Co. who are dealers, had been buying cement through another dealer in that town at a lower price than the manufacturers can sell in that market. Understand he bought three cars last month. Before you start investigating the two contracts I am sending you, and before you make yourself known in the town, wish you would try to find out what this brand of cement is, *as there is no question in my mind but that some dealer there is taking advantage of the manufacturer and*

drawing cement on contract for resale instead of putting it on the contract covering the purchase of same.

They are no doubt loading cement out of their warehouse from time to time, and if you are not able to get into the warehouse easily, if you would hang around the vicinity of the yard until some cement goes out on a truck, by following the truck you would have no trouble in finding out what brand of cement was delivered from the warehouse.

This is the kind of a job I do not like to have anything to do with, but these are extraordinary times and this seems necessary now. (Vol. I, p. 388.)

And also from the following parts of a letter dated August 31, 1918, addressed to Mr. Norton:

I have information to the effect that the dealer in this case is selling Edison cement in New Bedford at less than the present dealer's price, and what I would like to have you do is to investigate this contract from the city end first, and *without making any more noise than possible* get all the information you can before you go to the dealer. It is more than likely that the dealer will refuse to give you any information, or in case he does, it is liable to be faulty, therefore you should be on your guard and be as careful as possible in verifying everything in connection with this contract.

In the future we are not going to have much trouble along these lines, as the situation is changing, in accordance with another

> letter I am writing you explaining the situation fully, but on many of these old contracts *where the dealers have been stealing cement,* we are going to have to do some clever work in turning up the facts, and it is a matter of great gratification to know that I am able to depend upon you entirely in such matters. (Vol. I, pp. 388–389.)

With all their diplomacy the checkers could not avoid trouble with the purchasers and also with some of the members, as shown by correspondence begun by a complaint of the Vulcanite Company with reference to something that Mr. Norton was supposed to have said to the Sears Lumber Company, one of the Vulcanite's customers. After considerable correspondence had passed between Mr. Norton and Mr. Hulsart, who was then manager, and Mr. Hulsart and the Vulcanite Company, it ended in a mild reprimand administered by Mr. Hulsart to Mr. Norton. (Vol. I, pp. 390–394.) Similar complaint seems to have been later made by the same company with reference to some remarks made by Mr. Norton on another occasion which ended by Mr. Hulsart stating in his last letter to Mr. Norton:

> I wish also to again remind you of the very great care that all of our auditors must use in avoiding subjects in interviews that may be misquoted, misinterpreted or lead to inferences not intended by the auditor. (Vol. I, p. 400.)

It would be supposed that when each of two competitors had a contract to furnish cement for a certain job friction would arise between them as to which one of the contracts should be canceled; but there is no evidence in the record that any such friction ever existed. And the willingness of the members to cancel contracts is shown by some of the discussions which occurred in their meetings. and by communications and reports made to the Association. Thus, in the meeting on March 20, 1916, appears the following:

> Mr. SWETT (Lehigh): Certainly. For instance, if I have a contract for one thousand barrels of cement and the secretary calls my attention to this contract stating that he believes that it is a duplication and not a bona fide contract and I, upon investigation find that such is the case, I cancel the contract and I so advise the secretary and then the secretary in turn advises all the members of the action that I have taken.
>
> The PRESIDENT (Giant): Some of them don't seem to want to cancel some of these contracts.
>
> Mr. SWETT: That is the trouble, that is what I am trying to bring out. I am not making any complaint about the manufacturers that do take steps to investigate their contracts, it is those that do not take steps to investigate their own contracts. The fact that any competitor of mine called my attention to a contract that did not look quite right or the proper way, I would say now

that I would not stop at any expense to investigate it thoroughly. If the contract was so, that I found the contract was not proper, I would take steps to cancel it. I think we should all do likewise if we want to get anywhere. That is the purpose of this Association. (Vol. I, p. 465.)

The discussion was further extended when the following occurred:

Mr. ERDELL (Penn-Allen): I think without doubt that very shortly one or the other of the companies will cancel their contract. We have all said that between ourselves, and as soon as Mr. Griffith raised the question this month and wanted to have the thing cancelled before the end of the month, I took it up very vigorously to see if there was not some arrangement could be made and either one or the other cancelled it. If our cement does not go on the job, I shall cancel our contract immediately.

The PRESIDENT: *That is the spirit gentlemen. That is the way to do it.*

Mr. ERDELL: *I will tell you what we will do, we will cancel our contract as far as it comes here it ceases, it goes off of there.*

Mr. SWETT: Let it stay on, it would be better.

Mr. GILKYSON (Phoenix): It is entirely up to the Association.

The PRESIDENT: It is the understanding that who ever gets the job, the other will cancel.

> Mr. GILKYSON: The only danger I see on that particular job is that this cement is asked for through a dealer; *and I am afraid that dealer will misuse some of that cement; if it is left up to him.* (Vol. I, p. 466.)

On March 17, 1916, the sales manager of the Vulcanite Company wrote the Association requesting that several contracts of the Dexter Portland Cement Company for the delivery of quantities of cement at Manchester, Connecticut, be investigated, and closed his letter with the following paragraph:

> All of these should be canceled in order that the manufacturer may be protected *and the market of Manchester and South Manchester not disturbed.* (Gov. Ex. 354, Vol. II, pp. 698–9.)

On March 31, 1916, the Secretary of the Association wrote the Knickerbocker Company:

> I have your favor of March 30th, in regard to notifying members of the Association that you have canceled 5,000 barrels on your contract #25. You are correct in saying the information should be distributed to all members, and it was decided by the Committee on Detail at their meeting in New York, Tuesday, that a weekly letter should be issued from this office, stating all cancellations and all matters upon which information has been asked and closed. (Gov. Ex. 358, Vol. II, p. 700.)

On June 14, 1917, the assistant to the president of the Atlas Company wrote the Association, *re-*

porting the cancellation of an unshipped balance *of 19 barrels* on a certain contract, and requesting that the records of the Association be adjusted accordingly. (Gov. Ex. 368, Vol. II, p. 705.)

On June 11, 1917, the Association was advised by the Atlas Company of the *cancellation* of an unshipped balance *of 7 barrels* on a certain order, and was requested to amend the records of the Association accordingly. (Gov. Ex. 369, Vol. II, p. 705.)

On June 1, 1917, the Atlas Company advised the Association of the *cancellation of 1¼ barrels* of cement, and requested that the records of the Association be modified accordingly. (Gov. Ex. 370, Vol. II, p. 705.)

On June 27, 1917, the Atlas Company reported to the Association the *cancellation of ½ a barrel* of Portland cement. (Gov. Ex. 371, Vol. II, p. 706.)

On June 1, 1917, the Atlas Company addressed a letter to the Association, *reporting the cancellation of a balance of ¼ of a barrel* (*one bag*) of cement due on a certain contract, and requested that the records be amended accordingly. (Gov. Ex. 372, Vol. II, p. 706.)

Thus was the great Atlas Company teaching by example the diligence that should be exercised to avoid the disturbance of the future market.

VII

THE FREIGHT RATE BOOKS, THE ARBITRARY BASING POINTS, AND THE PRACTICE OF SELLING CEMENT F. O. B. POINT OF DELIVERY ONLY.

Like all other "open-price" associations, this one adopted an easy method, and a very efficient one, of figuring in the freight to ascertain the delivered price at every point where a delivery would be likely to be made.

The price paid for a barrel of cement consists of three main elements: (1) The price at the mill, (2) the price of the bags, and (3) the freight charges. The evidence shows that the price of cement sold by all companies for delivery to the same point at the same time was made up of the same base or mill price, the same charge for bags, and the same charge for freight, regardless of the point from which the shipment was actually made. Uniformity of price was the inevitable result. (Vol. I, p. 146.)

The by-laws of the Protective Association provide that the secretary shall prepare and distribute among the members a complete schedule of freight rates on cement, and shall immediately advise all members of changes in freight rates. (Vol. I, p. 359.)

The Association distributed to its members freight-rate books covering all the New England

States and the States of New York, New Jersey, Pennsylvania, Maryland, Delaware, Virginia, the District of Columbia, and Ohio. (Vol. I, pp. 153–154.)

Manifestly books of this character were used by the members of the old Association of Licensed Manufacturers, as in Schedule A attached to the license agreement a "List of Delivery Points and Sections" was provided for. (Vol. II, p. 773.) The first books used by the members were furnished by the Alpha Company, who, it seems, already had quite a supply on hand. (Vol. I, p. 412.) In the meeting of January 14, 1916, the representative of the Vulcanite Company said:

> The Alpha Cement Company have turned over to this Association something which I know to be of very real value, and of large money value, and I think the Association ought to thank them for it. (Vol. I, p. 413.)

The freight-books published by the Association were used in making prices and were intended solely for the use of members. (Vol. I, p. 461.)

A memorandum exchanged between officials of the Atlas Company, under date of March 1, 1916, contained this statement which conclusively shows that it was the understanding that the figures appearing in those rate books were to be used by the members in making prices for quotations:

> On Friday, February 25th, we received freight rate books for all the Eastern territory, including Ohio.

> *These books, as I understand it, are to be used in making prices, whether the rates are correct or not.* (Vol. II, p. 969.)

This memorandum appears to have been sent the Association, and to have passed into the hands of the other members, as on March 16, 1916, Mr. Young, of Lehigh, in a note addressed to Kimball, the author of the memorandum, after quoting it added:

> For your information would advise that we have checked the books covering freight rates to points in West Virginia and find 618 errors * * * (Vol. II, pp. 970–971.)

That these books were for the members alone, and that they could be used by dealers in a way to disturb the market, is shown by remarks made in the meeting of March 20, 1916. Mr. Twamley (Coplay) had incidentally remarked that he had received requests for books from customers, which called forth the following discussion:

> Mr. DUTTON (Bath): One moment, may I have a moment before you put that question? I would like to say, that as far as giving books to customers for them to use to figure freight rates on, I would like to ask whether that is not a dangerous practice? We have a lot of inquiries for freight rate books. The ordinary customer is supposed to be selling in his own town. He knows what the freight rate is there. It means that every time there is a change of freight rates, we have to keep in touch with the freight books that we have

given out and see if they get the correct notice of the change of the freight rate. I think it is saddling on to each company who does that a whole lot of responsibility which may be a means of causing disturbances at different times on our quotations. We have a lot of inquiries about them, and I have always turned them down, I have not let any of them get outside of our own company.

The PRESIDENT (Giant): I think you are right.

Mr. SWETT (Lehigh): I don't think the customer should have the use of these freight books.

Mr. WEAVER (Allentown): I don't think so either.

The PRESIDENT: It is a matter for the Association members, and not for the customer.

Mr. DUTTON: That is what I believe.

The PRESIDENT: I don't think these books are made up for distribution among the customers of any company, it is for the use of the members of the Association solely, and their different branches.

Mr. DUTTON: I might simply say this, all this was brought home sharply to me; *about a year ago I was requested by a dealer in Baltimore for a freight rate book,* and before I gave it any thought, *I sent him one,* and it was but a short time before I learned that he was making prices at different points down on the eastern shore there, and *he had those freight rate books which he was using to upset the business that we had with the differ-*

> *ent dealers,* and it all started from letting him have one of those freight books.
>
> The PRESIDENT: I think this information should be kept for the members of the Association, and not for its customers. (Vol. I, p. 461.)

If the prices were not uniform at the mill and the delivered price based on the freight rate book, how could a dealer figure them out and "upset the business"?

Freight rates were published from the several basing points to practically every city and town in the northeastern section of the United States; and if there were 618 errors in the West Virginia book the total errors in all the books were innumerable.

On April 25, 1919, the secretary of the Association wrote a letter to a manufacturer, in which he said:

> * * * the rates published in our freight rate books are prepared by three cement companies who must concur absolutely before the rates are given out for publication. (Vol. II, p. 966.)

If freight rates are fixed by the Interstate Commerce Commission, and are definite and specific, what is the occasion for representatives of three of the largest companies belonging to this Association concurring on the rates to be published; and why was it necessary for those representatives to proceed to Allentown, Pennsylvania, prepared to stay all week if necessary to iron out the differences in

those rates, as is shown to have been done in a letter from Clark, Traffic Manager, to Gaines, Vice President of the Association, dated September 5, 1918? (Vol. II, p. 968.)

In August, 1920, the Knickerbocker Company transmitted to one of its salesmen a list of corrections furnished by the Association to be made in a certain freight rate book, stating:

> * * * they are not absolutely correct, there will be another correction sheet sent you later. *However, these figures are to be used when quoting for new market business.* (Vol. II, p. 974, 975.)

The relation of the freight rate books to prices is further illustrated by the following excerpt from a letter relating to freight rates dated December 13, 1920, which passed between officials of the Knickerbocker Company, to wit:

> As a matter of fact, I have learned, since returning from Boston, that there are about *four kinds of prices out. This difficulty will be overcome shortly I hope by the issuance of new freight rate books.* (Vol. II, p. 978.)

That is, after the issuance of the new book, *there would be but one price.*

The mills of the defendants are located at 26 points, as follows (Govt. Ex. No. 201; Defts. Ex. No. D818 neither printed):

> Group 1: Newcastle, Pa.
>
> Group 2: Hudson, Cementon, Jamesville, and Glens Falls, New York.

Group 3: Martinsburg and Manheim, West Virginia; Norfolk and Fordwick, Virginia; and Security, Maryland.

Group 4: Coplay, Northampton, Evansville, Martins Creek, Bath, Saylors, Nazareth, Egypt, Hercules, Siegfried, Ormrod, West Coplay, and Fogelsville, Pennsylvania; New Village, Alpha, and Vulcanite, New Jersey.

It was manifestly impracticable to submit the official tariffs showing actual freight rates on cement from all mills to the many thousands of delivery points at which the defendants have sold cement in this section of the country. To illustrate the general proposition, however, that freight rates vary with distances, a shorter haul taking a lower rate (Vol. I, pp. 147, 151), the Government has submitted in evidence 56 official tariffs[1] showing actual rates from the mills in Group 4 (except Fogelsville) to more than 900 destinations in New Jersey, this group being the only one in which mills are so closely contiguous that the same rate may in any instance apply from all. Rates from the mills in Groups 2 and 3 differ more widely, those in Group 3 being situated as follows: Fordwick approximately 100 miles in a direct line from Man-

[1] The tariffs are of the Central Railroad of New Jersey, Lehigh Valley, Philadelphia & Reading, and Delaware, Lackawanna & Western. (Govt. Ex. Nos. 261 to 316.) The rates given were in effect between June 25, 1918, and August 26, 1920, these being used as comparable with the Freight Rate Books in evidence, which came into use, as a revised edition of those previously used, about October, 1918.

heim, 120 miles from Security, 125 miles from Martinsburg, 200 miles from Norfolk, and 300 miles from the mills in Group 4. A glance at the map, defendants' Exhibit No. D818, shows a like dispersion of mills in the Hudson district.

The rates taken from the tariffs have been carefully compared in a tabulated statement prepared by the Interstate Commerce Commission (too voluminous to incorporate herein), which shows that two, three, and four different rates apply to more than 500 points in New Jersey out of 890 compared. The tariffs in evidence contain freight rates not only to points in New Jersey but also to a very great number in New York and Pennsylvania, and show a similar variance. A very large part of the cement manufactured in the Lehigh Valley district goes to points within the area in which rates differ. (Gov. Ex. 429, vol. II, p. 707. Side pp. 1469–1471.) One of the forms of the Association in evidence shows that practically as much cement is shipped to points in New Jersey as to all New England States, the respective amounts for December, 1920, being 826,861 and 862,342 barrels. (Gov. Ex. 67, p. 370. Side p. 709.)

Notwithstanding the wide dispersion of the mills and the consequent difference in the freight rates, as will be hereafter shown, the prices at which cement is offered and sold by all defendants at the same point at the same time are almost invariably exactly uniform. This is accomplished by making

all offers and sales upon the basis that all cement sold at any particular destination is shipped from a single point; and, consequently, that a single freight rate applies; or, stated in another way, all defendants have the same price at the mill (Gov. Ex. Nos. 325, 327, 330, 333, 336, vol. II, pp. 672–674, 675, 680. Side p. 1394, 682, 684), and add the same freight rate from them all; and therefore charge a uniform price at the point of delivery. Thus, as a former salesman testified, he was furnished a freight rate book showing rates from basing points, and computed the price " by having a *mill* price and then adding the cost of the sacks plus the freight rate to any given point." (Vol. I, p. 147.)

To conveniently and accurately apply this rule, four or five of the points of manufacture in the northeastern section of the country have been selected as basing points. The points so used by the defendants in this part of the country are called Universal, Hudson, Fordwick, and Lehigh Valley, the latter being the most important.

The defendants explain the basing points as " each point where cement is produced in sufficient quantities to affect the market to all delivery points " and the basing points are "a means of securing the lowest price at which cement can be obtained at any point." (Answer, Vol. I, pp. 101–108.)

Universal basing point is the location, in the extreme western part of Pennsylvania, of a mill of the Universal Portland Cement Company, not a

defendant in this particular action. (Defts. Ex. No. D818 and Vol. I, p. 146.) The Universal basing point does not " belong " to the Eastern Association—that is, to the Cement Manufacturers' Protective Association (Vol. I, pp. 146, 339)—and in fact it was seldom or never used in computing the price of cement sold in that part of the country.

Hudson basing point is the location on the Hudson River of plants of the Atlas and Knickerbocker Companies. The two plants at Hudson basing point produced annually during the six years immediately before this suit was instituted an average of 2,003,917 barrels of cement.[2] In that district more cement is produced elsewhere than at the basing point; and the total unused capacity elsewhere in that district has been more than the actual Atlas production at Hudson. (Gov. Ex. Nos. 373A, 374, 386, 387; vol. II, p. 706. Side pp. 1447, 1447½, 1453½, 1454. Defts. Ex. No. D818.) Hence, the entire basing point production could be withdrawn and yet, if the unused capacity was applied, a larger supply would be available.

Fordwick basing point is the location in the western-central part of Virginia of a plant of the Lehigh Company, as above stated, remote by many miles from other mills. The average annual production at that point for the six years was

[2] The Atlas Company's production is not separately given as to Hudson basing point, but is estimated as corresponding to the relative capacity of the Hudson plant to the company's total capacity in this section of the country. (Gov. Ex. No. 386, vol. II, p. 706, Side p. 1453½.)

532,515 barrels.[3] (Gov. Ex. Nos. 373A and 374; vol. II, p. 706. Side pp. 1446, 1447, 1447½. Defts. Ex. No. D818.)

Production at Fordwick, however, is less than at each of two of the three mills which use it as a basing point, and only 34,000 barrels more than that of the other. (Gov. Ex. Nos. 373A, 374; vol. II, p. 706. Side pp. 1446 and 1447, 1447½; Defts. Ex. No. D818.)

Lehigh Valley basing point is not a specific shipping point, but refers to an area of about 50 miles in the vicinity of Allentown, Pennsylvania, and partly in New Jersey, over which are scattered, at 16 different locations, mills of all but three of the defendants, as shown in Group 4. (Vol. I, pp. 146, 149.) Northampton, the location of a plant of the Atlas Company, is the basing point for Lehigh Valley. The annual average production at that point during the same six years was 5,305,694 barrels.[4] The annual average production at the other Lehigh Valley mills for the same period was 19,785,031 barrels. (Defts. Ex. No. D818.) Twice the actual production of the Atlas Company—the basing point production—could have been with-

[3] Production at Fordwick is not stated separately for 1918, 1919, and 1920. The production assigned for those years is the figure for 1917, namely, 604,000 barrels, considerably in excess of that assigned in defendants' Exhibit No. D818.

[4] Production at Northampton is not separately given. The capacity at that point, however, being five-sixths of the Atlas total capacity, that part of the actual production for the years given has been assigned to the Northampton plant. (Govt. Ex. Nos. 373A, 374, 386; vol. II, pp. 706. Side pp. 1446 and 1447, 1447½, 1453½.)

drawn and offset by the more than 10,000,000 barrels of unused capacity of the other mills in the Lehigh Valley district. (Gov. Ex. Nos. 373A, 374, 386, 387, vol. II, p. 706. Side pp. 1446 and 1447, 1447½, 1453½, 1454.)

The basing points Hudson, Fordwick, and Lehigh Valley, are used with respect to all but a relatively inappreciable quantity of the cement sold by the defendants in this part of the country. The base prices at Fordwick are 5 cents less than Lehigh Valley, while the price at Hudson is always 10 cents per barrel above Lehigh Valley. (Govt. Ex. Nos. 675, 676; vol. II, p. 963. Side pp. 1820½–1842½.) Upon any specific sale, however, the price involves the supposition that only one of the base prices is the price at all mills.

The freight rates used in conjunction with the base price, of the uniform mill prices, have been compiled by the defendants in seven printed tablets called Freight Rate Books, each showing freight or delivery rates from two or more of the basing points to " practically every place where cement can be delivered in the northeastern section of the United States."

Cement is sold in units of a barrel of 380 pounds, while the tariff rates are per unit of 2,000 pounds in carloads. (Vol. I, p. 244.) Barrel rates are not published, hence the transportation cost per barrel is necessarily stated with fractions. (Vol. I, p. 244.) Each delivery rate given in the Freight Rate Books, however, disregards fractions, and though

founded upon a true rate from a single mill is inaccurate to that extent. While, therefore, these rates are not, as defendants represent in their answer, official rates, even from the basing points, the Government makes no point of mere fractional deviations. As to other mills, these rates are not the official rates and can not serve "to prevent mistakes and errors in freight charges," as defendants also represent; nor can they obviate the necessity of each manufacturer ascertaining the actual rate between his mill and points of delivery. Consequently, for any other purpose than to render certain uniformity of prices, each rate is a fiction. For this schedule of delivery rates, the tariffs afford a convenient and ideal basis, lending it color of legitimacy and concealing its unlawful purpose. Proof of the official freight rates was relevant only as showing the fictitious character of the Association's so-called freight rates. The buyer pays the *actual freight* to the railroad, receiving credit upon settlement for the cement; and he thus becomes accurately informed of the rate from the mill.

The use of arbitrary rates to some points was deliberately continued, even after their incorrectness was known. For instance, a letter dated April 2, 1919, between the traffic managers of the Alpha and Atlas, sent also to the vice president of the Association, stated:

> * * * you show a higher rate from Alsen and Hudson to this point (Fishers, between Bangor and Ellsworth, Maine) than

> is in effect to points on either side. This, of course, is correct under the present tariffs issued by the New York Central Railroad but we are asking them to check in rates to this point the same as are now in effect to points on either side. When this is done, it will necessitate another correction notice. (Gov. Ex. 680, vol. II, p. 966.)

The members of the Association, without exception, make all sales f. o. b. point of delivery, requiring the purchaser to pay the freight and allowing him credit therefor when making payment of the invoice for the cement.

The Whitehall Company, which is not a member of the Association, (Vol. I, p. 145), sells f. o. b. its mill, customers paying the actual freight as published in the tariffs and of which they are informed by the company. (Vol. I, p. 152.)

To supplement this practice and to make more certain that cement could be obtained at no destination except at the uniform prices made by defendant corporations, the contracts of all but three exclude the buyer from control of shipments until arrival at destination, yet place upon him all responsibility from the time shipments are delivered to the railroad company at the mill. (Gov. Ex. Nos. 628, 571–600; vol. II, pp. 821–916 and 961. Side p. 1811.)

The basing point prices and the delivery charges given in the Freight Rate Books are applied in the following manner: Each defendant company tells

its salesmen to sell at any delivery point by adding to the base prices the freight designated in the Freight Rate Book from each and quote the lowest total. (Vol. I, pp. 146–147.) For instance, to the little town of Absecon, New Jersey, the salesmen of many or all the defendants would come, each equipped with an identical New Jersey Freight Rate Book showing ostensible freight rates from Universal and Lehigh Valley basing points. Let it be supposed that the Universal and Lehigh Valley base prices are at the time $1.70 and $1.75, respectively. Each salesman adds to the Universal price the amount designated as the freight from that point, namely 80 cents, and to the Lehigh Valley price the figure given as the rate from that point, namely 53 cents. (Gov. Ex. No. 4, vol. I, p. 353. Side p. 638.) Disregarding bags, the sums are stated thus:

	Universal.	Lehigh Valley.
Base price	1.70	1.75
Delivery	.80	.53
	2.50	2.28

The lower is the price quoted by all. (Vol. I, pp. 146, 185, 250, 251.) The salesmen had " positive instructions " to make prices in this manner, and were without discretion or authority to deviate therefrom. (Vol. I, pp. 146, 147, 152.)

Each mill, except the one actually situated at the basing point, has in reality a different price for each buyer. Hence, discrimination is not only not pre-

vented, as the defendants suggest in their answer, but is inherent in the basing point price fixing device. The following table, comparing prices actually realized on shipments to Reading, Pennsylvania, minus actual freight, shows how large communities are thus discriminated against and deprived of the benefit of proximity to a mill and of the consequent " difference in the cost of * * * transportation " which the Clayton Act specifically contemplates they shall enjoy. (38 Stat. 730, sec. 2.)

Company	Barrels [1]	Price minus bags	Actual tariff rate	Assn. rate	Actual mill price
Allentown	46, 000	$2. 12	[2] 25. 441	37	$1. 86559
Lehigh	10, 000	2. 12	[2] 31. 312	37	1. 81688
Coplay	2, 000	2. 12	31. 312	37	1. 81688
Penn-Allen	2, 800	2. 12	[3] 37. 183	37	1. 74817
Lawrence	3, 500	2. 12	[4] 37. 183	37	1. 74817
Bath	1, 500	2. 12	[3] 37. 183	37	1. 74817
Vulcanite	8, 400	2. 12	[4] 37. 183	37	1. 74817
Dexter	4, 000	2. 12	[3] 37. 183	37	1. 74817

[1] Transactions taken from Form 10, pp. 40–41, Nov. 1, 1919.
[2] Govt. Ex. No. 302. Mills at Evansville, Ormrod, West Coplay, Coplay, and Saylors.
[3] Govt. Ex. Nos. 304, 311. Mills at Nazareth and Bath.
[4] Govt. Ex. Nos. 261, 266. Mills at Siegfried and Vulcanite.

(Exhibits not printed.)

The above is one of many instances where the actual rates differed as much as 12 cents per barrel from the rate charged, the Association rate being based on the highest, and where the city of Reading paid the Allentown Company, which enjoyed the shortest haul, $564 more than it would have paid at the base price plus actual freight. If competition existed amongst the defendants and if the basing

point price fixing device were the development of competition, the Allentown Company would have been compelled to share with the purchasers of cement at Reading and the many points elsewhere similarly situated some part of this $564.

The following testimony of Mr. Shade, a buyer, shows that the Freight Rate Books are used solely for the purpose of quoting uniform prices:

> The Lehigh have a factory at Fordwick. I carried on special negotiations with Lehigh. They were the first ones I went to because they had the advantage of a good location, that is, they were the closest mill to the job. I asked their salesman, Fred Ford, why he wouldn't give me a lower price because he had a closer mill. He told me he would either give me the Lehigh cement shipped from the Lehigh Valley or Lehigh cement from Fordwick at the same price. He would make no difference in the delivered price whatever, although the freight was considerably less. I deducted the freight on the Lehigh cement from his delivered price and got the mill price and asked him to sell me that same cement at Fordwick at that base price and allow me to pay the freight. He said they wouldn't do that * * * (Vol. I, p. 225.)

VIII

INFORMATION CONCERNING CREDITS

Clause (a) of Article III of the Constitution gives information concerning credits as one object of the organization. (Vol. I, p. 355.) The following forms are used by the association in carrying into effect this provision of its constitution:

Form #25.—Used by manufacturers in reporting to the Association monthly all delinquent accounts. It shows among other things the customer's name and address, and the amount of unpaid accounts four months or more old, three months old, two months old, and the ledger balance. It also shows the accounts which have been placed in the hands of attorneys. (Gov. Ex. 59, Vol. I, p. 367, side p. 703.)

Form #15.—A so-called credit report, by means of which the Association communicates to all its members each month the information received on Form #25. (Gov. Ex. 60, Vol. I, p. 367, side p. 704.)

Form #16.—Issued by the Association and distributed to its members along with Form #15, being a summary of the information and data contained in that report. (Gov. Ex. 61, Vol. I, p. 368.)

Form #17.—Issued monthly by the Asso ciation and distributed to its members along

with Form #15 and Form #16, being a summary of past due accounts for the preceding 12 months. (Gov. Ex. 62, Vol. I, p. 369.)

Form #18.—Issued monthly by the Association to show accounts placed by various members in the hands of attorneys for collection. (Gov. Ex. 63, Vol. I, p. 370.)

Form #31.—Issued monthly by Association and showing by chart or picture certain information reported on Forms Nos. 15–18. (Gov. Ex. I, p. 161.)

Form #27.—Used by Association in answering specific requests of members for information concerning a certain account. (Gov. Ex. 64, Vol. I. p. 370.)

Form #26.—Used by manufacturers in reporting quarterly to the Association (1) Total bags returned; (2) Total bags rejected. (Gov. Ex. 65, Vol. I, p. 371.)

Form #19.—Summary report compiled by Association from Form #26 and issued quarterly to its members showing as to each company (1) Total bags returned; (2) Total bags rejected; (3) Per cent rejected; (4) Per cent rejected during the preceding year. (Gov. Ex. 66, Vol. I, p. 371.)

For explanation of forms, see evidence of Miss Phalen, Vol. I, pp. 159–161.

It is proper for business men to have some method of ascertaining the moral and financial responsibility of their actual and would be customers. Agencies exist to procure and for a consideration impart such information. But as those who sell

the same trade have peculiar knowledge as to the reliability of buyers, there is no good reason why they should not exchange among themselves the information they possess upon that subject. *But the practice should be confined strictly to an exchange of knowledge, and certainly should not extend to any understanding, expressed or implied, as to circumstances and conditions under which credit will not be given.* Such an understanding is equivalent to the creation of a black-list, which often has been condemned. Furthermore, there should be no stipulated list of customers to whom it is agreed that certain advantages shall be given. Everyone should be absolutely free to sell to whom he pleases, and on such terms as he pleases.

The record does not contain sufficient evidence to justify the inference that a list of those who should be considered dealers was actually maintained *and agreed upon*, although there is evidence that there was a list of dealers, and that one had to be on that list to purchase cement at dealer's prices. Thus Mr. Thropp, general manager of a coal and iron concern, testified that in about May, 1916, he had a conversation with a representative of the Lehigh Company who had charge of the territory he was in. The salesman quoted his price, and Mr. Thropp told him he wanted a lower figure; but the salesman said he could give it only if he could get the company's name put on the list of Association dealers; that "then he could get a reduced price if our name was authorized by their Association; and later on,

within a week or so, we got a contract from the Sales Manager of the Lehigh Company, giving us the dealer's price through one of our stores." (Vol. I, p. 227.) His company operated four or five stores; and they sold "some building supply stuff" (Vol. I, p. 228); but the important thing was that the company had to be on the Association's list in order to purchase cement at the dealer's price.

A positive agreement not to sell certain individuals, or individuals who have not complied with stipulated conditions, is not the only, or most effective method of imposing a restraint upon the members of an Association in their dealings with customers. For illustration, it would manifestly be unlawful for those who control the supply of a commodity to agree that they woud not sell to any person who had permitted a bill to go unpaid for a period of say sixty days. But if such an agreement be unlawful, any system is unlawful which by concert of action brings about the same result. And the Government insists that the discussions at the meetings with reference to extension of credits were of such character that a greater restraint was thereby imposed upon the members than there would have been by a positive agreement as to conditions upon which credit would be given, not accompanied by personal comment. The following excerpts from discussions of their meetings are cited as examples.

In the meeting of the Credit Men's Branch on January 31, 1916, there was under discussion the

question of reporting delinquencies of ten dollars and less. The following colloquy occurred:

Mr. Medler (Atlas): I do not see why you eliminate any amount. If you keep out of the record accounts of the customers who owe $9 and less, *you have just a chance to make an allowance of that $9 to this customer. In other words, you might cut your price $9 whereas if that was reported it would be a different proposition.*

Mr. Hilles (Dexter): It might be discrimination, that is what you are driving at, it might be discrimination?

Mr. Lober (Vulcanite): It might be, why not?

Mr. Hilles: Mr. Medler's point is well taken, it would be much better that we report everything.

Mr. Medler: That is a way a discount might be forced, if a man habitually holds out $4 or $5 and you make that concession to him which he is not entitled to, after that has been repeated you realize that enters into the question of credit of that man, and that is something that we should all know.

Mr. Matthes (Alpha): I move that the companies report their accounts as they have in the past and designate any of these small balances that may be disputed items.

Mr. Alker (Pennsylvania): I second the motion.

The President (Giant): Gentlemen, you have heard the motion, all in favor of it will say "aye." (Ayes.) The contrary "no." Carried. (Vol. I, p. 422.)

And again:

> Mr. Jiggins (Giant): Are we to report that an account placed in an attorney's hands has been paid later?
>
> Mr. Matthes (Alpha): I do not know as that is essential. It is valuable information to have but the fact that there had to be action taken of placing your account with an attorney is what you want to get at.

Mr. Medler (Atlas): *That is all I want to know.*

Mr. Hilles (Dexter): *We do not care whether he pays or not.*

Mr. Lober (Vulcanite): The fellow interested in whether he pays it or not is the fellow who owns the account.

Mr. Medler (Atlas): *If we have to sue a man to get the money we won't sell him that's all.*

Mr. Gilkynson (Phoenix): When he has paid the attorney or the attorney has had to bring suit and he has paid after suit that would be interesting information.

Mr. Matthes (Alpha): You are the only one interested in that. (Vol. I, p. 422.)

After the discussion had been further extended, Mr. Lober (Vulcanite) remarked:

> This will bring everything except the accounts in attorneys' hands on one list and will make just that much less searching necessary, and will also show you if this particular man is a customer of one company and he is giving notes in payment and to another company he is running an open account; for instance, he may be giving one man notes and he may be meeting these notes

promptly as you will see by comparing that list from month to month, he pays them when due or on the other hand he may be giving notes and stringing along indefinitely in renewing them. This information will all be on one sheet here and by a quick comparison you can determine just what his status is and if he is playing fast and loose with you, if he is in one case doing directly opposite from what he is in another. (Vol. I, p. 423.)

The discussion was still continued, and Mr. Bodin ( ) said:

Well, it was brought out so strongly by someone here that they didn't care to have anything to do with anybody that had to be sued, if that was the idea, I thought we ought to know more about it. (Vol. I, p. 425.)

And the result of the discussion appears from the following remarks:

Mr. Bacon (Sec'y): Do I understand the report comes in as to placing in the hands of attorney are not to have any description or are to have any description of what the action has been, but simply a statement showing they are in attorney's hands, is that it?

The President: Yes.

Mr. Lober (Vulcanite): On the first of February all you will have to report, is this is placed in an attorney's hands, those accounts that have been placed there during January, without any report as to the result on previous accounts. (Vol. I, p. 426.)

Subsequently, at the meeting of March 20, 1916, a somewhat different view prevailed as to whether or not the payment of accounts which had been placed in attorneys' hands should be reported. Mr. Hahnemann (Bath) made the suggestion that payments of such accounts be reported. Mr. Jiggens (Giant) remarked that at a previous meeting it was decided that if anyone desired additional information he could call up the company who had reported the account; and the President said: "At the last meeting, it was decided that accounts placed in the attorney's hands, should be left in that state"; but that if a change was desired the members could very easily be requested to send in reports showing payments; and a motion to that effect was carried. But immediately after this action was taken, Mr. Lober (Vulcanite) said:

> I want to bring out the point that several of the interested members made in connection with that attorney's list. *They wanted that list to be kept as a sort of permanent reminder, or evidence that the man's name had gone on that list and that was enough for them. They didn't care whether the account had eventually been paid or not. They still wanted to know that that fellow had been subject to a suit, for they themselves did not want to sell him if some other person had to sue them.* And Mr. Medler was very emphatic about that, and therefore I understand that it was the majority of the meeting in New York—when I was running this thing—that the majority of the members

> would not want the name removed from the list, when it was paid—when the account was paid. They want the name continued there as having been sued at some past time. Of course, mark them paid, that is all right, but still keep the name in that list. (Vol. I, pp. 453–454.)

The remarks of Mr. Lober made in the meeting of October 15, 1918, show how promptly accounts placed in hands of attorneys were reported. Mr. Lober said:

> Those special reports, those special notices of accounts placed in attorney's hands, as I understand it, are sent out immediately on receipt of notice from the company that they have placed that account with an attorney. There is a special circular sent out to all of the members at once. They do not wait for the issue of the regular monthly report. (Vol. I, p. 569.)

It appears that the members also at times conversed with each other over the telephone in regard to the standing of a purchaser. Thus in the meeting of January 23, 1919, Mr. Lober (Vulcanite) detailed a statement he had made to Mr. Naylor (Knickerbocker), who had inquired of him with reference to the credit of a purchaser, whom his company had sued. The reason for the suit is thus stated:

> We placed an account in the attorney's hands, an account of a concern which was in good credit, discounted their bills. *It was due to their having misused contract cement*

> *which we found, discovered, as a very flagrant case.* We charge them with the difference between the market price and the contract price which they refused to pay, and eventually that account was placed in the hands of an attorney for collection, or it still is. Another company was interested in that account, and when they noticed we had placed it in the attorney's hands, within a day or so afterwards, I got an inquiry from the credit man of that other company asking for the particulars. (Vol. I, p. 581.)

At that same meeting there was submitted by the credit committee the form of a questionnaire to be sent out to the members, the object being to bring out opinions as to how improvements in the credit system could be made. The 8th question was: "What do you consider a bad debt? When do you charge it off"? The Chairman inquired: "Mr. Lober, was not that last question the subject of a good deal of discussion at the meeting they had over at the Biltmore?" (p. 583) which remark indicates that they had been discussing this subject at meetings not reported, probably committee meetings. A motion was carried instructing the officers to send out the questionnaire; and the Chairman stated that the answers would then be placed together and sent to the different credit managers. (Vol. I, p. 583.) At the meeting of April 17, 1919, a report was made by the Credit Committee containing a number of recommendations. Among them was one that each company adopt a system which would enable it to report unpaid accounts

sixty days old or more promptly at the end of each month, even though it might delay the closing of their customer ledger; and another that the members should not hold up reports to the Association pending any adjustments during the month following. (Vol. I, p. 595.) As indicative of how strict some members were with reference to extending credit, and how effort was made to instill a like spirit in others, we quote from the following remarks of Mr. Hilles (Dexter) made at the meeting of December 14, 1920:

> It comes back to Jiggens' letter; there lies the key to the whole situation; and if we would only act upon that letter, *that suggestion of his, of never shipping a car of cement to a dealer, being able to say no when we have the information in our hands that that dealer owes another cement company right alongside, for cement bought over thirty days ago.* I have just been checking up, while we have not had any trouble in the past, I found five this morning; I am writing five letters to you gentlemen here asking for your experience. *If he owes me, and he owes you, and he owes that fellow, this man is automatically, with the writing of that letter, marked "no credit" on that day. The minute that letter goes out, it determines "no credit."* The salesman is advised by dictating that letter. The two processes naturally follow. My list is none too good. I have about sixty or seventy with four months' old stuff, and most of mine is with country dealers. But nevertheless during

> the three or four months when we were shipping that cement, these fellows did not owe anybody else any money. When this spring season opens, I want to be very careful as to whom I ship cement. *I want to try to get myself to say absolutely no, no matter how badly he wants me to ship cement. If a fellow will write me I will tell him everything, what my experience is.* (Vol. I, p. 616.)

At that meeting there was an extended discussion relating to credit, and Mr. Tiree said:

> Yes. It is not so much the sixty days, as we want to find those delinquents. If we have reason to know that such and such a party is going to be delinquent for the sixty days, and we shut off shipments to him, it seems to me entirely proper for us to put that on, and include it under the sixty days. (Vol. I, p. 619.)

And Mr. Christ (Coplay) said:

> And over against that you have accounts of three or four months and you don't hold up shipments. Why not make some parenthetical explanation in a condition of that kind. (Vol I, p. 619.)

The discussion had finally reached the point where doubt arose as to whether they were in effect creating a "black-list," and Mr. Lober (Vulcanite) remarked:

> I don't want anybody to get the impression that we are publishing a black-list. We are not. We want to have all the informa-

> tion we can get, and yet we must always keep in mind the plan and the scope of the Association as expressed in the draft of the purposes which were printed at the beginning of the first minutes and the constitution and by-laws, that every company member is absolutely free to conduct his business as he pleases. (Vol. I, p. 619.)

The credit managers were manifestly wishing to adopt and enforce still more stringent regulations at the meeting of January 20, 1921; and in the absence of Mr. Lober, Mr. Hulsart was asked to read a report of the credit committee, from which it appears that a number of credit managers had held a meeting in New York on the 14th of the previous month and had then discussed matters affecting credit conditions. In the report certain extensions of the credit system were recommended; but before its adoption it was determined that the matter should be referred to the Association's attorney for advice as to its legality. (Vol. I, pp. 620–621.) Counsel in his reply expressed the view that the action contemplated was legal but inadvisable, because "there are numerous people trying to get a picture of the Association just now, and during that process any movement, however harmless in itself, is apt to obscure more or less the outline. . . . In brief, simply on the theory that it is not desirable to move when one is having one's picture taken, I suggest deferring action on these suggestions." (Vol. I, p. 622.)

IX

MEETINGS

Article IV of the Constitution and Section 7 of the By-Laws provides that *the Association shall meet monthly,* " the time and place of each meeting to be fixed by the Association. Special meetings may be called whenever the President shall deem it necessary or upon request of five (5) members." (Vol. I, p. 358.)

The second paragraph of Article VIII of the Constitution provides:

> *Full and complete minutes of all matters discussed at any meeting of the Association shall be kept* and such minutes, together with all records, files and correspondence of the **Association, shall be preserved and held open** at all times to any public official or other person who may have any legitimate reason for desiring to be completely informed concerning any or all the activities or transactions of the Association. (Vol. I, p. 357.)

And a stenographic report of all discussions and actions taken was kept; and the Association's counsel was present at every meeting to steer the discussion away from illegal subjects and to have them confined to matters strictly within the purview of the Constitution and By-Laws of the Association.

From the citations heretofore made to and quotations taken from the minutes of the meetings, it is apparent that the impelling force of those discussions toward cooperation can not be estimated.

But a further consideration of the minutes will show the absolute impossibility of confining such discussions to the subjects specified in the Constitution and By-Laws; and that through them agreements were reached, sometimes positively expressed but more often tacitly understood, which related to many of the most important practices of the industry. If, under the circumstances described, discussions of the character shown in the minutes of the meetings of the defendant Association occur, what their nature must be when had in the absence of all restraints can only be imagined. In the *Hardwood Case* (*United States* v. *American Column and Lumber Company*, 257 U. S. 377) the proof showed that the secretary, Gadd, requested from each of the members an expression of opinion as to the benefits they had received from the Association's activities. In reply, a number of the members freely described the benefits they had derived therefrom; and their testimonials not only were material evidence in support of the Government's contention in that case, but demonstrated exactly what results are accomplished by all trade associations which carry on practices of the character there proven. So here the minutes of the defendant Association are conclusive evidence, not only of what occurred in the discussions had by the members of the defendant Association, but also of the scope and nature of discussions which will naturally be had in meetings of all trade associations.

X

SUBJECTS CONSIDERED AND PASSED UPON BY THE ASSOCIATION OUTSIDE OF ITS CONSTITUTION AND BY-LAWS

On cross examination Miss Phalen, the Association's Secretary, testified:

> The business of the Association is confined to dealing with these four subjects that have been mentioned, that is, specific job contracts, credits, freight rate books and statistics of production, shipments and stocks on hand. The business of the Association is carried out by getting certain information as to those four subjects, putting that information on printed or mimeographed reports and sending those reports to the members. The Association simply repeats or tabulates this information without drawing any conclusions from the information or making any suggestions in connection with those subjects. The Association is in substance simply a mechanical multiplying and tabulating machine. (Vol. I, pp. 161–162.)

The witness no doubt was conscientious in this statement; and if a full report of the discussions and actions taken at the meetings had not been kept, it would doubtless have been proven by a number of witnesses, and probably not contradicted, that the activities of the Association were confined strictly to the subjects mentioned in the Constitu-

tion. All of the subjects embraced in the Constitution have heretofore been treated; and now consideration will be given to matters with which the Association was supposed to have nothing to do whatever.

RETURN OF BAGS

This subject gave the members of the Association no little concern, because it is a matter of importance in the cement industry.

Cement is generally placed on the market in bags, the practice being to charge a certain amount for the bags when the cement is sold, and then allow the purchaser credit therefor when the bags are returned in good condition. The usual charge made for a bag is ten cents; and if the bag is returned in good condition the purchaser is reimbursed ten cents. The cost of bags to the several manufacturers must have varied widely, because some companies require, and are in a position to order large quantities of bags, whereas other companies require a comparatively small number of bags. The price of bags, along with everything else, advanced materially shortly after the war period. Some of the nineteen manufacturers must have been fortunate enough to have contracted for their requirements before the peak of prices was reached. However, regardless of what the bags must have cost, the various manufacturers all made identical charges therefor. Manifestly, leniency in the inspection and acceptance of bags returned is tanta-

mount to a rebate in the price of cement; and this question repeatedly arose in their meetings. Thus in the meeting of May 15, 1916, Mr. Lober (Vulcanite) said:

> Do you desire any discussion as to the results of the tabulation of the bag figures for the last three months? There is a very great divergency in the percentage of rejections. The lowest here appears to be one-half of one per cent., and there is one here which shows nearly four and a half per cent., that one fellow rejecting nine times as many bags as the other, and the average is nearly two. Now there may be causes which will explain that. It may be that the companies which show very large rejections did not have very many new bags last year, particularly the latter part of the year. The companies which show the smallest percentages may have put in many new bags, and it may be that they shipped largely on contracts, where the contractors could take good care of the bags. But there is a most remarkable difference between the high and the low figures. The highest is apparently four and a half per cent., and the lowest only half of one per cent. There are about five who are below one per cent. We have never been able to get that low, even when we had new bags, and on the other hand we have never gone as high as four and a half per cent., when we had nothing but old bags. Perhaps it would have been just as well to have let it go a little longer. *The gentlemen*

who are not rejecting many, are the ones whom it ought to cause some study.

This is the first report, and we will have another report at the end of the next three months, and that will give us a little larger basis for averaging. (Vol. I, p. 484.)

At the meeting of February 20, 1918, a letter from the president was read by the secretary, which related to this subject. In the letter Mr. Mallory (Edison), the president, said:

> I have already made a rough calculation which indicates that we are getting a smaller percentage than some of the other companies, and I will appreciate it if you will take the matter up and see if it is possible to obtain from each of the companies a memorandum showing the total number of cloth sacks which each company shipped during 1917; that is, eliminating the shipments in paper and wood, so that the percentages would be on a comparative basis.
>
> If this information is available, it might be illuminating to some of the companies, as well as ourselves, if you would work out the percentage and send the results to each company. (Vol. I, p. 550.)

The secretary then stated that he understood what the president wanted was for the reports to show the number of bags *shipped* by each company and the number returned, as only the number returned was then reported. The Chairman inquired if any-

one had any objection to supplying Mr. Bacon (Secretary) with that information.

> Mr. TWAMLEY (Coplay): I move that the information asked for in the letter of Mr. Mallory be supplied to the Secretary.
>
> Motion seconded by Mr. Cover (Security) and carried. (Vol. I, p. 550.)

However, the discussion proceeded; and Mr. Scott (Giant) remarked:

> Mr. Mallory's point is that our records show a tremendous number of bags outstanding in the customer's hands and we want to see if our records *show a larger number than the other companies.* In other words, we want to know the number of bags outstanding, so that we can provide for the future and so on. (Vol. I, p. 551.)

The motion which had previously been carried was subsequently modified as follows:

> Mr. COOGAN (Alpha): I move to amend the motion to get these figures for the year 1917 and distribute them.
>
> Mr. BROBSTON (Dexter): May I make a suggestion that the reports show the total number of bags shipped for 1916 and 1917. Wouldn't it be interesting to have the total number of bags for both years?
>
> The CHAIRMAN: The idea then is to supply Mr. Bacon with information showing the shipment of sacks during the years 1916 and 1917, with the amount of sacks returned.
>
> Motion seconded by Mr. Jiggens (Giant) and carried. (Vol. I, p. 551.)

At the meeting of November 19, 1918, the method of counting bags was discussed, and Mr. Gaines, Vice President of the Association, said:

> I secured that information and sent it back to the members in the form of a *statement showing the method each company used in counting sacks, whether before cleaned or after cleaned.* That report has been made to the members, and we can incorporate it here as a part of the records of this meeting. (Vol. I, p. 575.)

In the minutes of the meeting of April 17, 1919, it appears that the Credit Committee had met and held a meeting the night before, and had discussed a number of trade practices; and with reference to the question of bags returned, Mr. Lober (Vulcanite), who submitted the report, said:

> Another matter that was discussed last night was the question of sack returns, the great variation which is shown in the rejections as between various member companies.
>
> The credit managers felt that the variations were larger than they should be, and that something might be done to reconcile those differences, and they would like to have the office here take up that question with the various companies and find out which man in each organization is directly connected with that work, and see if it would not be possible to have a meeting and discuss these differences *and find out if there was not some way to have some more uniform method of inspecting return sacks so that*

the results would be comparable instead of showing such an enormous variation. (Vol. I, p. 596.)

After some further remarks the following colloquy occurred:

The CHAIRMAN: Do you think it possible, Mr. Lober, that instructions could be issued, or any plan formulated, whereby the men inspecting sacks—different men in different companies inspecting these sacks—could determine what was a good sack and what was a bad sack. Does not the human element enter in there to a great extent?

Mr. LOBER (Vulcanite): It enters into it to a very great extent, but it seems to me the differences as they are now are too great to be entirely covered by the personal equation. Possibly by discussion we might draw up some standard rules for inspection which would tend to make it somewhat more uniform. I do not know whether we could or not. (Vol. I, p. 596.)

After remarks by Mr. Dutton (Bath) and Mr. Lober, the Chairman again said:

I think you will find that one reason for that variation is that some companies allow credit for any sack which can be repaired and used again, and others do not. (Vol. I, pp. 596–597.)

Mr. Lober in closing his reply to this remark, said:

I do not know whether anything can be worked out on that line or not. I might say

that the same matter was put up to the Package Committee of The Portland Cement Association, to try and work up something in the way of a specification or a set of rules for inspecting, and possibly testing, return sacks which would as far as possible make that inspection at the various mills uniform.

The CHAIRMAN: Has any one any suggestion as to how that could be done?

Mr. DUTTON: My candid opinion in this whole matter is this, that with some of the companies the sales department has too much to say regarding bag credits. I know it is very easy for a company to have certain accounts which they do not want to lose where there were complaints coming in of bag credits, to overlook and go ahead and give them a credit that they were not entitled to. I feel that this is largely due to the selling end of it that that is done, because I cannot conceive why there should be this big variation in bag credits if it was left entirely to the operating department and the credit department in the mills. (Vol. I, p. 597.)

At the meeting of June 19, 1916, the following discussion occurred with reference to allowing a discount when the purchaser remits check, less the amount of bags returned, when the bags have not yet been received:

Mr. MEDLER (Atlas): I should like to get an expression of opinion from the meeting

as to what is considered good practice in the way of a bill of lading covering bags in transit not yet received when taking the cash discount. To put a concrete illustration, supposing a man has shipments until the 15th of the month and promptly on the 24th or 25th, within the discount period, he sends his check, the amount of the invoice would be, say $250, his check would amount to $150 and he encloses a bill of lading for enough bags to make up the difference after deducting his discount. Now, it has been my understanding that it was not considered cash payment to take a bill of lading, for bags in transit, and I have sent these checks back. The wrath I have brought down upon me has been so severe *that I would like to know what other members of this meeting have to say on the subject before I know whether or not to stand by my guns.*

Mr. ISRAEL (Coplay): It strikes me Mr. Medler's practice is exactly right. Anything else merely means the customer is setting himself up as a judge and jury to decide every bag he sent was in splendid condition and was all right and a full credit must be allowed for the same.

Mr. MEDLER: Of course we would adjust our differences when received at the mill.

Mr. ISRAEL: This is simply another controversy. I will stick by what I said, that you are absolutely right. See what the others think about it.

Mr. GRIFFITH (Giant): Gentlemen, this is a very interesting subject, allowing credit for bags on the way in settlement before they are received at the mill.

Mr. ISRAEL: See what each one says about it.

Mr. LOBER (Vulcanite): Mr. Medler's question is not what we ought to do, but what we are doing?

* * * * *

Mr. LOBER: Mr. Medler brought that discussion up at one of our meetings. I looked into it, and it occurred to me possibly our customers were doing that. I knew there were deductions made for sacks. I looked it up and found occasionally there were cases of that kind and our cashier had been accepting on account and holding up the receipt until we got the sacks, and they were all right. *We want our practice to be the same as the others.*

Mr. ISRAEL: *Gentlemen, I hope this practice will become universal*—not to do it, as really, it is almost impossible to differentiate between allowing a check which was sent and which would not be received until long after the discount period and allowing for cement bags sent and which you do not receive until after the discount period.

Mr. GRIFFITH: *It seems to be unanimous they have not been allowing credit for bags on the way.* (Vol. I, pp. 493–494.)

At the meeting of October 16, 1916, the question as to the return of sacks to customers when demanded by them was under discussion, and the president said:

> The gentleman who brought this up wanted to get the feeling of the different members as to how they were handling this, *and it seems to be the general consensus of opinion that in the future,* when a customer asks to have bags returned, we will put them in the next car of cement that is shipped, and so state it on the bill of lading. Is that the feeling of the members present? (Vol. I, p. 514.)

At the meeting of May 21, 1917, the question considered was thus stated by Mr. Medler (Atlas):

> I would like to get an expression of opinion as to what the members would consider good practice in accepting bags after a long delay in transit for discount purposes.

Thereupon the president remarked:

> I think that is an important matter we should give some consideration to. In regard to the return of empty bags, you are aware that at present railroad conditions are such that bags do not come back with promptness, and some important customers who discount their bills do not get a credit memorandum for bags returned as it may be a month or six weeks or some such time before they are finally returned to us. (Vol. I, p. 527.)

After some discussion the following exchange of views and action by the Association was had:

> Mr. COOGAN (Alpha): I think we would make a mistake in changing our present rule.
>
> Mr. MEDLER (Atlas): I am rather inclined to agree with Mr. Hilles that when a man presents a bill of lading we should take in good faith that he has made such shipment. Our company has not had much trouble except in one or two cases lately, and I think myself that there may be cases where individual judgment may be used.
>
> Mr. WALTER (Lehigh): I think if we did make an exception in one case it may be possibly only postponing trouble with other customers.
>
> Mr. DUTTON (Bath): I believe if we make exceptions it would only lead up to chaotic conditions and disputes. If a customer finds out we made an exception in one case there is trouble right away.
>
> Mr. COOGAN: I think it would be better to leave matters remain as they are, and I would therefore move that this meeting reaffirm our present policy so far as the handling of empty bags and bag credits are concerned.
>
> Motion was duly seconded and carried. (Vol. I, p. 528.)

At the meeting of July 16, 1918, the following discussion occurred with reference to exchanging sacks between the companies:

> Mr. LOBER (Vulcanite): I have a matter I would like to get an expression of opinion on.

I have received from a number of the companies, letters in regard to the intercompany sack exchange basis—foreign sacks, I believe we could discuss that here as to the desirability of a change, and as I know that some of the members have been making that change, it seems to me we ought to have a uniform practice—all of us.

The CHAIRMAN: I think Mr. Lober has brought up a matter which we are all very much interested in at present. I would like to hear from some one what his views are in the matter. Mr. Griffith, have you anything to say?

Mr. GRIFFITH (Giant): We are still holding to the old rate of five cents. I feel if we raised that price it would only imperil the matter.

The CHAIRMAN: How do you feel about it, Mr. Twamley?

Mr. TWAMLEY (Coplay): I understand the question is the amount to be paid for sack exchange between manufacturers.

The CHAIRMAN: Yes.

Mr. TWAMLEY: I feel in view of the present cost of bags that that amount is too small. I think a rate of ten cents would be an improvement.

The CHAIRMAN: The big drawback in making a change in the interchange value of sacks, of course, is for the reason which Mr. Griffith brought out, but I doubt it would amount to as much as we possibly think it would. Mr. Griffith remarked that changing the price of sacks for interchange

between mills from five cents to ten cents would encourage customers in returning all their sacks to one manufacturer. How do you feel about that, Mr. Coogan?

Mr. COOGAN (Alpha): We prefer the five cents. We agree with the remarks that have been passed here that if we go to ten cents there will be a great deal of abuse. We do not see any reason why there should be a change.

Mr. MEDLER (Atlas): We are paying five cents now and I do not think we care to change that. We do not like to handle foreign sacks; they are expensive and troublesome. We cannot get enough labor to count our own sacks and we do not want to bother about turning over that labor to take care of the other sacks. We do not think we ought to change from the five-cent basis. (Vol. I, pp. 564–565.)

DISCOUNTS.

This is another subject which was repeatedly discussed at association meetings.

At the meeting of March 20, 1916, Mr. Walters presented a card to be given customers which contained a succinct statement as to terms of discount, and which was the subject of lengthy and very favorable comment. The principal point of discussion was whether the time of payment to obtain the discount should be within the stated period from the *date of shipment* or *date of the receipt* of

the cement. In the course of the discussion, the president said:

> It was intended, this five cents on a barrel, it was absolutely intended to receive payment within ten days from the date of the invoice. And I think it is a very important thing that we try to hold to that arrangement, and the suggestion of the Lehigh Company seems to be a very good one.
>
> Mr. ISRAEL (Coplay): Mr. Chairman, would there be any objection to having that card copied and a copy sent to every member by the secretary?
>
> The PRESIDENT: I don't see any harm for the same verbiage, practically, being used and sent out by all the companies to their customers calling their attention to the fact, that this Association is giving them a discount for a payment within ten days and holding them to it, not eleven days or twelve days or thirteen days but holding them strictly to the account of within ten days' period. (Vol. I, p. 448.)

* * * * *

> Mr. LOBER (Vulcanite): I was just about to make the same suggestion as Mr. Israel. We all would like to have a copy of that card. So far as we are concerned I am going to have a similar card printed and used in our business.
>
> Mr. JIGGENS (Giant): So am I. (Vol. I, p. 448.)

Mr. Israel (Coplay) remarked:

> The card strikes me so admirably and it is worded so concise and so clear and emphatic where this discount will be allowed that it is a question in my mind whether it is possible to improve it any. I made the humble suggestion that the words " not ten days after the arrival of the goods " might be underscored in red ink because that would strike anyone in the eye that read it, it would strike them right in the face and they could not very well get away from that. (Vol. I, p. 449.)

And after further discussion, the following views were exchanged by the members:

> Mr. Corbett (Alsen): The United States postmark would be a good guide because there are constant evasions, and if we don't start that thing at the very beginning with absolute strictness there will be one, two or three different delays that will be worked or tried to be worked on you, where they will try to get some extra days in which to have the discount allowed, all of which would be very unfair but which will be very hard to detect and very hard to meet. Whereas if we have something of this kind stated in advance as a guide it might make it easier to meet.
>
> Mr. Israel: Suppose we enter the words " Remittances will be considered as of the post mark on the envelope containing the remittance."

Mr. CORBETT: That is my suggestion, something to that effect.

Mr. LOBER (Vulcanite): Mr. Israel, that very point, the date of the invoice might be taken care of by making that read "The date of the shipment from the mill" which would be the same as the "date of the invoice" with us, and I imagine with most companies.

Mr. COVER (Security): As shown by the bill of lading.

Mr. LOBER: As shown by the bill of lading, yes. There is a point in connection with that cash discount time which I think most of you remember was brought out by the trade relations' committee of the other Association. They say that their counsel—I don't know which company's counsel, but I think it was the Universal Company's, advised that if a cement company as a general proposition held their trade closely to the ten days' time from the date of the invoice in allowing the cash discount deductions and then made one or two exceptions, allowed a customer here or there to take extra time on his bills under one excuse or another, that the car did not arrive, or that they were entitled to ten days from the date of arrival and so forth the statement was that the company was in effect discriminating in favor of such a customer by practically granting them a lower price, and that that was discrimination under the terms of the Clayton Act and illegal. I don't know how that would stand at law, but it is not a bad argu-

ment to use on your customers. I have been using that with very good effect in a number of instances but I don't know how that would go, if we ever should go to court with a court case on that question, I don't know how that would come out.

Mr. Cox (Counsel): I don't know as you would have any difficulty with it, it is good doctrine to help out with anyway if you can make them believe it. (Vol. I, pp. 450–451.)

And the discussion closed with the following:

Mr. Walters (Lehigh): Now, as for these cards, if it would save the secretary some trouble I might send in a supply so that he could send them out if you desire me to do so.

The President: We would appreciate that very much.

Mr. Lober: That would make it much easier for the secretary.

Mr. Israel (Coplay): It might be a good idea to send out also this idea on a slip of paper of a discount of so many dollars and cents that would be allowed if the invoice is paid on or before a certain date. *That will remind us all over again of that idea.*

Mr. Matthes (Alpha): I am having those printed at the present time, I have not got them in the office yet. My intention is to use them as soon as they come in.

Mr. Israel: One of those enclosed as a sample with these cards, it would remind us all again of that idea.

The President: Have you anything to say on the subject further?

Mr. COVER (Security): You will send these to the secretary?

Mr. MATTHES: As soon as I get them I will be very glad to do so. (Vol. I, p. 452.)

At the meeting of May 15, 1916, as to whether payment by note should be considered such a payment as to justify an allowance of discount, Mr. Lober (Vulcanite) said:

> There is a matter that I would like to get an expression on. It has been reported to me that some of the companies in our Association have been accepting notes from their customers, the notes may be thirty or sixty days, the time makes no difference, but the notes read "with interest", and they are sent in to the customer on an average of ten days from the date of the invoice, and some of the companies have been allowing their customers to pay their bills in that way, less the cash discount. I would like an expression from the members here as to the propriety of that method of settlement. I want to say that I personally do not believe that that is proper. I think that the discount is for cash. It may be stated that in sending in a note with interest, the customer can say that you could take the note to the bank and discount it and get the full amount of cash that he would otherwise pay you for your bill. That is true, but the customer is using your credit to get the money, and not his own, and I do not think our companies' credit is for the use of the customer in that

way. I think the customer should use his own credit, and get the cash, if he has to get it, in that way.

The PRESIDENT: The question is open for discussion. (Vol. I, pp. 482–483.)

After some further remarks, the discussion proceeded as follows:

Mr. MATTHES (Alpha): I had an experience recently where a certain contractor wanted to purchase through our dealer, and he said he would buy Alpha cement, provided the dealer would accept from him his notes and allow the discount, and the dealer put the proposition up to us, and we turned it down, and the contractor and dealer both said they could get that accommodation from two of our member companies, and I told our traveling man that we would not agree to it, and they put it up to two others of the member companies, who turned it down also, and the final result was that the business came to our company, and we are getting our payments on a straight ten days cash payment basis.

Mr. LOBER (Vulcanite): We were one of the other companies that had that proposition put up to us, and we wrote the man that made us the proposition that we would not do it. That if he had to take those notes he could take the notes to his own bank and discount them and get the money, and that we could not permit our credit to be used in that way.

Mr. ISRAEL (Coplay): The same thing was tried on our Company, in three or four ways, and we turned the matter down at once.

The PRESIDENT (Giant): *Is there any one in the room that feels that they would do a thing of that kind, or is it the general consensus of opinion that they would not do it?*

Mr. ISRAEL: *I am willing to declare myself, and I say no.*

Mr. GILKYSON (Phoenix): *I have not heard of any such a thing.*

Mr. WALTERS (Lehigh): *I did hear of a case of that kind, and I was in touch with Mr. Matthes, and it is something that the Lehigh Company would not tolerate.*

The PRESIDENT: *Is there anybody in the room who would be in favor of doing such a thing?*

No one declared himself as in favor of this method. (Vol. I, pp. 483–484.)

At the meeting of September 18, 1916, the question of allowing a customer discount when he has a past due account was discussed at great length. It began as follows:

The PRESIDENT (Giant): The subject we were talking of in an informal way, I think we can now have formally discussed, and that was, with reference to the five cents a barrel discount. Whether that should only be allowed to customers who did not owe you overdue accounts. That I think will be inserted in all the forms in the future, but, in

the meantime, it is open for discussion, gentlemen.

* * * * *

Mr. HILLES (Dexter): I am satisfied.

Mr. ISRAEL (Coplay): There are some gentlemen who have entered the room since we had the informal discussion upon this subject, which was informal only because we had no quorum. At a certain given time we had a quorum, and then the matter was brought up by the Chairman, and I made this motion. Now, if the full import of my motion is not clear to anyone who came in the room since this all began, I want simply to say a few words, namely, that the question was put by Mr. Medler, of the Atlas, what do the gentlemen of this Association consider, or what do the companies of this Association consider is the proper practice in a case where a purchaser owes past due accounts—in other words, past accounts overdue—and he undertakes to settle with you those past due accounts by giving you a note or acceptance—I mean, of course, for a certain running time. Does that settlement wipe out his past due accounts, so that he no longer stands in the position of owing past due accounts? Has the situation now been created where there exists no past overdue accounts, and he is, therefore, entitled upon any purchase he may make to the cash discount? Or does he stand in the position of one who owes a past overdue account, and, therefore, is not entitled to the cash discount, because our terms

are, that only such purchasers are entitled to the cash discount who do not owe any past overdue account? Therefore, so as to bring the matter formally before you for discussion, so that no misapprehension will exist arising from it, *I made the motion that it is the sentiment of this Association that one owing a past overdue account is not entitled to the cash discount*, and that a settlement so called, made by note or acceptance, shall not be considered payment of that overdue account, or to repeat, that a purchaser shall not be entitled to the cash discount if a past overdue account remains unpaid, and a settlement by note or acceptance is not payment of that overdue account.

Mr. COPE: May I ask if this is with reference to future arrangements?

Mr. ISRAEL: Sure.

Mr. COPE: Because there are cases, some of us have been talking about where some dealers have a plan to settle their past overdue accounts with a number of cement companies and get on a new basis. (Vol. I, pp. 502–503.)

The discussion was conducted on both sides with marked ability, every phase apparently both for and against the allowance of discount under such circumstances being presented. It finally ended by motion of Mr. Smith (Lawrence) to lay the question on the table so that the consideration could be renewed at a subsequent meeting. (Vol. I, p. 508.)

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The subject was again considered at the meeting of October 16, 1916, when the following colloquy occurred:

* * * As this seems to be rather an important question, I would like to learn the feeling of the members present, as to whether they are allowing the discount if a customer owes you an account still overdue. There was a great deal said at the last meeting, and we would be glad to hear anything further you may have to say.

Mr. COOGAN (Alpha): My understanding is, that no company makes a general practice of doing that. I beleve that there are some who do it, but not all the companies.

Mr. LOBER (Vulcanite): I was not present at the last meeting, and all I know about it, is, what I read in the minutes, and, perhaps, it might be proper for me to make a statement of what I think should be done and what we are doing, because I was not present.

In the first place, in looking over that discussion in the minutes, it seems to me the gentlemen who talked took two different standpoints. Some talked from the Sales Department standpoint, and some from the Credit standpoint, and the difference of opinion came right there.

As far as we are concerned, we believe, from the credit standpoint, that a customer who owes an overdue bill is not subsequently entitled to the discount on his current bill.

As a matter of fact, when a bill comes due in thirty days we are entitled to our money,

and when that customer discounts a later bill in ten days, he is using your money to discount your bill. That is the way we feel about it.

Now, on the other hand, the dealer on a great deal of business—carload business—only gets five cents a barrel profit. There will occasionally crop up instances where a dealer, who is reliable, may be, perhaps, sixty days overdue, and for some reason he is unwilling to take the discount on his regular bills. He may not be in a financial condition to do that. Possibly, he can't borrow the money, and yet he still wants us to continue selling to him. We feel that it is safe to continue selling him carload lots, and, in the meantime, he continues to sell cement to a contractor on a certain job, and that contractor may insist on his having the five cents in ten days, because he could get it from the cement manufacturer if he bought direct. That being the case, if the cement dealer does not discount his bills on that job, he gets no profit. Now, those particular instances, so far as I can see, have got to be handled each on its own merits. I don't think it is right that the man should have the discount when he owes an overdue bill, but, as I say, if you don't make some sort of an arrangement, by offering him a special commission, or whatever you chose to call it, he has got to handle that particular contract, or carload, or whatever it may be, without any profit.

> Now, we have in some very few instances allowed the customer or dealer to discount some bills for that particular reason, and no other, when he has had an overdue account. (Vol. I, pp. 510–511.)

Mr. Jiggens (Giant) after stating that counsel had advised his company that under the wording of its quotations customers had a right to the discount on bills even if they should owe an account which had run for more than thirty days, said:

> That seems to be the crux of the whole thing, whether you gentlemen want to change the wording of your quotations and contracts, or whether you want to leave them as they are, and settle for yourselves hereafter as to whether you will accept the discount or not.
>
> * * * * *
>
> The PRESIDENT (Giant): *You have heard the remarks of all the members present in reference to their feeling in this matter, and it seems to be the consensus of opinion that it is advisable to endeavor to change the wording of their quotations and contracts, if it has not already been done.*
>
> Mr. COOGAN (Alpha): Now, Mr. President, I would like to ask if this is not a matter that is entirely outside of the scope of this organization? Isn't it a matter for the general association? For example, suppose this organization does pass a resolution recommending the adoption of that clause, what are you people going to do with your com-

petitors in the Mid-West, provided the Mid-West do not see fit to adopt such a clause? If we are to have uniformity, the simplest way would be to pass it, the same as this organization, but we don't know whether or not it is going to be adopted generally, or not. In fact, I am in a position to say that I don't think myself, the resolution will be adopted in the Mid-West.

Mr. HILLES (Dexter): I don't think this is a resolution. It was merely an expression of opinion.

Mr. COOGAN (Alpha): The President said it was the consensus of opinion to do so by adding it to the forms.

The PRESIDENT: If the individual company sees fit to do so. Not as a resolution.

Mr. COOGAN: I think, by all working together, you will do more real good and get good results, but I do not think you will get good results simply by adding that to the forms. We know there are cases that it simply would not cure, and it does not seem to me like good business.

Mr. HILLES: I, therefore, suggested this expression of opinion, which was not to be regarded as a resolution, but simply as an expression of opinion, and if the Resolutions Committee of the Protective Association desire to take it up, all well and good. If not, no harm is done.

Mr. COOGAN: I think that it weakens your position, because you gentlemen all admit that there are cases where you have got to

> make an exception, and that they come up, in the general run of business, very seldom. I don't see where you are going to strengthen matters by an expression of opinion.
>
> The PRESIDENT: We feel that we should put the clause in, regardless of whether any other companies do it or not, because we consider that it is essential to our collections, and it is simply a matter for each company to decide for themselves, not as an association matter, but as an individual matter. (Vol. I, pp. 511–512.)

TRADE ACCEPTANCES

At the meeting of June 19, 1916, the Committee on Trade Acceptances made its report, in which it recommended a careful study of the system by each company as affecting its individual trade; and while the Committee unanimously favored the practice involved in the general use of trade acceptances and believed that it would eventually become universal, no radical changes were recommended at that time. (Vol. I, p. 488.) The report stated:

> The value of a definite plan providing for the use of trade acceptances can be readily understood by reviewing the following advantages:

and seven advantages were enumerated. (Vol. I, p. 488.)

In commenting on the report, Mr. Lober (Vulcanite) said:

> . . . so after threshing it all over, as I say, altogether for about a day and a half,

we came to the conclusion that we had better recommend no specific terms—or time, rather, and that it would be more a matter for each individual company to try to work the thing out for the present until it had come into more general use and probably better understood among the trade *and we would then possibly be in a position to arrive at some uniform method of settlement by means of trade acceptances for those accounts which were not discounted.* (Vol. I, pp. 489–490.)

The following views were then expressed:

Mr. SHEPPARD (Lawrence): Mr. Chairman, if we suggest sixty days' acceptances, are we not, the cement companies, starting a movement *that will nullify the thirty-day term?*

Mr. GRIFFITH (Giant): If we send out 60-day acceptances our terms will then be 5¢ per bbl. discount in 10 days or 60 days net.

Mr. SHEPPARD: *If we could get together on terms,* make our terms a little longer than they are, net terms of sixty days instead of thirty days, there would be no objection to a sixty day acceptance.

Mr. BROWN (Alpha): It seems to me the committee did not realize that they were actually proposing to extend our terms to sixty days. The first proposition offered to me, was nothing in the world, as I look at it, *but changing our terms from thirty to sixty days. I have either been fortunate enough or unfortunate enough to have gone through*

the period of changing from sixty to thirty-day terms, and I do not want to see anything done by the credit men of the cement industry that will in any way tend towards the sixty-day terms. I think everything done should be along the line of making it a cash basis and not a credit basis, and where credit is given to customers, they should pay interest. (Vol. I, p. 490.)

* * * * *

Most people won't pay interest unless they are forced to through the courts, and I don't believe—I want to emphasize this—we ought to do everything to indicate thirty days is long enough for a man who buys our cement. *I ask you all to do that. I tell you, gentlemen, it is a step backward, a back step. It took us years to come from sixty to thirty days and we don't want to go back from thirty to sixty days.* (Vol. I, p. 491.)

* * * * *

Mr. ISRAEL (Coplay): I am not informed of the discussion that took place at the meeting of the committee, and I may be saying something that certainly occurred to them, and they threshed it out thoroughly and came to the conclusion there was not anything in it, and if I am guilty of doing that, it will be done honestly. When Mr. Brown addressed himself to the proposition of sixty days, and I fully agree with him that we ought not do anything in the world *to get back to sixty days after that struggle we had to get near thirty days*—Mr. Hilles promptly replied, was there anything in the report

about a sixty-day acceptance; then it occurred to me how would it work out to let the purchaser of the goods have the alternative of discounting, getting five cents a barrel off and giving a thirty-day acceptance? I would like to hear some members of the committee on that, that is, whether they did discuss that and if they did and turned it down, why? (Vol. I, p. 491.)

In the discussion, Mr. Medler (Atlas) remarked:

Then, finally, the thought came we have not tried out for one season the five cent a barrel discount, *and the conclusion was to work a whole season under the five cent discount and see at the end of that period just what percentage of those customers remained slow pay.* We may then take some very effective means of correcting whatever abuses there are in our terms of sale.

Mr. ISRAEL (Coplay): *The last suggestion seems to me pregnant with good sound meaning and sense.*

* * * * *

I think the sensible conclusion to come to is to let's try it out and see, and then perhaps, after a while, the ones discounting will be great in number, and those who do not will be insignificant.

Mr. GRIFFITH (Giant): *If that is the feeling of the members I suggest the matter be referred back to the Committee to report at the next meeting.*

Mr. ISRAEL: *If the idea is to try out the five cent discount and see how that works*

for a whole season—which I think is an excellent idea, as I said, why not lay this report on the table and then we can take it up any time we please, three, six or nine months from now. It won't require the appointment of another committee to report. We can take it up any time. I move the report of the Committee on Trade Acceptances be laid on the table.

Mr. GRIFFITH: *All in favor say aye.* (*Ayes.*) (Vol. I, p. 492.)

But after this motion had been carried, Mr. Lober (Vulcanite) remarked:

I want, before leaving the subject, to repeat what I think I said in my former remarks when you asked me to say something for the Committee. The Committee feels that for the present, at least, *it would be desirable that the trade acceptance matter be pushed by individual effort of the companies, and we could then see later on what success the individual companies who tried it, had with it, and that would undoubtedly be a help in arriving at some uniform method of using the acceptances when the Association feels they are ready to adopt some such method.* I know some of the companies are using them, some of them intend to try them, and I hope as many as possible will try them out during the summer, and after we have had this season's experience with the five cents discount and get to the point where we will know more closely how many customers will discount and how many will not,

we can then take up the trade acceptance matter much more intelligently and will have more experience. (Vol. I, pp. 492–493.)

EXTENSION OF CREDIT

A discussion closely related to and partly involving trade acceptances was that of extension of credit, and upon that subject at the meeting of May 15, 1916, Mr. Jiggens (Giant) said:

> I believe that if the question was asked of the credit man, "Why do you allow Smith to take five months in his settlements?" the reply would doubtless be "That is the best I can do with him," and *if you ask, "Why do you continue to sell him?" the reply is likely to be "Because if I don't, some other fellow will."*
>
> *The long extension of credit granted is practically a rebate, and is, in my opinion, equivalent to a reduction in price, or full allowance for all bags returned.* It does seem that so long as credit terms are thirty days, that extensions should not be granted over a period exceeding sixty days from date of shipment.
>
> The times are opportune for us to try and get settlements on a business-like basis, and be willing and courageous enough to suspend shipments when terms are generally extended as before mentioned.
>
> The Trade Acceptance form, as suggested by the Federal Reserve Bank, is likely in time to become more generally adopted in a number of industries, and it does seem

that now, that we have a Cement Protective Association, we should be able to help forward this movement, which not only will tend to guard against over-buying, but will also obviate the necessity of the salesman and credit department dunning for money. Where we are dealing with customers who always discount or pay promptly in thirty days, there would be no need of using the acceptance, but where settlement dates are invariably uncertain, an acceptance sent with bill or monthly statement might result in material benefit.

Mr. ACKERMAN (Lawrence): Do I understand that no one is to be sold to who does not agree to this sixty days?

Mr. JIGGENS. No, the terms are now thirty days. IF WE GRANT SIXTY DAYS WE ARE GRANTING A MAN A HUNDRED PER CENT MORE THAN OUR REGULAR TERMS, and IF WE ALLOW HIM TO TAKE FOUR AND FIVE MONTHS, to settle his bill, IT IS EQUIVALENT TO GIVING HIM A REBATE. (Vol. I, pp. 479–480.)

The discussion ended with the following:

Mr. HILLES (Dexter): That is what I was going to propose, but some of the gentlemen are not in favor of that. But that is good policy, and proper trade practice. *Can we not establish it as a basis of working, approved by us all, that it is the sense of the members of this Association* that all accounts over thirty days, when written to, shall have called to their attention that there is in existence a form of discount which they

can take advantage of, and in the event of their not taking advantage of it, that we would take steps to attach the trade acceptance to the next statement that we send, or to introduce it in some proper way to be outlined by the committee. I have written perhaps fifty letters in the last year, along those lines, and none of them have exactly satisfied me, and none of them satisfied the fellow I wrote to, *but I think we can formulate some general method that will satisfy everybody.*

The PRESIDENT: I would like to hear further discussion on this subject.

Mr. HILLES: I have been trying to digest some of the remarks that I have heard, and I move that a committee be appointed to consider this very important subject that Mr. Jiggens has proposed, and report with one or more plans at our next meeting, some method of recommended procedure.

Motion seconded and carried unanimously. (Vol. I, pp. 481–482.)

BIN CHARGES

A very interesting and significant discussion was had in relation to bin charges at the meeting of March 20, 1916. This subject was introduced by the following remarks by the president:

> Gentlemen, it has been suggested by a certain member of the Association, that some definite action be taken in reference to the bin charge, and that the wording on all quotations—there should be some wording on all quotations stipulating that if cement

> is to be held and tested on the mill that it is to carry a charge of 3 cents a barrel. I should like to have the feeling of the members in reference as to whether it would not be a good idea to have on all quotations, wording something as suggested by this member. *Would it not be well to have a 3 cents a barrel charge put on, call it a bin charge, on all quotations on cement held at the mills.* That is a particular statement which is made to me, that there should be a charge made and stated in the quotation as a bin charge. (Vol. I, p. 456.)

Thereupon Mr. Israel (Coplay) suggested that the subject did not come within the purview of the Constitution and purpose of the organization and said:

> I would like the chairman to solicit the opinion of our counsel who is present and be guided in that respect.

Counsel remarked:

> I think the point of order is really well taken. It is not within the constitution and by-laws. (Vol. I, p. 456.)

Thereupon Mr. Brobston (Dexter) said:

> Mr. Chairman, I might suggest that possibly I might bring that motion or suggestion within the proper limits of the discussion of this meeting, if it was simply made that a statement of any charges that are made for the bin charge should be included in the form of quotation we are using *for the purpose of securing a uniform quotation:* That any

charge that is made for holding cement in bins should be noted on that quotation sheet. Would you feel that that would come within the proper limits, Mr. Israel? (Vol. I, p. 456.)

And after some discussion of that phase of the subject, the following colloquy passed between counsel and some of the members:

Mr. Cox: Well, does not that rather relate to the trade practices with which the other Association deals, than it does with anything that we are doing here.

Mr. ISRAEL (Coplay): No, the members of this Association all of them are selling cement. Now *in quoting they desire to have some uniform practice in that respect.*

Mr. Cox: Yes, but thus far, as I understand it, this Association has not had anything to do with trade practices. That has been left to the National Association which has been drawn up in a sort of educative form of quotation, etc.

Mr. ISRAEL: *Well, we do deal with business practices of this kind; we decide that it is a good thing to accelerate the collection of our accounts, to allow a discount of five cents a barrel.* We decided that it is a good thing in order to protect ourselves against incurring indebtedness, uncollectible or partially so, to exchange information as to our experiences with the different persons to whom we sell; we adopted that proposition, and so it seems to me it falls under the business practice.

Mr. Cox: The point I make of that is that is a matter of the National Association, which deals with these trade practices. Thus far we haven't dealt with them at all as an Association. It is upon Page 10 of the report of the committee on trade conditions of the National Association.

Mr. Brobston (Dexter): Mr. Chairman, I think this matter is absolutely very clearly pointed out and the suggestions as made are certainly covered in the objects of this Association. The object of the Association is *for the collection and dissemination of such proper information as may serve to protect each manufacturer against misrepresentation and imposition and enable him to conduct his business as he feels he should do so free from exaggeration and the influence of false and insufficient information.* IF WE DON'T KNOW WHETHER A QUOTATION INCLUDES A CHARGE FOR A BIN TEST OR DOES INCLUDE A CHARGE FOR A BIN TEST, WE CERTAINLY HAVE INSUFFICIENT INFORMATION; and this is an effort to see whether we do have proper information as to whether a quotation be so made as to include a bin charge or whether it does not. It certainly seems to me that comes within the scope of this Association. (Vol. I, pp. 457-458.)

And after further remarks passing between counsel and Mr. Brobston (Dexter), Mr. Israel (Coplay), and Mr. Dutton (Bath), the discussion proceeded:

Mr. Brobston: I read from the by-laws of the Association which says: "To keep us

free from misdirection by false or insufficient information." *I only want the members of the Association to be able to put themselves in a position where we won't be getting insufficient information in regard to other contracts of other people.*

Mr. ISRAEL: Suppose you were to go to a dealer and he were to say to you that Company X had quoted him a certain price whereas in truth and in fact this was not so. Perhaps no price was quoted at all, perhaps a greater price was quoted than what the dealer stated. That would be false information and whether you would have a right to protect yourself against that or not is a matter which involves a question I would like Mr. Cox to answer.

Mr. BROBSTON: I will put it in another way then, in reply to Mr. Israel's statement; we are reporting these quotations or contracts as they are made to the Association. *We certainly should have our contract in form, so that we can tell whether it has a bin charge attached to it or whether it does not have a bin charge attached to it.*

Mr. ISRAEL: Now is there any objection to that?

Mr. COX: *No objection at all to include* in the report that you are now making the Association, any *information as to whether the price that is reported includes bin charges or not.*

Mr. ISRAEL: Now we have it.

Mr. COX: But when you speak of a quotation distinct from a transaction heretofore

which *had been* recorded, you open another and a different field.

Mr. ISRAEL: That is right. Suppose, Mr. Brobston, you be kind enough to make a motion then that the records sent to the secretary shall state as to closed transactions whether it includes the bin charges or not?

Mr. BROBSTON: I move you, Mr. President, that the reports sent to the secretary of the Association shall state whether they include a charge for bin testing or not.

Mr. COVER (Security): I second the motion.

Mr. COOGAN (Alpha): Would that be necessary on every job that I report on, every contract that we report, to make a notation on it, if it does include the bin charges?

Mr. BBOBSTON (Dexter): I should say not, I should say that when you reported a contract that included bin charges, you specifically should say so.

Mr. COOGAN. The omission to state whether you include bin charges or not would mean what?

Mr. BROBSTON: *If nothing is mentioned, it is assumed there is no charge for bin testing* because if we adopt this motion that the bin charges should be specified, why then they would be stated if any were included.

Mr. ISRAEL (Coplay): The only report made to the secretary for the bin charges or testing charge, that is if there is one, it shall be so specified and so stated, is that right?

Mr. BROBSTON: That is correct.

Mr. ISRAEL: I will second the motion.

The PRESIDENT: Gentlemen, you have heard the motion. All those in favor will say "Aye." (Ayes.) Contrary "No." So ordered. (Vol. I, pp. 458–459.)

Thus precisely the same result was accomplished in a way different from that first proposed; that is, it was first proposed *that the members agree* that they would all make an extra charge whenever cement was held for the purchaser in the bins; and to meet the objection that such action was outside the province of the Constitution, a motion was carried to require the members to report whether or not they were charging for the use of bins. Every member understood what that meant. *And how does it tend to prevent frauds being perpetrated upon the companies for them to report whether they are exacting a bin charge or not?*

COST ACCOUNTING.

This subject was discussed at the meeting of July 17, 1916; and the following remarks by Mr. Israel (Coplay) are quoted because they show the close relationship between the members:

> Mr. Chairman, there are sixty-five or more cement manufacturing companies in the United States of America, and it is not at all surprising there should be a great diversity of view. Those sixty-five companies are scattered all over the United States, with the exception of those represented around this table today. *We are in close*

touch with each other and we can agree upon something in less than a month. We have done things as important as this and we can do this. There is nothing about arriving at a system and method and formula for determining your costs that is so mysterious or so difficult that you need to be afraid to undertake it. If it were not so important I would not be urging it, but it is very important. I am backed up in my opinion by Mr. Hurley, the Chairman of the Federal Trade Commission, and I think we are all willing to concede he knows what he is talking about. He mentioned it as a most important thing, and we have not touched it. We are here for the purpose of giving information to each other, and here is the most important matter of all. We say "Well, we don't act on this because the National Cement Association hasn't acted." *We have done many things every year where there was a great diversity of view*; there isn't that difference here. We can agree on things we have a right to agree upon. We have a right to agree upon a proper formula for determining cost and to go at the thing and do it *just like we have done other things here, and before you can say "Jack Robinson" it will be done.* (Vol. I, p. 498).

From the foregoing quotations taken from the Association's minutes it is seen that there was hardly a phase of the entire cement industry that was not considered in the meetings, and upon many of the most important matters an understanding

as to what practice would be pursued by the companies was reached. With representatives of defendants meeting from month to month, revealing to each freely and frankly their practices, exchanging views as to the virtue of the respective practices when there was any difference, and often formally agreeing upon a particular practice, *could there be anything but uniformity in all the customs of the trade, and was there a shadow of a chance for any real competition to exist among them?*

XI

NO SUBSTANTIAL COMPETITION AMONG MEMBERS OF THE ASSOCIATION IN PRICES AND TRADE PRACTICES

A number of witnesses connected with the cement industry testified with reference to the practical uniformity as to prices and the important trade practices; and to avoid the necessity of referring to the record a succinct statement of the material parts of their testimony will be given:

LUTHER KELLER, a dealer of Scranton, Pennsylvania. He has sold cement for the Atlas, Saylor's (Coplay), Giant, Vulcanite, Edison, Phoenix, Bath and Nazareth. Handles specific job contracts, in some of which the cement passes through his yard and in others is delivered direct. He said:

> Since 1916 prices have been practically uniform. I don't know of any variation that has occurred in recent years; prices have been the same; that is, the quotations have been the same—and the prices. The discounts are the same—ten cents a barrel if paid within ten days from date of invoice. It is the same rule by all the companies. In regard to acceptance, I think generally I am given fifteen days to accept a quotation but that is frequently extended. Some companies have been a little more generous than others in that respect. There is no

difference in the contracts that I am required to make by the several companies as to the terms and price. I don't know how those contracts read, really, but as to terms of payment, there is no difference. In regard to the allowances for returned bags, the bags are returned freight prepaid and the count and inspection at the factory is to be accepted. The amount allowed for bags returned by the several companies is ten cents—generally the same. With reference to bin tests, there is one brand of cement that we handle that we generally pay six cents a barrel more, for what is known as the autoclave test. That brand is Nazareth. (Vol. I. pp. 172–173.)

EUGENE L. MERRIMAN, a dealer of Scranton, Pennsylvania, has handled cement for thirty years. He said:

I have been handling seven brands in the last six years, Alpha, Dexter, Allentown, Lehigh, Edison, Penn-Allen, Giant and Pennsylvania. The prices which they have quoted me have been practically uniform. When one would change usually in two or three days we would get the changes from the others.

The terms of discount are 10 cents a barrel, dealer's discount in 10 days. There is no difference as to that between the different companies.

We are allowed a credit for bags at the price they are charged. There is not usually any difference in price allowed by the several

companies. There have been times when some of the cement companies did not advance their price on bags when the others did. The Whitehall Company I think did not advance the price on bags. It is not one of the defendants in this case.

I buy my cement f. o. b destination. I usually am allowed 15 days to accept the quotation by all the manufacturers. They extend, however, on request, a further period where you quote on contracts. When there is a change of price I am never notified of it in advance. The terms of the contracts I make with these several companies are practically the same.

A blanket contract as I interpret it is a contract that provides for a certain amount of cement to be taken in a specified time, but to be used where you choose to place it. There was a time when I could get a blanket contract. That is several years ago. I can't get a blanket contract from any company. They have cut out that practice of giving blanket contracts in the neighborhood of fifteen years ago. They have not been allowing it since that time. (Vol. I, p. 176.)

Bert H. Hanby, a dealer of Batavia, New York, has handled cement about fifteen years. Highest 20,000 barrels a year. Always handled Alpha, and have been handling Atlas about two years. During that time the prices quoted by the two companies have been uniform. Allowed ten cents a barrel discount for cash within ten days, usually given fifteen days to accept a quotation. Contracts with the

two companies are about the same. Both allow ten cents credit for return of bags. Has been quoted cement by other companies besides these two and doesn't think there has been any difference in prices quoted. If the cement is bought under contract they have to specify where it is going and what it is going to be used for. (Vol. I, pp. 177–178.)

EDWARD M. RODROCK, a dealer of Paterson, New Jersey.

> For the last six or eight years there has not been any difference in the price of cement that has been quoted to us by the several companies at the same time. Salesmen of these various companies call to see me very often. I have not had periodical quotations from the cement companies whom we have not been representing. Salesmen from the other companies, nearly all of whom I know, come in and make quotations. There has not been any difference in the prices quoted to me by the salesmen of the companies.
>
> The discount I am allowed is 10 cents a barrel for cash in ten days from date of invoice. There is no difference in that custom between the several companies. There is no difference so far as prices and terms of payment and discount are concerned between the specific job contracts of the several companies.
>
> The allowance for bags returned at the present time is 10 cents each. There has not been any difference between the allowance from the several companies.

> So far as I am concerned it makes no difference from which one of the companies I buy cement. There has never been one of them that has offered me cement on better terms. Now and then we buy cement from the several companies because we have customers demanding that particular brand of cement. One customer will like one brand and another customer another. (Vol. I, p. 179.)

ALLEN P. LOCKWOOD, a dealer of Buffalo, New York, engaged in the retail builders' supply business. From April, 1917 to July, 1920, was salesman for the Hercules Cement Company. Since then has been selling principally for the Lehigh, but also Penn-Allen, Knickerbocker, Alpha, and a little Atlas. The prices quoted him at any one time since July, 1920 have not been any different. He was salesman for the Hercules and did not have any authority to change the price of cement. He figured the price " by taking the mill base plus the freight rate to Buffalo, or wherever the point may be, adding bags. I would ascertain the freight rate by a freight rate book I had." (Vol. I, p. 183.)

> The Hercules was a new company. I went with them in April, 1917. They put their cement on the market in June or July, 1917. We were underselling the other fellows a little bit. I think we did that throughout all of 1917 and maybe the early part of 1918. After that I often suspected there was a difference between the prices of the Hercules

cement and the other cement, but Hercules was the same price as you would consider the market price of cement after that time. I have not handled Hercules since I have been a dealer.

Since I have been a dealer the quotations have been the same with all of them. There has not been any difference with reference to trade discount or cash discount. The terms are 10 cents a barrel cash discount in 10 days, 30 days net. The prices for returned bags have been changed once or twice, and I think they all changed about the same time. The specific job contracts as to terms of sale and the discount, and so forth, are practically the same. The wording might be a little different. The substance is the same so far as I know. (Vol. I, p. 183.)

HARRY GILBERT engaged in selling builders' supplies in Germantown, Pennsylvania. Last six or eight years has handled six or eight different brands, Nazareth, Edison, Pennsylvania, Vulcanite, Universal and Atlas. The last three years has handled principally Lehigh and Bath.

There has not been any variation in the prices that those two companies have offered me during the three years. The price was usually the same when I was handling the other brands of cement. There was one time when some of them offered it cheaper than the others. I think it was about 1915. I was then offered cement at different prices. Since that time the quotations have all been the same. The discounts have been 10 cents

a barrel, 10 days. There was no variance in that respect between the companies. The credit allowance for returned bags had been the same. I was allowed fifteen days to accept quotations by all of them. It does not make any difference to me or my patrons from which company I buy so far as price is concerned. I have never purchased in less quantity than carload lots. There is no difference so far as terms of payment and prices are concerned in the specific job contracts of the several companies. (Vol. I, pp. 185–186.)

JOSEPH H. CLARK, dealer in builders' supplies in Philadelphia for about six years. He handled Vulcanite for first two years and since then principally Lehigh and Atlas.

There has been uniformity of price at the same time between the companies. Quotations made by the Atlas and the Lehigh Companies at the same time were the same. The Atlas Company allowed 10 cents a barrel for cash within ten days; the Lehigh the same.

As to the allowance for bags returned, the companies at different times allowed different prices, just according to what the charge had been. There was no difference between the two companies as to credits for returned bags at any particular time. The time allowed for accepting the quotation was the same with the two companies. The specific job contract forms as to prices and terms of payment were the same. When I handled Vulcanite its prices did not vary from the

others, nor its discounts, nor allowances for returned bags. I am allowed 10 cents a barrel differential on specific job contracts, and that is the same with all the companies I represented. (Vol. I, p. 187.)

JOHN H. KELTER has been for twenty-five years selling builders' supplies in Philadelphia. Has been selling for Penn-Allen, Bath, Lehigh and Coplay for the last fifteen years and has also sold Atlas, Alpha and some Phoenix.

We get a notice from one company or some company of a change in price, and three or four days afterwards the rest of the companies send us a notice meeting that price, whether it is a rise or a fall in the market. From that time up to another change there is no difference in their prices.

In regard to cash discounts, there is no difference, 10 cents a barrel in ten days from date of shipment. With reference to acceptance of quotations, their custom is fifteen days to accept, without we request longer.

Other companies occasionally send quotations to me. Other companies send their salesmen to me.

There is no difference in the amount that each will allow for returned bags. There is a change from time to time in the price. All bags are marked by the different companies they belong to with the returned price, 10, 15 or 25 on each bag, and the company's brand on the bag. (Vol. I, p. 189.)

ALFRED L. LYTH has been selling builders' supplies in Buffalo, New York, for eighteen or twenty years. Has been handling Lehigh for seventeen years, and Giant, Knickerbocker and Hercules for three or four years. While he has been handling those brands, the prices quoted by all the companies have been uniform. Salesmen from other companies came to him trying to sell cement. There was no difference in the price at which they offered to sell cement and the price which he was paying. The prices were lower in 1913, 1914, and 1915. They were all the same at about the same time. There has been no difference in the requirements of the companies as to cash discount or in their allowance for returned bags or with reference to the time within which an acceptance is required. Taken at the same time, the terms and prices offered at which cement has been sold to him have been the same. (Vol. I, p. 191.)

HUGH NAWN, a contractor of Boston, Massachusetts: His firm uses from 25,000 to 150,000 barrels of cement in a year. In 1919 they had a contract for the Gilboa Dam in the Catskill Mountains, and contracted for cement with the Whitehall (not a member) and Nazareth Companies. His contract with the Whitehall Company was at $2.83 a barrel, and with the Nazareth at $3.06. He received quotations from three or four other companies, one of which was the Atlas, and they all quoted at $3.06. They from time to time receive quotations for cement, and the prices are usually the same, the in-

stance mentioned being the only one when the price was different. As he remembers, the discounts are the same; also the prices for bags, although they might fluctuate from time to time. (Vol. I, pp. 217–218.)

WILLIAM F. FELTON, a general contractor of Buffalo, New York: He purchases cement through dealers, but occasionally gets quotations from the manufacturers; and salesmen call on him. The prices quoted by the manufacturers and their agents and dealers have been the same. He has endeavored lately to buy cement from three or four manufacturers, but found no difference in prices or in the terms of discount, or price for the return of bags. The only reason he buys from one rather than another is that he may prefer one party over another. He filed quotations from the Giant, Coplay, Lehigh, Vulcanite and Whitehall Companies, all of which were the same except the Whitehall. After deducting for sacks that Company's bid was 10 cents higher than the others. (Vol. I. pp. 219, 220. See Gov. Exs. Nos. 256–260, vol. II, p. 670. Side pp. 1366–1370.)

WALTER P. WRIGHT, a builder of Richmond, Virginia: This concern buys through dealers but receives bids from cement manufacturers and their sales agents, and also inquires of them and dealers about the price of cement. At the same time, there is no difference between prices quoted them by the various manufacturers. That has been so since

1914. The discount offered is also the same, as is the price allowed for bags returned. (Vol. I, p. 220.)

THOMAS HANRAHAN, a building contractor of Schenectady, New York: He has received most of his quotations from dealers, but on different occasions has received quotations from manufacturers and their salesmen. They have been practically the same with the exception of one occasion, where the Lehigh quoted 5 cents less. That was in 1919, and the difference related to something about the freight rate, but he didn't know what it was. He has no recollection of any difference in prices quoted by manufacturers, with that one exception. There is no difference in the rate of discount or in credit for sacks. (Vol. I, p. 220.)

WILLIAM WHITE, in the sub-contracting business in Philadelphia: He buys cement mostly from the manufacturers; and they quote him direct, and also send their sales agents to him. "There isn't any difference between the quotations to me at the same time for the same job by these various manufacturers. There is no difference as to discount or as to the price of returned bags. That has been so since I have been doing business." (Since 1915.) (Vol. I, p. 221.)

JOHN O'CONNELL, Treasurer and Purchasing Agent of the Harrisburg Railways Company, Harrisburg, Pennsylvania: Has been purchasing cement for about fifteen years. Possibly 4 or 5 manu-

facturers have been quoting him. His experience has been that there has not been any difference in price with those he has been dealing with, principally the Vulcanite, Atlas and Lehigh Companies. His recollection is that the price of returned bags has been the same. (Vol. I, p. 222.)

CLYDE C. OAKLEY, building contractor, Newark, New Jersey: Has received quotations from Alpha, Atlas, Lawrence, Lehigh, in fact, most of the cement companies. He has found no difference in prices since back around 1914. The discounts are the same, as is the price of returned bags. (Vol. I, p. 222.)

GEORGE W. KRIEGER, JR., contractor, Poughkeepsie, New York: Since 1916, has received quotations from manufacturers and dealers. Manufacturers send their agents to him. Prices quoted by the manufacturers at the same time have been the same; and the rate of discount and the amount allowed for return of bags have also been the same. (Vol. I, pp. 222–223.)

LESTER C. NESBIT, for four years auditor and purchasing agent for G. W. Ensign Company, Contractors, Harrisburg, Pennsylvania: In most cases they buy direct from the manufacturers. The manufacturers quote them direct, and they also see their sales agents. The price given by the manufacturers is the same, as he remembers, as are also the discounts and price for returned bags. (Vol. I, p. 223.)

On cross- and re-direct examination he cites one or two instances when there was a cut in price by the Bath, and also by the Security. Bath gave a lower rate of about 16 cents in November last (1921) after this petition was filed. The cement was billed to him through a dealer, and "*We were asked to keep that a secret.*" (Vol. I, p. 224.)

JOHN L. SHADE, purchasing agent, Viscose Company, manufacturers of artificial silk, Philadelphia, and was previously assistant purchasing agent for the Philadelphia Electric Company: For the past four or five years he has bought about half a million barrels of cement. He received quotations from possibly ten different companies. There has been no difference in the quoted price at the same time. Discounts were uniform, and the price of returned bags were the same. He also related an incident, which has been heretofore referred to, about endeavoring to buy cement for use at Roanoke. The Lehigh would make no difference in the price of its cement delivered from Fordwick, a point nearby, and that delivered from the Lehigh Valley. (Vol. I, pp. 224–225.)

A. LEE GROVER, secretary and chief clerk of the State Highway Commission of New Jersey: In 1919 the Commission wrote various manufacturers of cement east of the Mississippi River for prices of cement f. o. b. plant. (Vol. I, pp. 225, 226.)

It received replies from about twenty companies, including a number of the defendant companies;

and replies from thirteen of the defendants were filed as Exs. 324–337. (See vol. I, pp. 673–684.) These replies are exceedingly interesting, viz:

The Allentown Company stated:

> We note you ask for price f. o. b. the plant, but our policy has always been to make a delivered price in order that we can compete with other cement manufacturers. (Gov. Ex. 324, Vol. II, p. 673.)

The Alpha Company stated:

> Our past experience has shown very conclusively that dealers and consumers of cement are not interested in our f. o. b. mill. They require in practically all cases a price delivered at destination. In view of this general demand on the part of our trade we have put in the policy of quoting prices delivered on cars at destination. There are other reasons why a mill price is not practical. As all, or at least a very great portion, of our cement must of necessity be distributed through dealers, and if we were to quote mill prices it might easily interfere with the established custom of dealers distribution. *If we quote mill prices, then the cement becomes the property of the purchaser at our mill and could be shipped to any point designated by him and we would have no further control over the shipment.* You will readily see that this would conflict with the present method of distributing cement through dealers. (Gov. Ex. 325, Vol. II, p. 674.)

The Atlas Company stated:

> Our prices are quoted f. o. b. cars destination based on $3.00 per barrel at our plant at Northampton, Pa., plus freight. (Gov. Ex. 327, Vol. II, p. 675.)

The Coplay Company stated:

> It is difficult for us to give you a price f. o. b. plant, without knowing the destination where the cement will be used. (Gov. Ex. 328, Vol. II, p. 676.)

The Dexter Company stated:

> * * * it is not our policy to quote prices or sell our cement f. o. b. our plant at Nazareth, Pa. Our quotations are made on a delivered price basis f. o. b. destination. (Gov. Ex. 329, Vol. II, p. 677.)

The Edison Company quoted a price f. o. b. its mills at New Village, N. J. (Gov. Ex. 330, Vol. II, p. 680, side p. 1394.)

The Giant Company, after first making inquiry as to the "point of delivery" and being advised that the Commission desired a price f. o. b. mill, stated:

> * * * we have always found that to name other than a delivered price means endless confusion to our friends, as they are then obliged to secure freight rates to different points to show the actual cost to them. Another reason that we refuse to quote other than a delivered price is that the policy of this company has been not to quote a dealer for delivery outside of his own town,

and therefore *if we named a mill price to our dealer we felt that he could order the cement diverted while in transit if it was billed to him at a mill price, while by billing it direct to a given point it could not be done under our quotation.* (Gov. Ex. 331, Vol. II, pp. 680–681.)

The Knickerbocker Company stated:

> * * * we are unable to quote you prices which would be attractive as the freight rates from our mill, which is located at Hudson, N. Y., to points in New Jersey are so high that we cannot meet the competition there and secure sufficient revenue to show us a profit on our product. (Gov. Ex. 332, Vol. II, p. 681.)

The Lawrence Company quoted a price f. o. b. its mill. (Gov. Ex. 333, Vol. II, p. 682.)

The Lehigh Company stated:

> * * * our practice is to quote all prices f. o. b. point of destination at which the material is to be used. (Gov. Ex. 334, Vol. II, p. 682.)

The Penn-Allen Company stated:

> We do not quote mill prices but make all quotations f. o. b. destination. (Gov. Ex. 335, Vol. II, p. 683.)

The Phoenix Company stated:

> It is not our custom to quote prices on Phoenix Portland Cement f. o. b. mill, but rather to quote prices delivered at destination. For your information, however, you

> are advised that our present mill basis is *$3.00 per barrel* including the bags. Our quotations are made invariably, however, f. o. b. destination, and our present price at Trenton is $3.37 per barrel. (Gov. Ex. 336, Vol. II, p. 684.)

The Vulcanite Company stated:

> * * * it is against the policy of this company to name prices f. o. b. our plant. This we have consistently declined to do for the United States Government, railroads under government control, contractors doing Government work or railroad work, or anyone else. (Gov. Ex. 337, Vol. II, p. 684.)

In response to a circular letter dated March 15, 1921, requesting bids on 2,625 barrels of cement for use at Rahway, New Jersey, the Commission received quotations from the Edison, Vulcanite, Pennsylvania, Alpha, and Atlas companies, and from George M. Friese, a dealer at Rahway. (Gov. Exs. 339–344, Vol. II, pp. 685–688 and side pp. 1406½–1409 and 1414–1415.) These quotations ranged from $3.48 per barrel quoted by the Edison Company, to $3.63 per barrel quoted by the Atlas and Vulcanite companies. In connection with the different quotations submitted by these companies indicating competition, it is deemed proper to point out that the five cement manufacturing companies which submitted prices had been indicted on March 1, 1921, for violation of the Sherman Anti-Trust Act.

THOMAS S. SULLIVAN, chairman, Boston, Transit Commission, and since July, 1918, a member of the Commission: In 1916 he received bids from Allentown, Lehigh, Alpha, Coplay and Atlas Companies. Every company quoted $1.87 per barrel of four bags, and each company offered to allow 10 cents a bag for each bag returned, with freight prepaid to mill, and also a discount of 5 cents per barrel for payment within ten days. (Vol. I, p. 229, Gov. Ex. 348–352, vol. II, pp. 689–697.)

HOWARD E. CHURCH, supervisor of purchasing for Fred T. Ley Company, General Contractors, New York City: They buy through dealers, but have tried to buy from manufacturers. Outside the metropolitan district they usually purchase through their own cement supply company, located at Springfield, Massachusetts. He also inquires of cement salesmen how the market is. Prices of the several cement manufacturers at the same time are usually the same. (Vol. I, pp. 230–231.)

FRANK B. TALLEY, purchasing agent for the Foundation Company, New York City: They buy through dealers. Has talked with representatives of the Atlas, Vulcanite, Lehigh, Pennsylvania, Giant, probably one or two others. In making their prices, there has been no difference in their dock price at the same time, or in the price of returned bags. For jobs outside the city, in two or three instances, the Whitehall Company (not a member) quoted them lower prices. (Vol. I, pp. 232–233.)

RUDOLPH MEYER, purchasing agent for Thompson-Starrett Company, New York City: Buys exclusively through dealers, but "We always wrote the manufacturers and the dealers in connection with every decent size job, any large jobs we had. The manufacturers sent us quotations on the letterheads. I don't think their prices were cheaper than the dealers' prices. *We were not able to buy directly from the manufacturers.* I talked with the salesmen of various manufacturers, Pennsylvania, Atlas, Hercules, Alpha. I asked them at different times whether they would sell direct and they said 'No.' I don't know as there was any particular reason given." (Vol. I, pp. 233, 234.)

SOLOMON HOLZER: Was in the export business and bought mostly from the Edison and Coplay companies. Got prices from other companies. There was no difference in the prices offered at the same time. The discount was always 5 cents a barrel for cash. (Vol. I, p. 234.)

EDWARD A. KEELER, building contractor connected with the Peter Keeler Building Company, Albany, New York: Up to three or four years ago would send circular letters to possibly half a dozen selected dealers of cement companies and received quotations from Glens Falls, Helderberg, Knickerbocker, Edison, Atlas and Alsen's; and he does not recall any difference in the quotations up to three or four years ago, or in the price of returned bags or discounts allowed. For the last three or four years has been calling up over the 'phone or writing

for prices; *recently* there have been some slight differences in prices delivered to the operation, but no difference in prices delivered f. o. b. cars. He remembers one instance in the fall of 1919 when the prices quoted were the same f. o. b. Troy, but there was a little difference in the price f. o. b. at the building. The maximum difference was about 5 cents. He also cites an instance or two where he induced the company to guarantee against an increase in freight rates. (Vol. I, pp. 240–241.)

From the testimony of the witnesses representing the contractors and builders of New York City, there undoubtedly was an understanding between the manufacturers that cement to be delivered within the metropolitan district of New York would be sold only through dealers.

Walter Lewis, a Government accountant, testified that he had prepared a statement based on Form 10, which is the printed list issued quarterly of the contracts reported to the members on the daily sheets, and shows every specific job contract in force at the time of its publication. He used the reports for the years 1919 and 1920, and up to March, 1921, and checked a total of 928 transactions which were selected at random. Those transactions reported shipments to 591 towns in various states. He deducted from the delivered price the freight specified in the rate books and also the bag price applying at the time the contract was made, and thus arrived at the mill base prices at Lehigh Valley, Universal, Hudson and

Fordwick. More than 95 per cent of the prices thus ascertained corresponded with the mill base prices existing when the transactions were had. Of the remaining 5 per cent, there were some transactions which apparently were based on a mill price or a bag price existing just before or shortly after the transaction; and a number of variations occurred in the latter part of 1920 and the first three months of 1921. (Vol I, pp. 250–251.) During that time not only was an investigation being made by the Government, but the Lockwood Committee had the cement industry, along with many other industries, under investigation. (Minutes, November 18, 1920; vol. I, p. 614.)

XII

DEFENSES

Defendants' brief was received too late to permit of an extended reply thereto; but it is believed that the facts heretofore detailed constitute a complete refutation of every proposition relied upon in defense. Mr. Morron was the only representative of the defendant corporations who testified. Evidence of the following character was offered on behalf of the defendants: (1) A vast amount of correspondence was read, most of which was between officers and agents of the several defendant corporations, the object being to show that each company was actively prosecuting its business. As heretofore stated, it is not insisted that there was no competition in selling cement. Each company undoubtedly was making an earnest effort to push its business; *but there was no competition so far as prices and important trade practices were concerned; and, therefore, as all cement is of the same quality, the public was deprived of all competition that was materially valuable.* (2) The Government introduced a number of tables prepared by its accountant, James W. Allen, which showed the relative production and shipments of cement by the several defendants; and numerous charts prepared by defendants based upon those tables were introduced to show that the relationship between the

quantities produced and shipped by the several defendants had not been constant. This is immaterial because, as above stated, it is not claimed that defendants were not active in selling cement. However, it is a rather significant circumstance that the production and shipments of the three large companies, Atlas, Alpha, and Lehigh, were constantly in the neighborhood of 50 per cent. of the entire amount reported to the Association. (3) A number of expert witnesses of high standing were examined to prove that uniformity of price of a commodity is no evidence whatever of a combination or agreement between those engaged in producing the commodity, and that the price of cement would necessarily be uniform in the absence of all agreements and combinations upon the part of the manufacturers. Probably the most distinguished economist examined upon this subject was Dr. Thomas Sewall Adams, Professor of Economy at Yale University. The character of his testimony appears from the following colloquy between him and the court:

> The COURT. Do you mean to say that you think from an economic standpoint no fair inference can be drawn either way from the mere fact of uniformity in prices?
>
> The WITNESS. From the mere prices, your Honor, I do not think any inference can be drawn. You can go back into the circumstances of the industry to determine it.
>
> Q. Let us see about that, doctor. Suppose you know of a number of manufacturers in

a certain industry whose cost of production is different, substantially different, and who have the capacity to overproduce. If they were all running to full capacity there would be a very considerable overproduction, and suppose there is absolute uniformity running for some years through their prices, uniformity in every respect, do you mean to say that does not mean anything at all?

A. I think you forget in your inference the fact that the increasing production in many lines usually means higher costs. That is not an absolutely uniform but a very frequent fact. I should say it is very often the fact. For a given period of time if you increase your production you may be able to reduce your costs, but the point is reached where if you push your production past a certain point, you increase them.

Q. Take a number of manufacturers in the same industry, manufacturing 90 per cent or more of that particular product, their cost of production is very substantially different.

A. All of them together manufacturing 90 per cent?

Q. That is what I mean. They have a capacity to produce a great deal more.

A. At what cost, sir?

Q. I don't care anything about the cost now.

A. All right.

Q. I say the difference in cost of production by these factories is substantial, and they

have the capacity to produce a great deal more than is consumed, and yet suppose their quotations or prices and the prices at which they will sell their products, are exactly the same extending over some years, that their rate of discount is exactly the same, that the price on returned bags is exactly the same, everything is uniform, do you mean to say that does not mean anything?

A. I think it may mean anything. It may mean the most perfect competition. As I see the situation, competition is a game, a race, and races frequently result in dead heats, and the competition is active when they are doing that.

Q. What kind of competition?

A. Competition to get ahead of your competitors.

(Vol. I, pp. 305–306.)

Undoubtedly the price of cement would approach uniformity in a normal market in the absence of all combinations between the manufacturers, but to say that uniformity under the circumstances described by the court means nothing can hardly be accepted by any one not an economist. While economic laws tend to produce uniformity of price under normal circumstances, yet the price thus established is entirely different from a uniform price established by an agreement or through a combination. The one will be controlled entirely by the law of supply and demand; and when the demand does not exceed the supply the price will be

in the neighborhood of the cost of production to those producing most cheaply, plus a reasonable profit. But the price resulting from agreement or combination is entirely artificial. If determined by agreement, it is, of course, the price specified. But if it results from a combination of the character here shown, it is established by human motives and impulses entirely different from those which prompt the actions of genuine competitors. Under such circumstances each member either refuses to cut under the prices of his fellow members, to whom he is constantly reporting, or, through a spirit of rivalry, endeavors to get a higher price. Consequently, if Dr. Adams' theory that uniformity is no evidence of a combination be true, the testimony is of no value in this case; because the existence of the combination and its nature and activities are fully proven without any contradiction; and it necessarily results that the prices charged by defendants and the uniformity of prices and of trade practices proven were the results of this combination.

DISCUSSION OF THE LAW.

Before reviewing the few authorities which have a direct bearing upon the facts of this case, it is well to succinctly restate the scope of and the elements that compose the combination between the defendants.

The ultimate object of the organization was to control the price of cement. This was to be accomplished in two ways: (1) By the control of the supply of cement on the market, and (2) by intimate association, exchange of information, and a ready means of computing a common delivered price at any point. The agencies through which free cement was to be kept from the market were, (1) specific job contracts, (2) checkers and (3) cancellation of all but one contract for the same job and of all excess cement called for in any one contract. The record does not disclose that the use of the specific job contract was formally agreed upon by all the companies; but it does show that it was in existence when the Association was organized and has continued to be used by all of them ever since, and that this part of the scheme is built around this form of contract.

These specific job contracts are most ingeniously drawn. Those made with the user of cement, obligate him to take all the cement used in the job. If he were to make a dozen contracts for the same job,

they would all be good *as to him;* but they are so worded that the seller is not bound to deliver any cement that is not actually used in the job described. Likewise, all contracts made with a dealer are valid *as to him* provided that dealer furnishes the cement for the job described, but are not binding on any seller other than the one whose cement is actually used. But, if a contractor does not take from a dealer the cement he uses in the job, the contract is not binding on either the seller or the dealer. So the only contracts which the manufacturers have any legitimate excuse for cancelling are those made with dealers through whom the cement used is not purchased. All other contracts are enforcible by the manufacturers. *But they are so worded that the manufacturers do not have to deliver any cement under them except that actually used.* The breach of the contract consists in not using the cement contracted for on the job; and therefore the seller is not bound to offer the cement when the buyer has made it impossible to use it according to contract. *However, it is clearly recognized in the contract that the seller may deliver, at his option, cement not used on the job described. It says,* "The seller *is not obligated to furnish* " more than the quantity of cement actually used in the work. Then it is unquestioned that the defendant manufacturers have entered into this combination: They agreed among themselves that they would not deliver any cement under specific job contracts other than that actually used in the

jobs described, and would thereby withhold from the general trade all cement that would otherwise reach it through those contracts. And to enforce this agreement they have further conspired and agreed that they would, through the Association, exchange a full description of every specific job contract to enable them to check up each job and ascertain whether more than one contract existed therefor, and that they would also employ checkers to examine every job that might be questioned to ascertain whether more cement had been contracted for than was necessary for use in said job; and the combination has been carried out with a thoroughness that at times could well be called ruthlessness.

This record shows that hardly a sack of cement has passed through the net thus set; and where it was suspected that a bag was loose, it was hunted with as much perseverance as smuggled goods are hunted by a revenue officer. By this combination defendants have continually kept from the market a quantity of cement which they well knew, and by their conduct recognized, would be sufficient to materially affect the prices. If this were the sole question in this litigation, can there be a doubt under the authorities that such a combination and conspiracy is within the prohibition of the Anti-Trust Act? But this is but a part of the combination. They have agreed to, and do, exchange complete information with reference to each individual's production of clinker, and production and shipments

of cement, to enable them to curtail production if it be thought advisable; also to, and they do, include in their reports of sales the exact prices at which every sale for a specific job is made, knowing that there is a uniform differential between the price to dealers and to consumers; also to, and they do, distribute freight rate books showing the estimated freight rate from *agreed basing points* to every station in the territory covered by the Association, so that by a glance at these books each member can tell the exact price which every other member will bid for the sale of cement to be delivered at any one of those points. They also have agreed to, and do, hold meetings at which they discuss all important trade practices in the industry, and at times reach an agreement as to some of them. The result of this combination has been practical uniformity in the price of cement and in the terms of its sale throughout the entire section in which defendants operate; and *competition as to prices and terms in such territory has been eliminated.* It is not contended that all competition of every character has been suppressed, but that it has been reduced to competition in service and in the personality of the salesmen. Is such a gigantic combination and conspiracy which completely dominates a great industry in the most populous and wealthy section of the United States violative of the Anti-Trust Act?

The Government relies in this case upon the same authorities as those relied upon in cause No. 342,

known as the *Maple Flooring Case;* but to avoid reference to the brief filed by the Government therein the review of the authorities in that case will be reprinted here with such changes in wording as are necessary to make it applicable to the facts of this case.

It is believed that no principles of law can be better settled than are those which control the questions involved in this case; and that to refuse to apply them to the facts proven in this record would be in effect to overrule the previous decisions of this court, and to license trade associations to engage in every practice which they may pretend is adopted as a reasonable regulation to promote the general welfare of business, regardless of how it may effect production and prices, and how oppressive it may be upon the public. The cases which have a direct bearing upon the activities of associations are comparatively few in number, and will now be given consideration.

Eastern States Retail Lumber Dealers' Association v. *United States*, 234 U. S. 600, may be considered as the leading case in applying the Anti-trust Act to practices of trade associations. The association attacked was composed of retail lumber dealers; and the practice passed upon by the court was that of distributing among the members a list of manufacturers who dealt directly with consumers. The following was the form of the report distributed:

(Name of the particular association circulating it.) Statement to members (with the date)

You are reminded that it is because you are members of our Association and have an interest in common with your fellow members in the information contained in this statement, that they communicate it to you; and that they communicate it to you in strictest confidence and with the understanding that you are to receive it and treat it in the same way.

The following are reported as having solicited, quoted or as having sold direct to the consumers:

(Here follows a list of the names and addresses of various wholesale dealers)

Members upon learning of any instance of persons soliciting, quoting, or selling direct to consumers, should at once report same, and in so doing should, if possible, supply the following information:

The number and initials of car.

The name of consumer to whom the car is consigned.

The initials or name of shipper.

The date of arrival of car.

The place of delivery.

The point of origin.

The facts relative to the preparation and distribution of this list and the inferences to be drawn therefrom are thus stated by the court:

> The record discloses a systematic circulation among the members of the defendant associations of the official report above quoted. The method of operation as stated by the learned counsel for the appellants is thus summarized in his brief:
>
> "The names on this list are obtained and placed thereon as the result of complaints made by individual retailers. When an individual member of a retail association learns of a sale by a wholesaler to one of the customers of the retailer he may complain in writing to the secretary of his association, whose duty it is thereupon to ascertain the facts by correspondence with the wholesaler in question and such other means as may seem proper. Should the report or complaint be without proper foundation or should the secretary become satisfied that the matter is a trifling one or the result of inadvertence, the incident usually terminates at this point; but should the complaint appear to be serious and well founded the case is submitted to the board of directors of the retail association at its next meeting and should the board be satisfied that the wholesaler is generally making a practice of selling to consumers or customers of the retail trade, the secretary is directed to report the name of such wholesaler for the official list. Thereupon the secretary sends

the name to Mr. Crary, of New York, who adds it upon the next report to the names of those already thereupon. Each report contains the names of all wholesalers who have been reported from the very beginning as selling to consumers and whose names have not been removed for cause. The reports or lists after being printed in New York are distributed amongst the secretaries of the defendant associations; those for each association being marked with its name and in that way only being distinguished from those sent to the other associations. The secretary of each association then distributes the lists to his members. Should any wholesaler desire to have his name removed from the list he can have it done upon satisfactory assurance to the local secretary that he is no longer selling in competition with the retailers. In practice the greatest care is taken to make the list accurate, and as a matter of fact, it only contains the names of such wholesalers as are absolutely committed to the practice of competing with retailers for the custom of builders and contractors."

The reading of the official report shows that it is intended to give confidential information to the members of the associations of the names of wholesalers reported as soliciting or selling directly to consumers, members upon learning of any such instances being called upon to promptly report the same, supplying detailed information as to the particulars of the transaction. When

viewed in the light of the history of these associations and the conflict in which they were engaged to keep the retail trade to themselves and to prevent wholesalers from interfering with what they regarded as their rights in such trade there can be but one purpose in giving the information in this form to the members of the retail associations of the names of all wholesalers who by their attempt to invade the exclusive territory of the retailers, as they regard it, have been guilty of unfair competitive trade. These lists were quite commonly spoken of as blacklists, and when the attention of a retailer was brought to the name of a wholesaler who had acted in this wise it was with the evident purpose that he should know of such conduct and act accordingly. True it is that there is no agreement among the retailers to refrain from dealing with listed wholesalers, nor is there any penalty annexed for the failure so to do, but he is blind indeed who does not see the purpose in the predetermined and periodical circulation of this report to put the ban upon wholesale dealers whose names appear in the list of unfair dealers trying by methods obnoxious to the retail dealers to supply the trade which they regard as their own. Indeed this purpose is practically conceded in the brief of the learned counsel for the appellants:

"It was and is conceded by defendants and the Court below found that the circulation of this information would have a natural tendency to cause retailers receiving

these reports to withhold patronage from listed concerns. That was of course the very object of the defendants in circulating them."

In other words, the circulation of such information among the hundreds of retailers as to the alleged delinquency of a wholesaler with one of their number had and was intended to have the natural effect of causing such retailers to withhold their patronage from the concern listed. (234 U. S. 607–609.)

In reply to the contention that no agreement between the defendants was proven, the Court said:

But it is said that in order to show a combination or conspiracy within the Sherman Act some agreement must be shown under which the concerted action is taken. It is elementary, however, that conspiracies are seldom capable of proof by direct testimony and may be inferred from the things actually done, and when in this case by concerted action the names of wholesalers who were reported as having made sales to consumers were periodically reported to the other members of the associations, the conspiracy to accomplish that which was the natural consequence of such action may be readily inferred. (p. 612).

The pressure thus brought to bear upon the manufacturer, which induced him to trade through retailers and not directly to the public was not the only restraint deemed material by the court.

With reference to the moral effect upon the retailers themselves who received the lists the court said:

> The circulation of these reports not only tends to directly restrain the freedom of commerce by preventing the listed dealers from entering into competition with retailers, as was held by the District Court, *but it directly tends to prevent other retailers who have no personal grievance against him and with whom he might trade from so doing, they being deterred solely because of the influence of the report circulated among the members of the associations.* In other words, the trade of the wholesaler with strangers was directly affected, not because of any supposed wrong which he had done to them, but because of the grievance of a member of one of the associations, who had reported a wrong to himself, which grievance when brought to the attention of others it was hoped would deter them from dealing with the offending party. This practice takes the case out of those normal and usual agreements in aid of trade and commerce which may be found not to be within the act and puts it within the prohibited class of undue and unreasonable restraints, such as was the particular subject of condemnation in *Loewe* v. *Lawlor, supra.* (pp. 612–613).

In answer to the contention that what was done was for the protection of the retail trade, the court said:

> The argument that the course pursued is necessary to the protection of the retail trade

> and promotive of the public welfare in providing retail facilities is answered by the fact that Congress, with the right to control the field of interstate commerce, has so legislated as to prevent resort to practices which unduly restrain competition or unduly obstruct the free flow of such commerce, and private choice of means must yield to the national authority thus exerted. *Addyston Pipe Co.* v. *United States,* 175 U. S. 211, 241, 242 (p. 613).

The court concluded its opinion thus:

> When the retailer goes beyond his personal right, and, conspiring and combining with others of like purpose, seeks to obstruct the free course of interstate trade and commerce and to unduly suppress competition by placing obnoxious wholesale dealers under the coercive influence of a condemnatory report circulated among others, actual or possible customers of the offenders, he exceeds his lawful rights, and such action brings him and those acting with him within the condemnation of the act of Congress, and the District Court was right in so holding (p. 614).

The principles there decided are directly applicable to and in fact control this case, but the practice there condemned was simple and innocuous in comparison with the scheme adopted and enforced by defendants. There the immediate purpose not was the control or increase of prices, though prices were no doubt incidentally affected by the practice. It was not claimed that the gen-

eral volume of business was reduced. The restraint consisted in diverting the trade from the path which it otherwise would have taken; or rather in forcing it to remain in its usual path. While the distribution of the list was made pursuant to an understanding between the members of the association, yet there was no agreement between them that they would give any consideration to the lists. The restraint resulted entirely from the moral effect the information distributed had upon the members. If one was " blind indeed who does not see the purpose in the predetermined and periodical circulation of this report " as said by the court in that case, he is unquestionably blind if he fails to see the purpose of the complicated scheme devised by the defendants in this case and the thoroughness with which it has been enforced.

American Column & Lumber Co. v. *United States,* 257 U. S. 377, was the first case in which an association was attacked because it engaged in what is known as " Open Price Competition." The opinion may be divided into four parts, to wit:

(1) A statement of the plan;
(2) The manner of its enforcement;
(3) The results of its operation; and
(4) Application of the law.

Beyond question what the court condemned was *the plan;* and the evidence showing the manner in which it was enforced and the results therefrom was cited and discussed only to show the purpose intended to be accomplished by the association and what was actually accomplished. In interpreting this decision, counsel for many associations, as was done by counsel for the defendant association,

have made the mistake of assuming that the case is not an authority unless the identical acts be committed in enforcing the association's plan that were shown to have been committed by the association attacked in that case; when in fact the precise character of the acts are unimportant, if the plan itself is of such nature that if enforced interstate commerce will be restrained thereby, and if the proof shows that the plan has been adopted and put in operation by the members of the association. An analysis of the opinion will show, not only that no element deemed essential in that case is wanting here, but that there are elements which did not there exist but are present here, that are specially vicious, and are within themselves violative of the Antitrust Act.

In beginning the discussion the court said:

> The activities which we shall see were comprehended within the "Open Competition Plan," (which is sometimes called "The New Competition,") have come to be widely adopted in our country, and, as this is the first time their legality has been before this court for decision, some detail of statement with respect to them is necessary (p. 392).

The court then quotes at some length from the report of the committee which evolved the plan. In that report the committee discussed the objects of the plan and the benefits expected to be derived therefrom; *and as defendants in this case are operating the same open price plan that was there at-*

tacked and condemned, that report is as pertinent here as if made by a committee of the defendant association. With reference to that report and a subsequent explanation of the objects and purposes of the plan, the court in part said:

> After stating that the purpose was not to restrict competition or to control prices but to "furnish information to enable each member to intelligently make prices and to intelligently govern his production," the committee continues:
>
> "The chief concern of the buyer, as we all know, is to see that the price he pays is no higher than that of his competitors, against whom he must sell his product in the market. The chief concern of the seller is to get as much as anybody else for his lumber; in other words to get what is termed the top of the market for the quality he offers. By making prices known to each other they will gradually tend toward a standard *in harmony with market conditions*, a situation advantageous to both buyer and seller."
>
> Not long after the consolidation a further explanation of the objects and purposes of the "Plan" was made in an appeal to members to join it, in which it is said:
>
> "The theoretical proposition at the basis of the Open Competition plan is that,
>
> "*Knowledge regarding prices actually made is all that is necessary to keep prices at reasonably stable and normal levels.*

> "The Open Competition plan is a central clearing house for information on prices, trade statistics, and practices. By keeping all members fully and quickly informed of what the others have done, the work of the plan results in *a certain uniformity of trade practice.* There is no agreement to follow the practice of others, *although members do naturally follow their most intelligent competitors,* if they know what these competitors have been actually doing.
>
> "The monthly meetings held in various sections of the country each month have improved the *human relations* existing between the members before the organization of this plan." (Italics the court's p. 392.)

After quoting at length from a subsequent communication sent to the members in which the advantages of the plan were recited, the court then stated in detail the system of reporting, first by members to the association, and second by the association to the members; and without quoting, or giving a summary of the court's language it is sufficient to say that the system of reports there described and the system used by defendants in this case are in every material feature precisely the same. After a description of the reporting system the court said:

> This extensive interchange of reports, supplemented as it was by monthly meetings at which an opportunity was afforded for

> discussion " of all subjects of interest to the members," very certainly constituted an organization through which agreements, actual or implied, could readily be arrived at and maintained, if the members desired to make them (p. 397).

The court then said that in practice three important additions were made to the plan:

First: Instead of the monthly meetings provided for, the territory in which the association was operating was divided into four districts and forty-nine meetings were held. However the proof showed that the division was for the convenience of the members; and the members really attended a meeting but once a month.

Second: Before each meeting a questionnaire was sent out asking for reports on production for the preceding month and estimated production for the next two months, and whether it was expected that the mill would be shut down, and if so for how long; and also for the members' views as to market conditions. From the information thus received the statistician compiled a report which was distributed among the members attending the meeting.

Third: While the plan provided for a monthly market letter, Gadd, the manager of statistics, actually sent out letters of that nature with the weekly sales reports. It is unnecessary to again repeat the many features in this case that were not

present in that one, some of which are entirely outside the Association's constitution and by-laws.

After stating in detail the plan as adopted with the features added in practice the court said:

> Obviously the organization of the defendants constitutes a combination and confessedly they are engaged in a large way in the transportation and sale of lumber in interstate commerce so that there remains for decision only the question whether the system of doing business adopted resulted in that direct and undue restraint of interstate commerce which is condemned by this Antitrust statute.
>
> It has been repeatedly held by this court that the purpose of the statute is to maintain free competition in interstate commerce and that any concerted action by any combination of men or corporations to cause, or which in fact does cause, direct and undue restraint of competition in such commerce falls within the condemnation of the act and is unlawful (pp. 399–400).

The court then, after quoting from a number of authorities in which the Antitrust Act had been construed, quotes at length from communications sent by Gadd to the members, and also from letters written by members to Gadd in response to a circular letter sent out by him asking for an expression of opinion as to benefits received from the

operation of the plan. And these quotations are followed with the remark:

> These quotations are sufficient to show beyond discussion that the purpose of the organization and especially of the frequent meetings was to bring about a concerted effort to raise prices regardless of cost or merit, and so was unlawful, and that the members were soon entirely satisfied that the "Plan" was "carrying out the purpose for which it was intended" (p. 409).

Therefore the comments of Gadd and the statements of the members as to benefits derived from the plan was deemed important *because they showed the purpose of the organization.* And there is no justification whatever for the assumption that the identical evidence then introduced must appear in this record before that case can be considered a controlling authority in this one. As above shown the members of the defendant association met and discussed face to face every question relating to the industry; and no comments upon the part of a manager or secretary are necessary or would be even helpful. There is no probability that the Government will ever be able to introduce in another case the same evidence with reference to the results accomplished by the association, because no other manager will ever write the members asking testimonials as to its benefits. But to the same effect were the remarks of Mr. Lober when chosen

President at the meeting of January 15, 1917, to wit:

> I feel that we have gone a long way in the last year. We have done a great deal. I only hope we can progress as much during 1917. (Vol. I, p. 522.)

And also the remarks of Mr. Ward, when assuming the office of President two years later, to wit:

> I further want to say that I think we have brought this work up to *where it is about one of the best of its kind in existence. Any organization that can produce the results that this one has, at an annual expenditure of $50,000, I think, is going some.* (Vol. I, p. 585.)

After a thorough review of the facts and the law the court said:

> To call the activities of the defendants, as they are proved in this record, an "Open Competition Plan" of action is plainly a misleading misnomer.
>
> Genuine competitors do not make daily, weekly, and monthly reports of the minutest details of their business to their rivals, as the defendants did; they do not contract, as was done here, to submit their books to the discretionary audit and their stocks to the discretionary inspection of their rivals for the purpose of successfully competing with them; and they do not submit the details of their business to the analysis of an expert, jointly employed, and obtain from him a

"harmonized" estimate of the market as it is and as, in his specially and confidentially informed judgment, it promises to be. This is not the conduct of competitors but is so clearly that of men united in an agreement, express or implied, to act together and pursue a common purpose under a common guide that, if it did not stand confessed a combination to restrict production and increase prices in interstate commerce and as, therefore, a direct restraint upon that commerce, as we have seen that it is, that conclusion must inevitably have been inferred from the facts which were proved. *To pronounce such abnormal conduct on the part of 365 natural competitors, controlling one-third of the trade of the country in an article of prime necessity, a "new form of competition" and not an old form of combination in restraint of trade, as it so plainly is, would be for this court to confess itself blinded by words and forms to realities which men in general very plainly see and understand and condemn, as an old evil in a new dress and with a new name.*

The "Plan" is, essentially, simply an expansion of the gentlemen's agreement of former days, skillfully devised to evade the law. To call it open competition because the meetings were nominally open to the public, or because some voluminous reports were transmitted to the Department of Justice, or because no specific agreement to restrict trade or fix prices is proved, can not conceal the fact that the fundamental pur-

pose of the "Plan" was to procure "harmonious" individual action among a large number of naturally competing dealers with respect to the volume of production and prices, without having any specific agreement with respect to them, and to rely for maintenance of concerted action in both respects, not upon fines and forfeitures as in earlier days, *but upon what experience has shown to be the more potent and dependable restraints, of business honor and social penalties—cautiously reinforced by many and elaborate reports, which would promptly expose to his associates any disposition in any member to deviate from the tacit understanding that all were to act together under the subtle direction of a single interpreter of their common purposes,* as evidenced in the minute reports of what they had done and in their expressed purposes as to what they intended to do (pp. 410–411).

United States v. *American Linseed Oil Company*, 262 U. S. 371, involved the validity of an organization which functioned through a bureau. The manufacturers of linseed oil made separate but identical contracts with the bureau whereby they obligated themselves to furnish reports of their sales and prices to the bureau; and the bureau was to report the information to the other members. Monthly meetings were also provided for. The plan was operated through Mr. Armstrong, who called himself a bureau, instead of through an association conducted by a secretary as in the present case, or a manager as in the Hardwood case.

Naturally there is a variation in the plan as applied to different industries. The production of linseed oil is seasonal; and it is sold generally for future delivery months in advance. For the plan to work successfully in connection with that industry it was felt necessary that change of prices should be promptly reported. Every member was at perfect liberty, so the defendants all claimed, to change its price at any time and to any extent it might see fit; but if it offered oil to a prospective purchaser for less than its list price it immediately wired its offer to the bureau, which relayed it to the members. When it was suspected that a member had made a sale for less than its list price other members had the right to make inquiry of such member about the matter through the bureau. The evidence showed that the system as outlined in the contract was pretty rigidly enforced. The court after stating at length the provisions of the contracts and the manner in which they had been enforced said:

> The Sherman Act was intended to secure equality of opportunity and to protect the public against evils commonly incident to monopolies *and those abnormal contracts and combinations which tend directly to suppress the conflict for advantage called competition—the play of the contending forces ordinarily engendered by an honest desire for gain.* " The statute did not forbid or restrain the power to make normal and useful contracts to further trade by resorting to all

normal methods, whether by agreement or otherwise, to accomplish such purpose. * * * The words restraint of trade should be given a meaning which would not destroy the individual right to contract and render difficult if not impossible any movement of trade in the channels of interstate commerce—the free movement of which it was the purpose of the statute to protect." *United States* v. *American Tobacco Co.*, 221 U. S. 106, 179, 180; *Ramsay Co.* v. *Associated Bill Posters*, 260 U. S. 501; *Federal Trade Commission* v. *Sinclair Refining Co.*, 261 U. S. 463.

Certain it is that the defendants are associated in a new form of combination and are resorting to methods which are not normal. If, looking at the entire contract by which they are bound together, in the light of what has been done under it the Court can see that its necessary tendency is to suppress competition in trade between the States, the combination must be declared unlawful. That such is its tendency, we think, must be affirmed. To decide otherwise would be wholly inconsistent with the conclusion reached in American Column & Lumber Co. v. *United States, supra* (pp. 388–389).

And the court thus concluded its opinion:

We are not called upon to say just when or how far competitors may reveal to each other the details of their affairs. In the absence of a purpose to monopolize *or the compulsion that results from contract or*

> *agreement*, the individual certainly may exercise great freedom; *but concerted action through combination presents a wholly different problem and is forbidden when the necessary tendency is to destroy the kind of competition to which the public has long looked for protection.* The situation here questioned is wholly unlike an exchange where dealers assemble and buy and sell openly; and the ordinary practice of reporting statistics to collectors stops far short of the practice which defendants adopted. Their manifest purpose was to defeat the Sherman Act without subjecting themselves to its penalties.
>
> The challenged plan is unlawful and an injunction should go against it as prayed by the original bill (p. 390).

In fact, as pointed out by the court in the Hardwood and Linseed Oil Cases, combinations in the form of associations engaging in practices of the nature heretofore described fall squarely within the prohibitions of the Antitrust Act as construed in many former cases.

While as said in *United States* v. *American Tobacco Co.*, 221 U. S. 179, in referring to the previous decision in the Standard Oil case, "the statute did not forbid nor restrain the power to make *normal and usual contracts* to further trade by resorting to all *normal* methods, whether by agreement or otherwise to accomplish such purpose," yet as declared in the same case (p. 181), "in view of the general language of the statute and the public

policy which it manifested, *there was no possibility of frustrating that policy by resorting to any disguise or subterfuge of form, since resort to reason rendered it impossible to escape by any indirection the prohibitions of the statute.*"

The closing remarks of Circuit Judge (subsequently Mr. Justice) Lurton in the great opinion delivered in *John D. Park & Sons Co.* v. *Hartman*, 153 Fed. 24, 46, is specially applicable in this case:

> *It has been suggested that we should have regard to new commercial conditions and a tendency toward a relaxation of old common-law principles which tend to prevent development on modern lines. This is an argument better addressed to legislative bodies than to the courts. Neither is it wise for the courts to countenance the introduction of artificial distinctions dependent upon the variant economic views of individual judges. Distinctions which are specious or analogies which are but apparent will but afford opportunities to whittle away broad economic principles lying at the bottom of our public policy, principles which have long received the sanction of statesmen and the approving recognition of a long line of jurists. A like argument is expected whenever some new method of circumventing freedom of commerce comes under the tests of the law. It was made and answered by Judge Taft in the Addyston Pipe Case with a strength to which we can add nothing.*

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The Relief to which the Government is Entitled

The decree entered in the court below is the only one that can properly be made in this case.

The situation here presented is quite different from the conditions existing when the acquisition of various properties by a corporation, or the merger of a number of corporations into one, have been held to constitute a monopoly or an unlawful combination in violation of the Anti-Trust Act. There the rights of property are involved, and the court will not destroy the property, but direct that it be restored to the original owners, or be so divided that a further violation of the statute will not exist. But here no property rights are involved. There exists nothing but an agreement or combination which the defendants have entered into and in which they are engaging; and the status quo is restored and the restraints upon commerce are stopped by a simple decree declaring the agreement and combination unlawful, and inhibiting the defendants from further engaging therein, or in any combination of like character.

An unlawful conspiracy may be composed of elements each of which when considered alone is lawful. As said in *Swift* v. *United States,* 196 U. S. 375, 396:

> The scheme *as a whole* seems to us to be within reach of the law. The constituent elements, as we have stated them, are enough

> to give to the scheme a body and, for all that we can say, to accomplish it. Moreover, whatever we may think of them separately, when we take them up as distinct charges they are alleged sufficiently as elements of the scheme. *It is suggested that the several acts charged are lawful and that intent can make no difference. But they are bound together as the parts of a single plan. The plan may make the parts unlawful.*

To hold that the defendants should be enjoined only from doing those things which are within themselves unlawful would lead to the absurd result that where each element of a conspiracy is, when standing alone, lawful; no injunctive decree can be entered, although the conspiracy composed of these several elements may be unlawful and accomplish the most harmful results.

This question was conclusively settled in *American Column & Lumber Co.* v. *United States, supra. There the court entered a sweeping decree declaring the association an unlawful combination and inhibiting the defendants from engaging in any of the activities provided for by its organization.* On the hearing defendants' counsel earnestly insisted that the decree was too broad and that the court should specify certain things which the association could legitimately do. *The court disregarded this insistence and affirmed the decree of the court below in toto. A petition for a rehearing*

was filed, in which it was again urged upon the court that a limitation should be placed upon the decree and that the defendants should not be enjoined from separately doing a number of things prescribed by the association, but the petition was dismissed by the court.

In fact the question had been settled in the case of *Swift* v. *United States*, 196 U. S. 375, 401–2. A broad decree inhibiting the defendants from engaging in any of the things alleged in the bill had been entered by the court below, and it was insisted that the decree should be modified in certain particulars. The only modification directed by the court was that in one or two particulars it should be made more specific. But the court especially considered the allegations in the bill (the case had been disposed of on demurrer) wherein it was alleged that defendants had engaged in and would continue arrangements with the railroads whereby the defendants received, by means of rebates and other devices, rates less than the lawful rates for transportation, and were exclusively to enjoy and share this unlawful advantage to the exclusion of competition and the public (p. 392). The court stated that the acts here charged, apart from the combination and the intent, might perhaps not necessarily be unlawful except for the adjective which proclaimed them so, and the court assumed for the purpose of the decision that they were not unlawful, and that the defendants severally might lawfully obtain less

than the regular rates for transportation if the circumstances were not substantially similar to those for which the regular rates were fixed; but the Court said:

> Whether this particular combination can be enjoined, as it is, apart from its connection with the other elements, if entered into with the intent to monopolize, as alleged, is a more delicate question. The question is how it would stand if the tenth section were the whole bill. Not every act that may be done with intent to produce an unlawful result is unlawful, or constitutes an attempt. It is a question of proximity and degree. The distinction between mere preparation and attempt is well known in the criminal law. *Commonwealth* v. *Peaslee,* 177 Massachusetts, 267, 272. The same distinction is recognized in cases like the present. *United States* v. *E. C. Knight Co.,* 156 U. S. 1, 13; *Kidd* v. *Pearson,* 128 U. S. 1, 23, 24. We are of opinion, however, that such a combination is within the meaning of the statute. It is obvious that no more powerful instrument of monopoly could be used than an advantage in the cost of transportation. And even if the advantage is one which the act of 1887 permits, which is denied, perhaps inadequately, by the adjective " unlawful," still a combination to use it for the purpose prohibited by the act of 1890 justifies the adjective and takes the permission away. (196 U. S. 401, 402.)

For the foregoing reasons it is respectfully submitted that the decree of the court below should be in all respects affirmed.

JAMES M. BECK,
Solicitor General.

J. A. FOWLER,
ROGER SHALE,
Special Assistants to the Attorney General.

MARCH, 1925.

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CEMENT MANUFACTURERS PROTECTIVE ASSOCIATION ET AL. *v.* UNITED STATES.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

No. 551. Argued March 3, 5, 1925.—Decided June 1, 1925.

1. Dissemination of information enabling sellers of goods under contracts for future delivery individually to prevent purchasers from fraudulently procuring deliveries on the pretense that the sellers are obligated by their contracts to make them, is not an unlawful restraint of trade, even though the information be gathered by and disseminated among the sellers themselves through coöperation. P. 603.
2. Coöperation of manufacturers in gathering and exchanging (1) information concerning production of cement and the prices for which it was sold by them in actual, closed "specific job" contracts constituting but a part of their business, and (2) information of transportation costs from chief points of production, *held* not an unlawful restraint on commerce, even assuming that the result may tend to bring about uniformity of price, through the operation of economic law. P. 604.
3. In this case the Government did not rely upon any agreement or understanding for price maintenance; and the record fails to establish, either directly of by inference, any concerted action other than that involved in the gathering and dissemination of information, respecting sale and distribution, which in itself the Court finds not unlawful; nor does the evidence show any effect on price and production except such as would naturally flow from the dissemination of such information in the trade and its natural influence on individual action. P. 606.
4. In a suit under the Anti-Trust Act to dissolve a trade association formed by numerous manufacturers of Portland cement, it appeared: (1) That, following trade practice, each manufacturer disposed of part of its product through "specific job contracts", i. e., contracts in effect obligating the manufacturer to deliver in the future to the purchaser at a maximum price named, payable on delivery, the cement required to complete a specified piece of construction work, but allowing the purchaser the advantage of any decline, before delivery, in market price, and not obligating him in any event to take the cement contracted for; (2) that to pre-

vent contractors from obtaining more cement than they were entitled to under such contracts by the practice of entering into several such contracts with several manufacturers for the same specific job, the details of such contracts were reported by the members to the association, agents of the latter visited the jobs, and the fullest information respecting the contracts and the use of cement shipped under them was reported to the members by the secretary; and there were many cancellations of deliveries under such contracts on the ground that purchasers were not entitled to delivery by the terms of their agreements; (3) that the association compiled and distributed to its members books listing freight rates from established basing points to many cities and towns, enabling the manufacturer to calculate a delivery price on the basis of its own mill price (determined by itself) to places nearest in point of freight rate to its own mill, and also to determine at once the freight differential it must offset in its mill price in order to compete with other manufacturers serving any other given territory; (4) that members of the association rendered monthly detailed reports concerning delinquent accounts of their customers; (5) and reports of production, shipments and stock on hand, which, being compiled and distributed, informed each member fully of the available supply of cement and by whom it was held; (6) that, by universal practice of the trade, the price of bags in which cement was shipped was included in the mill base price; and that quarterly reports were made to the association showing the total number of bags returned to each member by customers during the preceding quarter and the percentage found unfit for use; but no information was reported concerning the charge and allowance for bags returned, the number received from any particular customer, or the portion found unfit for use; (7) that periodical meetings were held at which minor subjects, such as return of bags, bag reports, and trade acceptances, were discussed, but not current or future prices, or production or market conditions; which meetings were not proved to have resulted in any agreement or in any uniformity of trade practice. *Held* that a purpose to control production and price of cement could not be inferred from such activities, and they were not in themselves unlawful restraints of commerce prohibited by the Anti-Trust Act. P. 592.

Reversed.

APPEAL from a decree of the District Court in a suit brought by the Government under the Anti-Trust Act,

enjoining the continuance of a combination of various cement manufacturers, in the form of a trade association.

Mr. John W. Davis, with whom *Messrs. George T. Buckingham* and *Archibald Cox* were on the brief, for appellants.

Mr. J. A. Fowler, Special Assistant to the Attorney General, with whom the *Solicitor General* and *Mr. Roger Shale,* Special Assistant to the Attorney General, were on the brief, for the United States.

MR. JUSTICE STONE delivered the opinion of the Court.

This is an appeal from a final decree of the District Court for the Southern District of New York granting a perpetual injunction in a proceeding brought by the United States under § 4, Chapter 647, of the Act of July 2, 1920, 26 Stat. 209, commonly known as the Sherman Act. Defendants are the Cement Manufacturers Protective Association, an unincorporated association, four individuals, the officers of the Association, and nineteen corporations, members of the Association, engaged in manufacturing and shipping Portland cement in interstate commerce, in Pennsylvania, New Jersey, New York, Maryland and Virginia. The petition, which was filed on the 30th day of June, 1921, alleges restraint of interstate commerce in violation of § 1 of the Act. The complaint prays that the Cement Manufacturers Protective Association be adjudged a violation of § 1 and enjoined accordingly. After final hearing, the District Court entered its decree enjoining the continuance of the Cement Manufacturers Protective Association and enjoined it and the several defendants from engaging in the activities of which the Government complains and of which a summary account will presently be given.

The Association was organized in January, 1916. Its purposes, as described by the constitution, were the "col-

lection and dissemination of such accurate information as may serve to protect each manufacturer against misrepresentation, deception and imposition, and enable him to conduct his business exactly as he pleases in every respect, and particularly free from misdirection by false or insufficient information concerning the following matters, to wit:

(a) Information concerning credits;

(b) Information concerning contracts which have been made for the delivery of cement sufficiently complete to enable the manufacturer to protect himself against spurious contracts and like transactions induced by misrepresentations;

(c) Information concerning freight rates on cement;

(d) Statistical information as to production; stocks of cement and clinker on hand, and shipments."

The constitution also provides that "membership in the Association shall be recognized as implying that the member is absolutely free to conduct his business exactly as he pleases in every respect and particular."

Cement is a thoroughly standardized product. It is manufactured from limestone and shale which are crushed to extreme fineness, then subjected to high temperatures, which process produces a fused mass which when cooled is known as clinker. The clinker is then ground into the finished product which is then ready for transportation and use. Clinker is not subject to deterioration, but the ground clinker or cement deteriorates rapidly on exposure to moisture and cannot be kept in storage except for a limited period of time. The defendant corporations are manufacturers of this product, which is shipped in interstate commerce principally within the areas of the several States in which the several defendants are located, and they are competitors in the business of shipping the product in interstate commerce. From 60% to 65% of the total product of the several corporate defendants is sold

to the general trade for immediate use. Of this 60% to 65% approximately two-thirds is sold to dealers who are allowed a differential from the sales price to the retail trade.

The activities of defendants on which the Government bases its case for an injunction may summarily be stated as follows: The Government charges that the defendants, through the activities of the Association, control prices and production of cement within the territorial area served by the several defendants in the following manner:

(1) By the use of "specific job contracts" for future delivery of cement, accompanied by a system of reports and trade espionage having as its objective the restriction of deliveries of cement under those contracts.

(2) By compiling and distributing, among the members, freight-rate books which give the rate of freight from arbitrary basing points to numerous points of delivery within the territorial area served by the several defendants;

(3) By exchange of information concerning credits;

(4) By activities of the Association at its meetings.

The Government asserts that uniformity of prices and limitation of production are necessary results of these activities of the defendants. It does not, however, charge any agreement or understanding between the defendants placing limitations on either prices or production. The evidence does not establish that prices were excessive or unreasonable, and the District Court found "as compared with the rise of prices of other basic commodities, it is possible to say that the quotations of cement advanced less than others." The court also found that competition had not been destroyed by the Association and that upon many occasions the defendants were active in endeavoring to take business from companies associated with them. The court, however, held that the activities of the defendants in connection with specific job contracts tended to

limit the amount of cement distributed to the trade under those contracts; that the exchange of information complained of generally tended to limit production; that the dissemination of this information, especially that contained in the freight-rate book, tended to produce uniformity in price, and that there was accordingly a restraint of commerce within the principles laid down in *American Column & Lumber Co.* v. *United States*, 257 U. S. 393; *United States* v. *American Linseed Oil Company*, 262 U. S. 371.

It is conceded, and the court below found, that before the organization of the present association there was substantial uniformity of trade practices in the cement trade, so far as is pertinent to the present discussion, in the following respects:

(1) The sale of cement by specific job contracts for future delivery;

(2) The selling of cement, f. o. b. delivery;

(3) Using freight basing points in the quotation of prices;

(4) Including in all quotations for sale of cement, a freight rate from a basing point to the place of delivery;

(5) Charging purchasers of cement for bags in which the product is shipped and allowing credit for bags returned to the manufacturers in good condition.

Since there is no exchange of information among the defendants with respect to contracts for the sale of cement for immediate delivery, which constitutes more than 60% of the business, the Government's contention before this Court centered upon the use of the specific job contract by defendants and their activities in connection with such contracts, since without the use of the specific job contract the other activities complained of could have no substantial bearing on restraint of competition with respect either to prices or production. It will therefore be necessary to

consider more at length the activities of the defendants in connection with specific job contracts and incidentally their other activities as related to sales of cement under specific job contracts and the information exchanged with respect to such contracts.

Specific job contracts.

The specific job contract and the practices of the trade with respect to making deliveries in performance of those contracts were customary in the trade long before any of the collective activities complained of in this case. We do not understand the Government to contend that the use of specific job contracts by defendants, or that their use generally by the trade, is the result of any agreement or understanding, or in itself constitutes any violation of the Sherman Law. It is contended that the violation arises rather from the co-operation among the several defendants in acquiring and distributing information with reference to specific job contracts and the effect of the dissemination of that information on the trade, to which reference will now be made.

The specific job contract is a form of contract in common use by manufacturers of cement whereby cement is sold for future delivery for use in a specific piece of construction which is described in the contract. As was stated in the opinion of the court below, they are contracts "whereby a manufacturer is to deliver in the future, cement to be used in a specific piece of work, such as a particular building or road, and the obligation is that the manufacturer shall furnish and the contractor shall take only such cement as is required for or used for the specific purpose." These contracts have, by universal practice, been treated by cement manufacturers as, in effect, free options customarily made and acted upon on the understanding that the purchaser is to pay nothing until after

the delivery of the cement to him; that he is not obligated in any event to take the cement contracted for unless he chooses to; that he is not held to the price named in the contract in the event of a decline in the market price; whereas the manufacturer may be held to the contract price if the market advances and may be held for the delivery of the full amount of cement required for the completion of the particular piece of construction described in the contract. The practical effect and operation of the specific job contract therefore is to enable contractors who are bidding upon construction work to secure a call or option for the cement required for the completion of that particular job at a price which may not be increased, but may be reduced if the market declines. It enables contractors to bid for future construction work with the assurance that the requisite cement will be available at a definitely ascertained maximum price.

In view of the option features of the contract referred to, the contractor is involved in no business risk if he enter into several specific job contracts with several manufacturers for the delivery of cement for a single specific job. The manufacturer, however, is under no moral or legal obligation to supply cement except such as is required for the specific job. If, therefore, the contractor takes advantage of his position and of the peculiar form of the specific job contract, as modified by the custom of the trade, to secure deliveries from each of several manufacturers of the full amount of cement required for the particular job, he in effect secures the future delivery of cement not required for the particular job, which he is not entitled to receive, which the manufacturer is under no legal or moral obligation to deliver and which presumably he would not deliver if he had information that it was not to be used in accordance with his contract. The activities of the defendants complained of are directed toward securing this information and communicating it

to members and thus placing them in a position to prevent contractors from securing future deliveries of cement which they are not entitled to receive under their specific job contracts, and which experience shows they endeavor to procure especially in a rising market.

Members are required to make to the secretary of the Association prompt reports of all specific job contracts, describing in detail the contract and giving the name and address of the purchaser; the amount of cement required, the price and delivery point; also the date of expiration of the contract. They are also required to make detailed reports of all changes in the contract, including increases in the amount of cement to be delivered and cancellations. The Association also employs "checkers" whose business it is, by actual inspection and inquiry, to ascertain, so far as possible, the amount of cement required for specific jobs referred to in specific job contracts, and whether cement shipped under specific job contracts is actually used or required for use under such contracts. Without entering into any detailed discussion of this phase of the activity of defendants, we accept fully the Government's contention that the defendants regularly take all practicable steps to ascertain whether cement contracted for under the specific job type of contract was actually being used for the job described in the contract, and that the fullest information with respect to such contracts and the use of cement shipped under said contracts is reported to the members of the Association through the mediation of the secretary.

The Government does not contend that the activities of the Association with respect to specific job contracts diminished the number of such contracts, or that they diminished in any way the obligations of members of the Association upon such contracts. There is, however, abundant evidence to show that there were actual cancellations of deliveries on the ground that contractors were

not entitled, under the terms of their contracts, to receive such deliveries. In 1920, of 1,392 contracts investigated and found to be "padded" to the extent of more than 3,500,000 barrels of cement, 978 were partially cancelled to the extent of 2,014,653 barrels.

The Association freight-rate book.

The custom in the cement trade of selling cement at a delivered price which includes the mill price, the price of bags and freight charges, was an established trade practice before the organization of the defendant association. As required by the by-laws of the defendant association, it has distributed to its members freight-rate books, listing freight rates from established basing points to practically every city and town in the northeast section of the United States. The freight rates contained in the freight-rate book are compiled from the official tariffs and translated from the rate per ton of the official tariffs into the rate per barrel of 380 pounds, the unit for the sale of cement. Similar lists of freight rates embracing substantially the same subject matter were prepared and used by individual manufacturers before the organization of the defendant association. The association freight-rate book took the place of previous separate publications by individual manufacturers, with a consequent saving of money and increase of accuracy and a more thorough and continuous checking of rates. The basing points from which freight rates were calculated were not selected by the Association, but were the same as those appearing in prior books published by individuals before the publication of the Association freight-rate book. The basing points are points of actual shipment from which the larger proportion of the cement in a given locality in which cement is manufactured is actually shipped. The rates published are the actual rates omitting fractions of cents between the basing points and actual points of delivery.

Manufacturers customarily, and for the purpose of the convenient conduct of their business, maintain a uniform base or factory price, so far as the customers of the individual manufacturer are concerned. That is to say, the business is conducted on a "one-price" basis. In order, however, to determine the delivered price, there must be added to the factory price of a given manufacturer, the cost of transportation to the point of delivery. Prompt quotation of a delivered price therefore involves the ability to carry out promptly the mechanical process of adding to the mill price, the cost of transportation to the point of delivery. Lists of freight rates, in convenient and readily available form, are therefore necessary adjuncts to the quotation of delivery prices for cement.

The use of basing points for the purpose of computing freight rates appears not to have been the result of any collective activity on the part of defendants or cement manufacturers generally, nor were they arbitrarily selected. Their use is rather the natural result of the development of the business within certain defined geographical areas. When a manufacturer establishes his factory at a given point of production and sells his product in a territory which is contiguous freightwise to his factory, other mills established in the vicinity and serving the same territory, in order to compete in that territory, must either secure a like freight rate or they must sell at a mill price which will permit them to deliver cement at a price which will enable them to compete with the mill or mills located at the basing point which is the principal point of production in the territory which is contiguous in point of freight rate to the basing point. If such competing mills secure the same freight rate through the adoption of a blanket freight rate by the Interstate Commerce Commission, as was done in the Lehigh Valley, the rate from the basing point would in every case be identical with the freight rate for the competing mills. If there were no

blanket freight rate the competing mills must still use the rate from a given basing point in order to compete with the mills located in the vicinity of that chief point of production. In either case the freight rate from the basing point is an essential element in making a delivered price, since selling by any particular manufacturer at the lowest of the delivered prices computed from several basing points is a necessary procedure in competing in the sale of cement. The freight-rate book, therefore, not only enables the manufacturer to calculate a delivered price on the basis of his own mill price, which he determines, to points in the territory nearest in point of freight rate to his own mill, but it enables him also to determine at once the freight differential which he must offset in his mill price in order to compete with other manufacturers serving any other given territory.

Exchange of information concerning credits.

Members of the Association render monthly reports of all accounts of customers two months or more over due, giving the name and address of the delinquent debtor, the amount of the overdue account in ledger balance, accounts in hands of attorneys for collection, and any explanation, as for example when the account was treated by the debtors as offset of a balance due for bags, or was otherwise disputed. There are also reports showing the general total of delinquent accounts in comparison with those for the last twelve months, and reports of payments of accounts placed in the hands of attorneys. There was a form, seldom used, for answering inquiries as to whether a particular name had appeared in the monthly report, and if so, where. There were never any comments concerning names appearing on the list of delinquent debtors. The Government neither charged nor proved that there was any agreement with respect to the use of this informa-

tion, or with respect to the persons to whom or conditions under which credit should be extended. The evidence falls far short of establishing any understanding on the basis of which credit was to be extended to customers or that any co-operation resulted from the distribution of this information, or that there were any consequences from it other than such as would naturally ensue from the exercise of the individual judgment of manufacturers in determining, on the basis of available information, whether to extend credit or to require cash or security from any given customer.

Statistical information.

The statistical activities of the Association, other than those relating to specific job contracts which have already been referred to, dealt with information as to existing supplies of cement and the so-called bag report, which gave information concerning returned bags which are the usual containers in which cement is shipped and delivered.

Each member of the Association, in addition to the reports on specific job contracts already referred to, sends to the Association a monthly statement of its production of clinker and ground cement, shipments and stock on hand for the past month and for the corresponding periods of the previous year. These were compiled and distributed to members without any change or comment. In addition, semi-monthly statements of shipments were also received and likewise distributed. Each member of the Association was thus given full information as to the available supply of cement and by whom it was held.

By universal practice, the price of bags in which cement is shipped is included and becomes a part of the mill base price. This is usually at the rate of ten cents per bag. The bag reports were made quarterly and contained two items; the total number of bags returned by each member

during the preceding quarter and the percentage thereof found unfit for use. The reports show that the loss varied from about ¾ of 1% by one manufacturer to about 4½% by another, and the diversity continued throughout the period covered by the reports. In 1918 a questionnaire was sent out enquiring as to the practice of each company, to determine whether better results were obtained by cleaning before or after counting, showing that some counted before cleaning and some after cleaning, and some both before and after. No information was reported concerning the charge and allowance or deposit for bags returned, or concerning the number received from any particular customer, or the portion found unfit for use.

Meetings.

The constitution and by-laws of the Association provided for monthly meetings. A full and accurate stenographic report of all discussions at meetings was kept and made available to the Government and, as is stated in the Government's brief, "the Association's counsel was present at every meeting to steer the discussions away from illegal subjects and to have them confine the matters strictly within the purview of the by-laws and the constitution of the Association." During the only period of rising markets since the relinquishment of war control, the spring and summer of 1920, no meetings were held during July and August. The later minutes contained complaints at smallness of attendance, and the number of companies represented at meetings varied from eleven to seventeen, with an average attendance of about two-thirds of the total membership of nineteen corporations. There was no discussion at these meetings of current prices; no comment on conditions or as to prospect of market, production or prices. Excerpts from the minutes are set out by the Government's brief at great length in-

dicating that from time to time individual representatives of the companies expressed themselves on subjects of minor importance; such as return of bags and bag reports, discounts, the use of trade acceptances where customers desired more than the customary thirty days' discount. But with reference to these suggestions and discussions, either no action was taken, or action was taken adverse to the suggestions made. There is no evidence that any agreement was reached affecting any of the matters discussed; nor does the Government point specifically to any uniformity of trade practice or custom followed, which is urged as even inferentially the result of activities at meetings.

Legal consequence of defendants' activities.

From these various activities of the defendants, the Government deduces a purpose to control the price of cement, which it is charged was to be accomplished by the control of the supply of cement on the market and by intimate association of the defendants in the exchange of information and a ready means of quoting a delivered price at any point. Cement was to be kept from the market by the use of the specific job contract accompanied by the systematic gathering and reporting of information with reference to the specific jobs and the amount of cement required for their completion. The two essential elements in the conspiracy to restrain commerce charged therefore are (a) the gathering and reporting of information which would enable individual members of the Association to avoid making deliveries of cement on specific job contracts which by the terms of the contracts they are not bound to deliver, and (b) the gathering of information as to production, price of cement sold on specific job contracts and transportation costs, not differing essentially from similar information disseminated by the Maple Flooring Association which is the subject of

the opinion in *Maple Flooring Association* v. *United States*, decided today, *ante* p. 563.

That a combination existed for the purpose of gathering and distributing these two classes of information is not denied. That a consequence of the gathering and dissemination of information with respect to the specific job contracts was to afford to manufacturers of cement, opportunity and grounds for refusing deliveries of cement which the contractors were not entitled to call for,—an opportunity of which manufacturers were prompt to avail themselves—is also not open to dispute. We do not see, however, in the activity of the defendants with respect to specific job contracts any basis for the contention that they constitute an unlawful restraint of commerce. The Government does not rely on any agreement or understanding among members of the Association that members would either make use of the specific job contract, or that they would refuse to deliver "excess" cement under specific job contracts. Members were left free to use this type of contract and to make such deliveries or not as they chose, and the evidence already referred to shows that in 1920 padded specific job contracts were cut down something less than two-thirds of the total amount of the padding, as a result of the system of gathering and reporting this information. It may be assumed, however, if manufacturers take the precaution to draw their sales contracts in such form that they are not to be required to deliver cement not needed for the specific jobs described in these contracts, that they would, to a considerable extent, decline to make deliveries, upon receiving information showing that the deliveries claimed were not called for by the contracts. Unless the provisions in the contract are waived by the manufacturer, demand for and receipt of such deliveries by the contractor would be a fraud on the manufacturer; and, in our view, the gathering and dissemination of information which will enable

sellers to prevent the perpetration of fraud upon them, which information they are free to act upon or not as they choose, cannot be held to be an unlawful restraint upon commerce, even though in the ordinary course of business most sellers would act on the information and refuse to make deliveries for which they were not legally bound.

In *Swift & Co.* v. *United States*, 196 U. S. 375, 395, this Court approved a decree which provided that defendants should not be restrained "from establishing and maintaining rules for the giving of credit to dealers where such rules in good faith are calculated solely to protect the defendants against dishonest or irresponsible dealers." Distribution of information as to credit and responsibility of buyers undoubtedly prevents fraud and cuts down to some degree commercial transactions which would otherwise be induced by fraud. But for reasons stated more at length in our opinion in *Maple Flooring Association* v. *United States*, *supra*, we cannot regard the procuring and dissemination of information which tends to prevent the procuring of fraudulent contracts or to prevent the fraudulent securing of deliveries of merchandise on the pretense that the seller is bound to deliver it by his contract, as an unlawful restraint of trade even though such information be gathered and disseminated by those who are engaged in the trade or business principally concerned.

Nor, for the reasons stated, can we regard the gathering and reporting of information, through the co-operation of the defendants in this case, with reference to production, price of cement in actual closed specific job contracts and of transportation costs from chief points of production in the cement trade, as an unlawful restraint of commerce; even though it be assumed that the result of the gathering and reporting of such information tends to bring about uniformity in price.

Agreements or understanding among competitors for the maintenance of uniform prices are of course unlawful

and may be enjoined, but the Government does not rely on any agreement or understanding for price maintenance. It relies rather upon the necessary leveling effect upon prices of knowledge disseminated among sellers as to some of the important factors which enter into price. It is conceded that there is a substantial uniformity of price of cement. Variations of price by one manufacturer are usually promptly followed by like variation throughout the trade. As already indicated, the larger proportion of the product of the defendants is distributed through dealers, and prices to dealers are not reported to or through the Association. It is contended by the Government that the report of prices on specific job contracts in effect informs the members of the Association of prices to dealers, since the differential allowed to dealers is well known in the trade. However this may be, the fact is that any change in quotation of price to dealers, promptly becomes well-known in the trade through reports of salesmen, agents and dealers of various manufacturers. It appears to be undisputed that there were frequent changes in price, and uniformity has resulted not from maintaining the price at fixed levels, but from the prompt meeting of changes in prices by competing sellers.

It is urged by the defendants that such uniformity of price as existed in the trade was due to competition. They offered much evidence tending to show complete independence of judgment and of action of defendants, by large expenditures in competitive sales efforts and by variations in the volume of their production and shipment, earnings and profits. A great volume of testimony was also given by distinguished economists in support of the thesis that, in the case of a standardized product sold wholesale to fully informed professional buyers, as were the dealers in cement, uniformity of price will inevitably result from active, free and unrestrained competition; and the Government in its brief concedes that "undoubtedly

the price of cement would approach uniformity in a normal market in the absence of all combinations between the manufacturers."

We realize also that uniformity of price may be the result of agreement or understanding, and that an artificial price level not related to the supply and demand of a given commodity may be evidence from which such agreement or understanding, or some concerted action of sellers operating to restrain commerce, may be inferred. But here the Government does not rely upon agreement or understanding, and this record wholly fails to establish, either directly or by inference, any concerted action other than that involved in the gathering and dissemination of pertinent information with respect to the sale and distribution of cement to which we have referred; and it fails to show any effect on price and production except such as would naturally flow from the dissemination of that information in the trade and its natural influence on individual action.

For reasons stated in *Maple Flooring Association* v. *United States, supra,* such activities are not in themselves unlawful restraints upon commerce and are not prohibited by the Sherman Act.

The judgment of the District Court is reversed.

The CHIEF JUSTICE and MR. JUSTICE SANFORD, and MR. JUSTICE MCREYNOLDS in a separate opinion, dissented from the opinions of the majority in this case and the case next preceding. See *ante,* pp. 586, 587.